



Summary notes

Following a significant decline, in 2022 Q3, house prices rose by only 1 per cent in Budapest and by 4 per cent in cities outside the capital

- House prices in Budapest rose by only 1.0 per cent in 2022 Q3 after a price growth of 7.2 per cent in 2022 Q2. In the capital, house price dynamics slowed from 21.4 per cent in 2022 Q2 to 19.7 per cent in 2022 Q3 in nominal terms.
- In cities outside Budapest house prices rose by 3.7 per cent in 2022 Q3. By contrast, annual growth rate declined from 31.2 per cent to 28.0 per cent.
- In municipalities, house prices increased by 4.4 per cent quarter on quarter with annual price growth falling from 22.8 per cent in the previous period to 16.8 per cent.
- Hungarian house prices increased by 3.3 per cent on average in 2022 Q3, and in real terms, a decrease of 3.1 per cent was observed. Annual growth of house prices in nominal terms was 23.2 per cent and the rise in real terms amounted to 5.8 per cent year on year.



Key indicators

| | Whole country | Budapest | Cities | Municipalities |
|--|------------------------|------------------------|------------------------|------------------------|
| 2022 Q2 | | | | |
| Annual growth (quarterly growth) | 26.9% (8.2%) | 21.4% (7.2%) | 31.2% (9.5%) | 22.8% (6.9%) |
| | | | | |
| 2022 Q3 | | | | |
| Annual growth (quarterly growth) | 23.2% (3.3%) | 19.7% (1.0%) | 28.0% (3.7%) | 16.8% (4.4%) |

Chart 1 Annual and quarterly growth rate of the MNB House Price Index

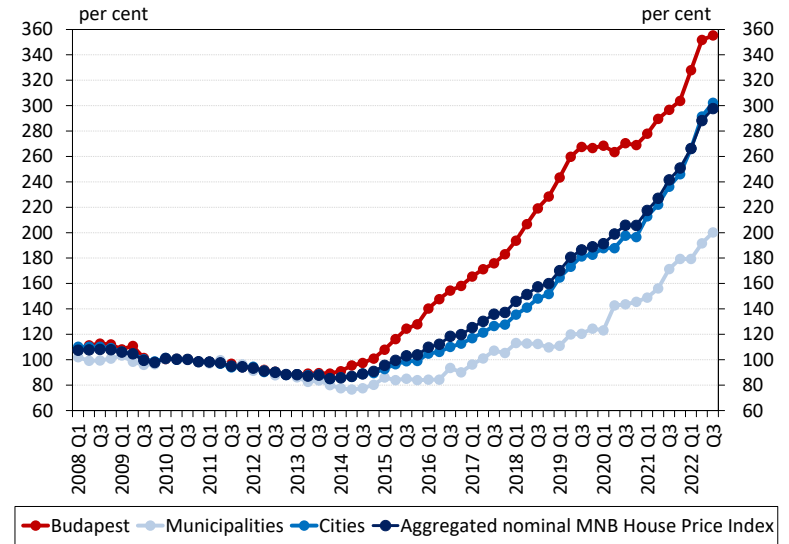


Chart 2 Nominal MNB house price index by type of settlement (2010 average = 100%)

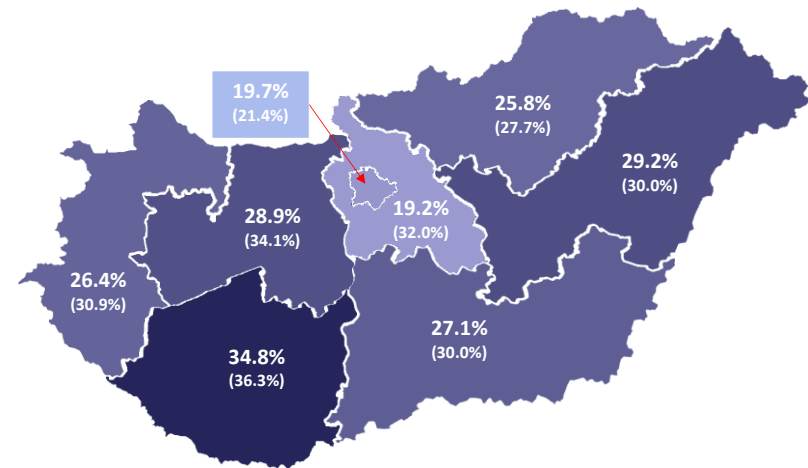


Chart 3 Changes in house prices in cities between 2021 Q3 and 2022 Q3 (growth between 2021 Q2 and 2022 Q2)

