



## Summary notes

### Following a decline, house prices rose again in 2023 Q1

- House prices in Budapest rose by 1.6 per cent in 2023 Q1 after a decline of 0.8 per cent in 2022 Q4. As a result, in the capital, house price dynamics slowed from 16.0 per cent in 2022 Q4 to 10.1 per cent in 2023 Q1 in nominal terms.
- In cities outside Budapest house prices rose by 4.0 per cent in 2023 Q1. However, annual growth rate declined from 14.7 per cent to 9.0 per cent.
- In municipalities, prices fell by 3.4 per cent in 2023 Q1, similarly to the decline of 3.8 per cent fall in the previous quarter. The rise of 3.4 per cent in house prices seen in 2022 Q4, turned into a decline of 5.6 per cent year on year in 2023 Q1.
- Hungarian residential property prices rose by 1.2 per cent in 2023 Q1, while annual price growth slowed by 6.9 percentage points to 4.7 per cent in one quarter.



## Key indicators

	Whole country	Budapest	Cities	Municipalities
<b>2022 Q4</b> <b>Annual growth</b> (quarterly growth)	11.7% (-2.5%)	16.0% (-0.8%)	14.7% (-2.5%)	3.4% (-3.8%)
<b>2023 Q1</b> <b>Annual growth</b> (quarterly growth)	4.7% (1.2%)	10.1% (1.6%)	9.0% (4.0%)	-5.6% (-3.4%)

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

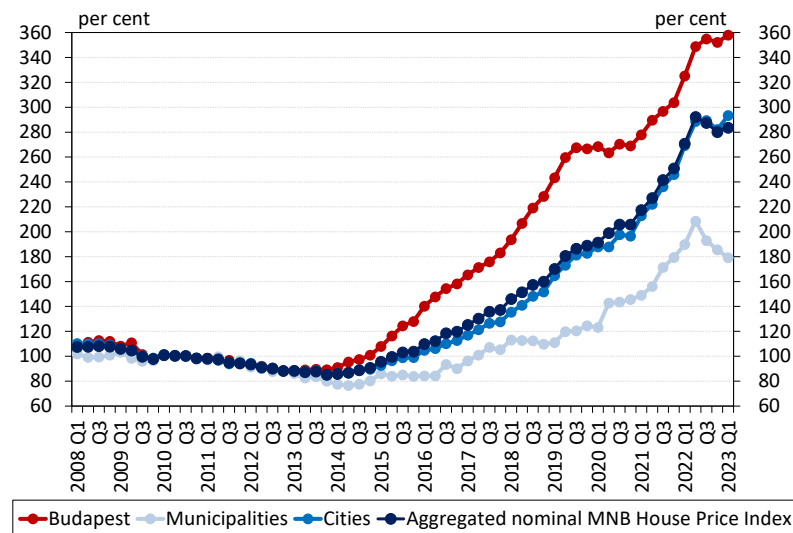


Chart 2 Nominal MNB house price index by type of settlement (2010 average = 100%)

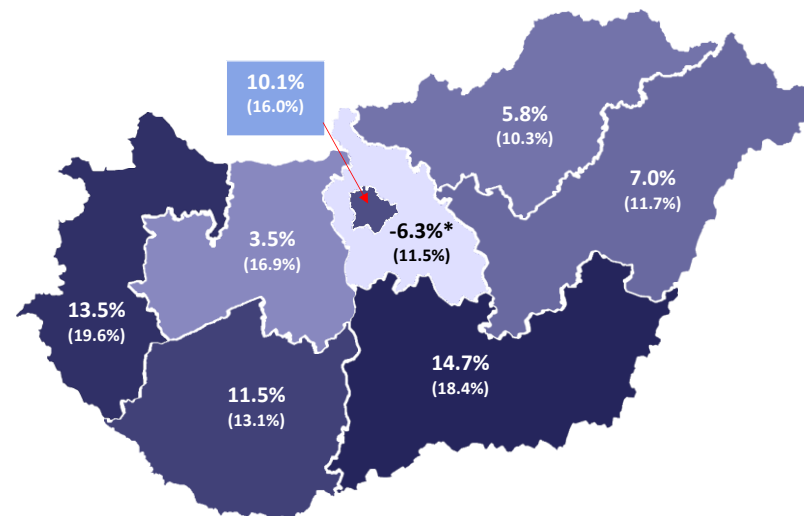


Chart 3 Changes in house prices in cities between 2022 Q1 and 2023 Q1 (growth between 2021 Q4 and 2022 Q4)

\* The data of the cities in Pest region are currently poorly processed.

