



Summary notes

In 2023 Q2, house prices fell slightly across Hungary on an annual basis

- House prices rose by 1.1 per cent in Budapest in 2023 Q2 from the last quarter; as a result, nominal housing price growth slowed from 11.3 per cent to 4.9 per cent.
- In cities outside Budapest house prices fell by 1.0 per cent compared to the last quarter. As a result, annual growth rate declined from 9.5 per cent to 1.1 per cent in 2023 Q2.
- In the villages, a rise of 2.5 per cent was seen quarter on quarter in 2023 Q2, bringing house price increases of three quarters to an end. However, house prices fell significantly by 8.1 per cent year on year.
- Hungarian residential property prices rose by 0.5 per cent in 2023 Q2 compared to the previous quarter, while by -0.8 per cent, annual price growth declined into negative territory for the first time in nine years.

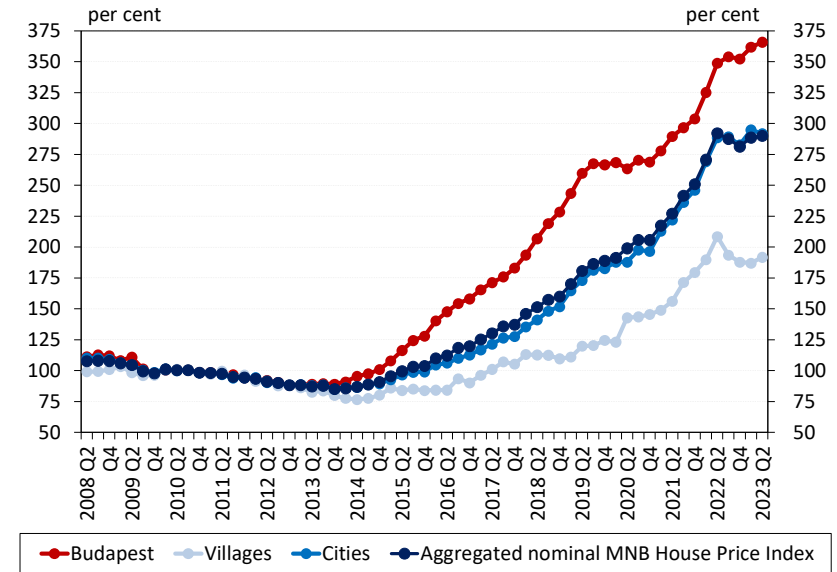


Chart 2 Nominal MNB house price index by type of settlement (2010 average = 100%)



Key indicators

	Whole country	Budapest	Cities	Villages
2023 Q1 Annual growth (quarterly growth)	6.6% (2.6%)	11.3% (2.7%)	9.5% (4.3%)	-1.4% (-0.4%)
2023 Q2 Annual growth (quarterly growth)	-0.8 % (0.5%)	4.9% (1.1%)	1.1% (-1.0%)	-8.1% (2.5%)

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

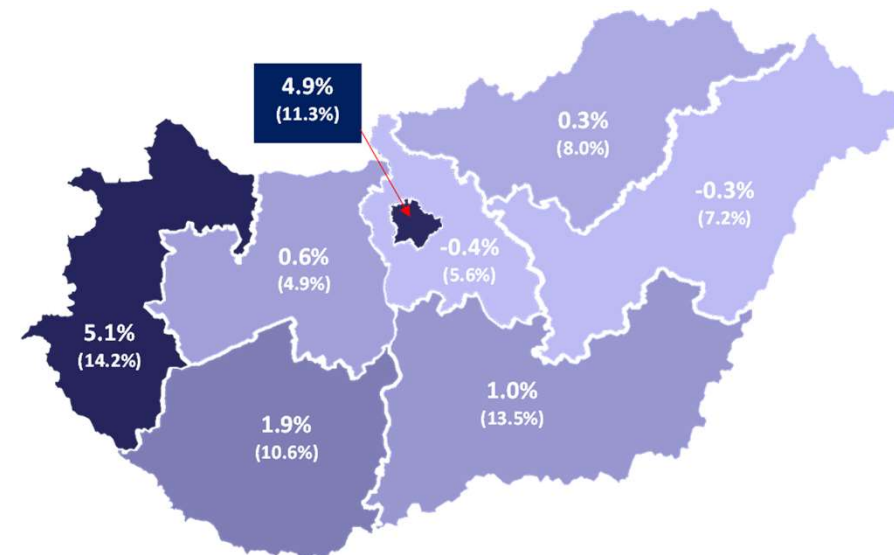


Chart 3 Changes in house prices in cities between 2022 Q2 and 2023 Q2 (growth between 2022 Q1 and 2023 Q1)

