



21st June 2024
HOUSE PRICE INDEX
1st quarter of 2024

HOUSE PRICES INCREASED 7.0% AND THE NUMBER OF TRANSACTIONS DIMINISHED BY 4.1%

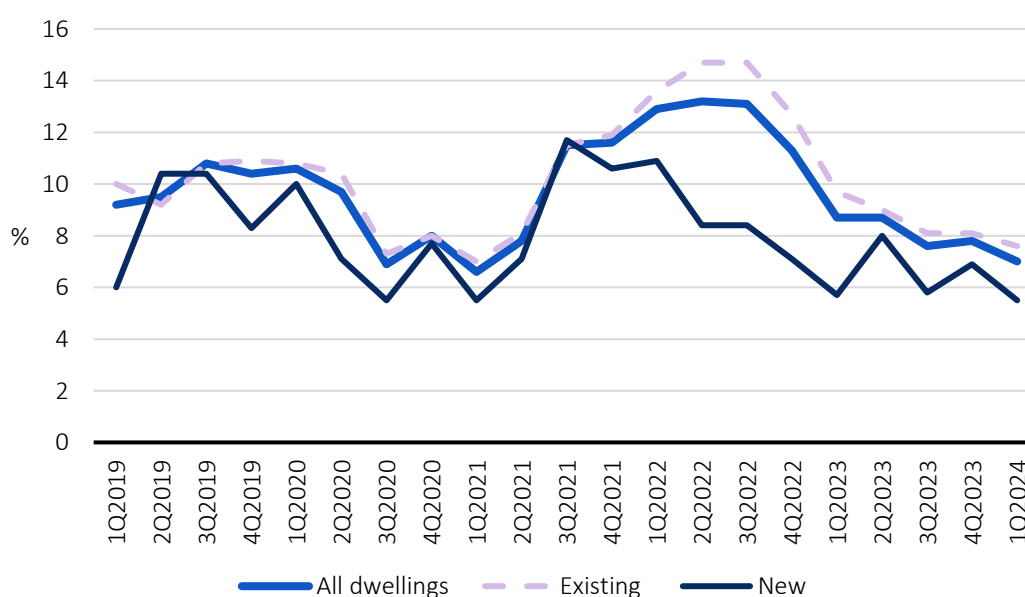
In the 1st quarter of 2024, the House Price Index (HPI) rose by 7.0% year-on-year, 0.8 percentage points (pp) lower than in the previous quarter. During this period, the prices of existing dwellings increased at a faster pace than new dwellings, 7.6% and 5.5% respectively.

Compared to the previous quarter, the HPI increased by 0.6% (1.3% in the previous quarter). By category, prices of existing dwellings grew 1.1%, while new dwellings registered a rate of change of -0.8%.

Between January and March 2024, 33,077 dwellings were sold, which represents reductions of 4.1% compared to one year before and 3.1% compared to the previous quarter. The value of housing transactions in the 1st quarter of 2024 totalled 6.7 billion euros, 1.8% less than in the same period in 2023.

In the reference quarter, 28,283 units were purchased by buyers belonging to the institutional sector of Households (85.5% of the total), totalling 5.7 billion euros (84.2% of the total). In the first three months of 2024, buyers with a tax residence outside the *National Territory* represented 6.2% of the total number of transactions (2,067 dwellings), corresponding to 10.4 % of the total value transacted.

Figure 1. House Price Index, Annual rate of change, 1Q2019-1Q2024



Source: INE, House Price Index.

HOUSE PRICE INDEX – 1st quarter of 2024



1. House Price Index (100 = 2015)

In the 1st quarter of 2024, the HPI year-on-year rate of change was 7.0%, down by 0.8 pp from the previous quarter, corresponding to the lowest price increase since the 1st quarter of 2021. In the first three months of 2024, existing dwellings prices rose by 7.6 %, 1.9 pp more than new dwellings (5.5 %).

The HPI grew by 0.6% between the 4th quarter of 2023 and the 1st quarter of 2024 (1.3 % in the previous quarter and 1.3% in the same quarter of the previous year). By category, the prices of existing dwellings rose by 1.1%, down by 0.2 pp compared to the previous quarter. For new dwellings, the rate of change stood at -0.8%, the first price decrease since the 3rd quarter of 2020 (increase of 1.5% in the 4th quarter of 2023).

The rolling 4-quarter rate of change of the HPI was 7.8% in the 1st quarter of 2024, a slowdown of 0.4 pp compared to the previous quarter. In this period, the increase in existing dwellings prices (8.2%) exceeded that of new dwellings (6.6%).

2. Number and value of House Transactions

In the 1st quarter of 2024, 33,077 dwellings were transacted, 4.1% less than in the same period of 2023. Of the total number of transactions, 6,665 were for new dwellings, down 4.4% on the 1st quarter of 2023. Sales of existing dwellings totalled 26,412 units, 4.0% less than in the same period of 2023.

The number of transactions diminished 3.1% between the 4th quarter of 2023 and the 1st quarter of 2024 (-0.4% in the previous quarter). In the reference period, existing dwellings transactions decreased by 3.7% (increase of 2.9% in the 4th quarter of 2023). In new housing, there was a 0.7% reduction in the number of transactions (-11.8% in the 4th quarter of 2023).