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
Previous quarter = 100 %											
2022 Q2	107.9	107.2	107.2	109.2	108.7	104.2	108.1	105.6	108.9	107.1	109.9
2022 Q3	98.4	101.8	100.3	100.4	99.0	102.0	96.4	101.1	102.2	100.9	92.5
2022 Q4	97.5	99.2	97.5	99.8	96.0	95.7	97.9	95.2	95.9	100.7	96.2
2023 Q1	101.2	101.6	104.0	104.9	107.9	105.1	103.7	102.0	87.8	104.3	96.6
Same period of the previous year = 100 %											
2022 Q2	128.7	120.4	129.9	128.6	132.3	127.3	126.6	134.9	131.2	130.8	133.6
2022 Q3	119.0	119.6	122.5	121.5	122.9	121.5	118.2	128.3	123.1	123.9	112.6
2022 Q4	111.7	116.0	114.7	118.4	113.1	111.7	110.3	116.9	111.5	119.6	103.4
2023 Q1	104.7	110.1	109.0	114.7	111.5	107.0	105.8	103.5	93.7	113.5	94.4

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
Previous quarter = 100 %											
2022 Q2	103.5	102.8	102.8	104.7	104.2	99.9	103.6	101.2	104.4	102.7	105.4
2022 Q3	92.3	95.5	94.1	94.2	92.9	95.7	90.5	94.8	95.9	94.7	86.8
2022 Q4	90.8	92.4	90.8	92.9	89.4	89.2	91.2	88.7	89.4	93.8	89.6
2023 Q1	96.3	96.7	98.9	99.8	102.7	100.0	98.7	97.0	83.5	99.2	91.9
Same period of the previous year = 100 %											
2022 Q2	116.3	108.9	117.4	116.3	119.6	115.0	114.4	122.0	118.6	118.3	120.8
2022 Q3	102.1	102.7	105.2	104.3	105.5	104.3	101.4	110.1	105.6	106.4	96.7
2022 Q4	91.0	94.5	93.5	96.5	92.2	91.0	89.9	95.3	90.8	97.4	84.2
2023 Q1	83.5	87.8	86.9	91.5	88.9	85.3	84.4	82.6	74.7	90.5	75.3

## 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://statisztika.mnb.hu/statistical-topics/prices-exchange-rates/house-prices/statistical-release---mnb-house-price-index>

## Detailed description of underlying developments

According to the latest MNB house price index, prices rose more moderately in Budapest and more strongly in rural cities in 2023 Q1. In Budapest, residential property prices rose by 1.6 per cent in 2023 Q1, while a 0.8 per cent fall was seen in the previous quarter. As a result, in the capital, nominal housing price growth slowed to 10.1 per cent in annual terms. In rural cities, following a decline of 2.5 per cent in the previous quarter, house prices were up by 4.0 per cent in 2023 Q1; however, annual house price growth slowed from 14.7 per cent to 9.0 per cent. House prices continued to decline by 3.4 per cent in municipalities, a trend observed since 2022 Q3; therefore, the annual nominal growth rate amounted to -5.6 per cent.

In 2023 Q1, house prices rose in towns in every region. The most significant increase of 7.9 per cent in house prices was seen in the cities in Southern Transdanubia in 2023 Q1. Real estate prices rose in cities in the Northern Great Plains, Southern Transdanubia and Western Transdanubia by 5.1 per cent, 4.9 per cent and 4.3 per cent, respectively, in nominal terms. House prices in the cities of Pest fell, as the majority of transaction data have not been processed, but this may change significantly as more data become available. On an annual basis, the strongest house price growth of 14.7 per cent was observed in the cities of the Southern Great Plain, while at 3.5 per cent, the growth was the weakest in the cities of Central Transdanubia.

The aggregated Hungarian Price Index, presenting the national developments in house prices increased by 1.2 per cent in 2023 Q1 compared to the decrease of 2.5 per cent in 2022 Q4. The annual nominal growth rate of house prices slowed from 11.7 per cent in the previous quarter to 4.7 per cent in 2023 Q1. In real terms, annual house prices fell by 16.5 per cent.