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

	Aggregated nominal MNB House Price Index										Villages
	Budapest	Cities	Cities - Southern Great Plain	Cities - Southern Transdanubia	Cities - Northern Great Plain	Cities - Northern Hungary	Cities - Central Transdanubia	Cities - Pest	Cities - Western Transdanubia		
<i>Previous quarter = 100 %</i>											
2022 Q3	98.4	101.5	100.3	100.1	98.2	101.8	96.3	101.4	103.0	101.1	92.8
2022 Q4	97.9	99.5	97.7	98.8	97.9	96.0	98.0	94.9	98.6	101.0	97.0
2023 Q1	102.6	102.7	104.3	105.1	105.9	105.3	105.7	103.3	95.5	104.5	99.6
2023 Q2	100.5	101.1	99.0	97.1	100.1	96.9	100.5	101.3	102.7	98.5	102.5
<i>Same period of the previous year = 100 %</i>											
2022 Q3	119.0	119.3	122.5	121.2	121.9	121.2	118.0	128.7	124.0	124.2	112.9
2022 Q4	112.2	116.0	114.9	117.0	114.4	111.7	110.4	117.0	115.5	120.2	104.7
2023 Q1	106.6	111.3	109.5	113.5	110.6	107.2	108.0	104.9	105.6	114.2	98.6
2023 Q2	99.2	104.9	101.1	101.0	101.9	99.7	100.3	100.6	99.6	105.1	91.9

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

	Aggregated real MNB House Price Index										Villages
	Budapest	Cities	Cities - Southern Great Plain	Cities - Southern Transdanubia	Cities - Northern Great Plain	Cities - Northern Hungary	Cities - Central Transdanubia	Cities - Pest	Cities - Western Transdanubia		
<i>Previous quarter = 100 %</i>											
2022 Q3	92.3	95.2	94.1	93.9	92.2	95.5	90.4	95.1	96.6	94.9	87.0
2022 Q4	91.2	92.7	91.0	92.1	91.2	89.4	91.3	88.4	91.9	94.1	90.4
2023 Q1	97.6	97.7	99.2	100.0	100.7	100.2	100.6	98.3	90.9	99.4	94.8
2023 Q2	99.1	99.8	97.7	95.9	98.8	95.6	99.1	99.9	101.3	97.2	101.2
<i>Same period of the previous year = 100 %</i>											
2022 Q3	102.2	102.4	105.2	104.0	104.7	104.1	101.3	110.5	106.5	106.6	97.0
2022 Q4	91.4	94.5	93.6	95.3	93.2	91.0	90.0	95.3	94.1	97.9	85.3
2023 Q1	85.0	88.7	87.3	90.5	88.2	85.5	86.1	83.7	84.2	91.1	78.6
2023 Q2	81.5	86.1	83.0	82.9	83.6	81.8	82.3	82.6	81.8	86.3	75.4

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 housing price index, annual growth rate of Hungarian residential prices slowed significantly in the capital and in rural cities with house prices falling significantly in the villages. House prices in the capital grew at a declining quarterly rate by 1.1 per cent in 2023 Q2 after a price growth of 2.7 per cent in 2023 Q1. As a result, in the capital, nominal housing price growth slowed to 4.9 per cent in annual terms. In rural cities, following a rise of 4.3 per cent in the previous quarter, house prices were down by 1.0 per cent in 2023 Q2; as a result, annual house price growth slowed from 9.5 per cent to 1.1 per cent. In the villages, the decline in house prices seen for three quarters stopped and prices rose by 2.5 per cent quarter on quarter; however, there was a significant decline of 8.1 per cent on an annual basis.

In the majority of regions, annual price growth slowed to near stagnation in the cities, while mixed trends were seen on a quarterly basis. Annual house prices fell slightly by 0.3 per cent and 0.4 per cent in the cities of the Northern Great Plain and the Pest region, respectively. However, in most regions, prices rose slightly by between 0.3 per cent and 1.9 per cent in the period under review, with only the cities in Western Transdanubia showing higher annual increases of 5.1 per cent. In 2023 Q1, house prices still rose at a rate of between 3 per cent and 6 per cent everywhere except in the Pest region on a quarterly basis, whereas in 2023 Q2 prices fell by 3.1 per cent in the Northern Great Plain, 2.9 per cent in the Southern Great Plain and 1.5 per cent in Western Transdanubia, and house prices continued to rise in the other regions.

The aggregated MNB Nominal Price Index, presenting the national developments in house prices rose by 0.5 per cent in 2023 Q2 compared to the dynamics of 2.6 per cent in 2023 Q1. The annual nominal growth rate of house prices fell to a negative territory, from 6.6 per cent in the previous quarter to -0.8 per cent in 2023 Q2, for the first time in nine years. In real terms, annual house prices fell by 18.5 per cent.