Table 1 Quarterly and annual change in the nominal MNB House Price Index

| | Aggregated nominal MNB House Price Index | | | | | | | | | | |
|---|--|--------|-------------------------------|--------------------------------|-------------------------------|---------------------------|-------------------------------|---------------|-------------------------------|----------------|-------|
| | Budapest | Cities | Cities - Southern Great Plain | Cities - Southern Transdanubia | Cities - Northern Great Plain | Cities - Northern Hungary | Cities - Central Transdanubia | Cities - Pest | Cities - Western Transdanubia | Municipalities | |
| <i>Previous quarter = 100 %</i> | | | | | | | | | | | |
| 2021 Q4 | 103.8 | 102.4 | 104.1 | 102.3 | 104.3 | 104.1 | 104.8 | 104.4 | 105.9 | 104.3 | 104.7 |
| 2022 Q1 | 106.1 | 108.0 | 108.2 | 108.2 | 110.0 | 107.6 | 107.8 | 112.3 | 100.1 | 109.1 | 99.9 |
| 2022 Q2 | 108.2 | 107.2 | 109.5 | 110.5 | 111.5 | 108.6 | 109.5 | 107.6 | 114.4 | 107.9 | 106.9 |
| 2022 Q3 | 103.3 | 101.0 | 103.7 | 103.9 | 105.4 | 106.2 | 101.8 | 102.2 | 98.3 | 102.8 | 104.4 |
| <i>Same period of the previous year = 100 %</i> | | | | | | | | | | | |
| 2021 Q4 | 121.9 | 112.9 | 125.2 | 122.8 | 121.5 | 124.9 | 125.7 | 124.5 | 138.2 | 121.3 | 123.2 |
| 2022 Q1 | 122.5 | 118.0 | 125.1 | 123.9 | 127.3 | 125.6 | 122.3 | 129.4 | 120.8 | 123.7 | 120.4 |
| 2022 Q2 | 126.9 | 121.4 | 131.2 | 130.0 | 136.3 | 130.0 | 127.7 | 134.1 | 132.0 | 130.9 | 122.8 |
| 2022 Q3 | 123.2 | 119.7 | 128.0 | 127.1 | 134.8 | 129.2 | 125.8 | 128.9 | 119.2 | 126.4 | 116.8 |

Table 2 Quarterly and annual change in the real MNB House Price Index

| | Aggregated real MNB House Price Index | | | | | | | | | | |
|---|---------------------------------------|--------|-------------------------------|--------------------------------|-------------------------------|---------------------------|-------------------------------|---------------|-------------------------------|----------------|-------|
| | Budapest | Cities | Cities - Southern Great Plain | Cities - Southern Transdanubia | Cities - Northern Great Plain | Cities - Northern Hungary | Cities - Central Transdanubia | Cities - Pest | Cities - Western Transdanubia | Municipalities | |
| <i>Previous quarter = 100 %</i> | | | | | | | | | | | |
| 2021 Q4 | 102.0 | 100.5 | 102.2 | 100.5 | 102.4 | 102.2 | 102.9 | 102.5 | 103.9 | 102.4 | 102.8 |
| 2022 Q1 | 103.2 | 105.0 | 105.2 | 105.2 | 107.0 | 104.6 | 104.8 | 109.2 | 97.3 | 106.1 | 97.2 |
| 2022 Q2 | 103.8 | 102.8 | 105.0 | 106.0 | 106.9 | 104.1 | 105.0 | 103.2 | 109.7 | 103.5 | 102.5 |
| 2022 Q3 | 96.9 | 94.8 | 97.3 | 97.5 | 98.8 | 99.6 | 95.5 | 95.9 | 92.2 | 96.5 | 98.0 |
| <i>Same period of the previous year = 100 %</i> | | | | | | | | | | | |
| 2021 Q4 | 113.9 | 105.5 | 116.9 | 114.7 | 113.5 | 116.6 | 117.3 | 116.2 | 129.1 | 113.3 | 115.1 |
| 2022 Q1 | 113.1 | 109.0 | 115.5 | 114.4 | 117.7 | 116.1 | 113.0 | 119.5 | 111.6 | 114.3 | 111.2 |
| 2022 Q2 | 114.7 | 109.8 | 118.6 | 117.5 | 123.3 | 117.5 | 115.5 | 121.2 | 119.4 | 118.3 | 111.0 |
| 2022 Q3 | 105.8 | 102.8 | 109.9 | 109.1 | 115.7 | 110.9 | 108.0 | 110.7 | 102.3 | 108.5 | 100.3 |

Note:

As the compilation methods applied are not fully identical, there may be a difference in the national House Price Index published by the HCSO and the MNB.

For a methodological description see: <https://www.mnb.hu/letoltes/mnb-op-127-vegleges.pdf>

The tables can be accessed at the following link: <https://www.mnb.hu/letoltes/mnb-lakasarindex-en.xlsx>

Detailed description of underlying developments

According to the latest MNB house price index, housing price growth slowed significantly both in Budapest and in the countryside: house prices in the capital rose by only 1 per cent in 2022 Q3, while a 7.2 per cent increase was observed in the previous quarter. In the capital, nominal housing price growth declined to 19.7 per cent in annual terms. In the rural towns, after 9.5 per cent in the previous quarter, we could measure a price increase of 3.7 per cent in 2022 Q3; and in an annual comparison the rate of price increase slowed from 31.2 per cent to 28 per cent. In municipalities, house prices increased by 4.4 per cent in 2022 Q3, and the annual nominal price growth decreased from 22.8 per cent in the previous period to 16.8 per cent.

In 2022 Q3, house prices in cities in all regions rose significantly year on year, while the annual and quarterly pace of house price growth also declined significantly compared to the previous period. In Central and Western Transdanubia house prices rose by 28.9 per cent and 26.4 per cent, respectively, in nominal terms with the largest price increase of 34.8 per cent occurring in Southern Transdanubia. In the Northern Great Plain, the Southern Great Plain and in Northern Hungary prices rose by 29.2 per cent, 27.1 per cent and 25.8 per cent, respectively. As the majority of transaction data have not been processed, in Central Hungary, housing prices were characterized by a more moderate, but still high, 19.2 per cent increase.

The aggregate MNB house price index, which shows average house price changes in Hungary, rose by 3.3 per cent in 2022 Q3, indicating a slowdown from 8.2 per cent in the previous quarter, while in real terms house prices declined by 3.1 per cent. The annual nominal growth rate of house prices slowed from 26.9 per cent in the previous quarter to 23.2 per cent in 2022 Q3. The annual growth rate of Hungarian residential prices slowed significantly from 14.7 per cent in the previous quarter to 5.8 per cent in real terms.