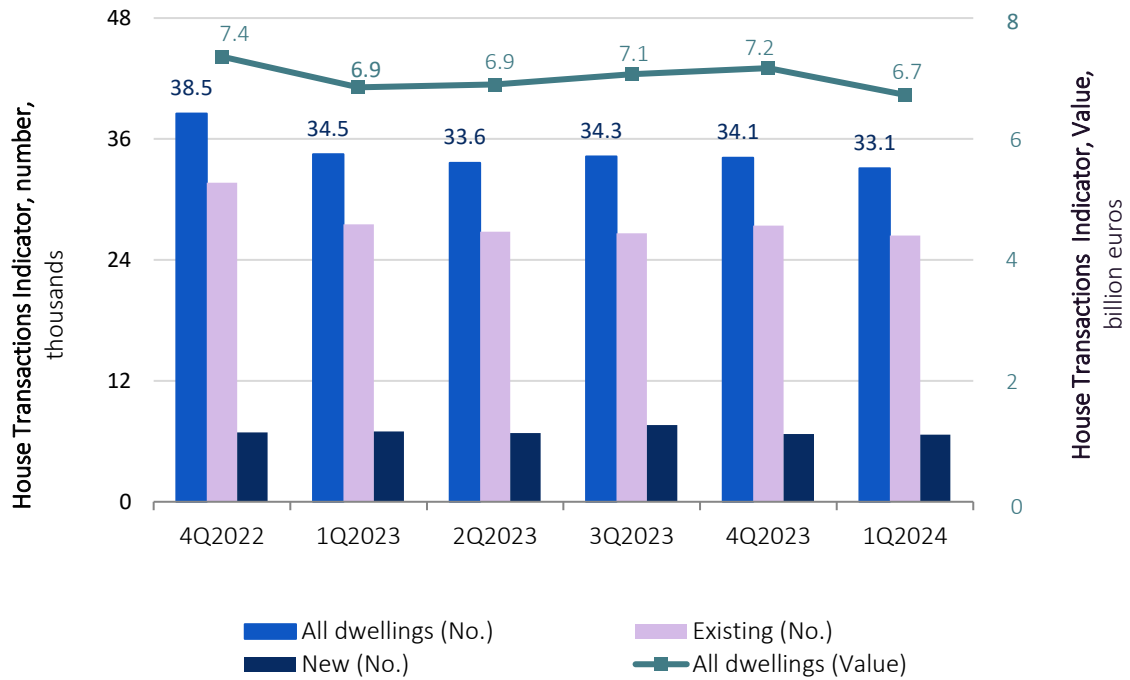
The value of transacted dwellings slightly exceeded 6.7 billion euros in the 1st quarter of 2024, down 1.8% compared to the same period in 2023. In the reference quarter, there was a year-on-year change of -2.1% in the value of existing dwellings transactions, to 4.9 billion euros, and a reduction of 1.1% in the value of new dwellings, totalling 1.8 billion euros.

Compared to the previous quarter, the value of dwellings transactions in the 1st quarter of 2024 decreased by 6.2%. By category, the decrease in the value of existing dwellings transactions (-6.4%) exceeded that observed in new dwellings (-5.7%).

The following figure depicts the evolution of the number and value of sales of dwellings in the last six quarters.



Figure 2. House Transactions Indicator, number and value, All-dwellings, Existing and New Dwellings, 4Q2022 – 1Q2024

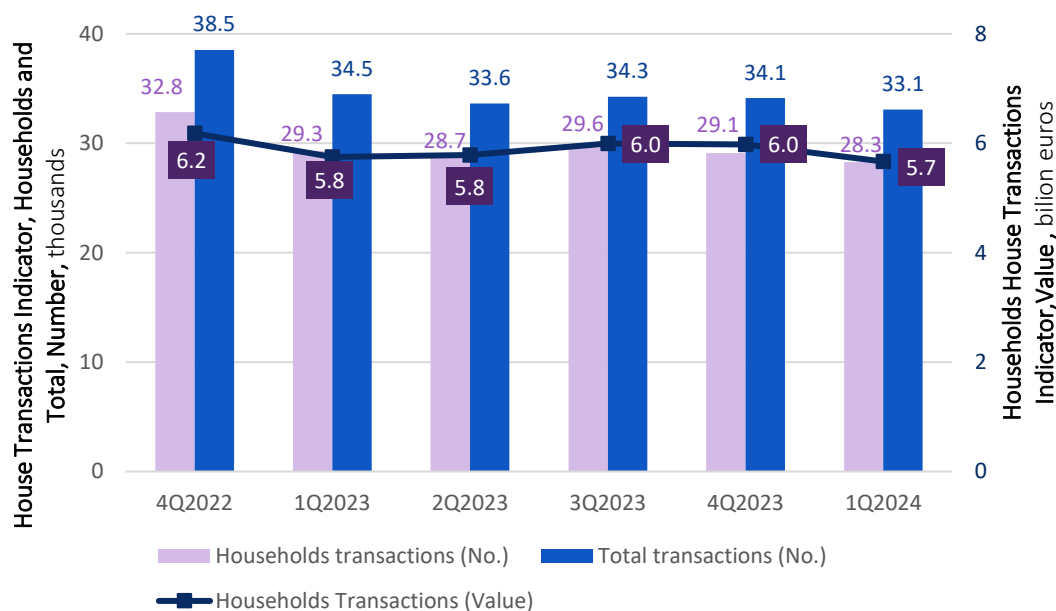


Source: INE, House Price Index.

In the 1st quarter of 2024, buyers belonging to the institutional Household sector purchased 28,283 dwellings, 85.5% of the total (85.3% in the 4th quarter of 2023). In this period, transactions involving household buyers fell by 3.4% year-on-year in number and 1.5% in value, to a total of 5.7 billion euros.



Figure 3. House Transactions Indicator, Households and Total, Number and Value, 4Q2022 – 1Q2024

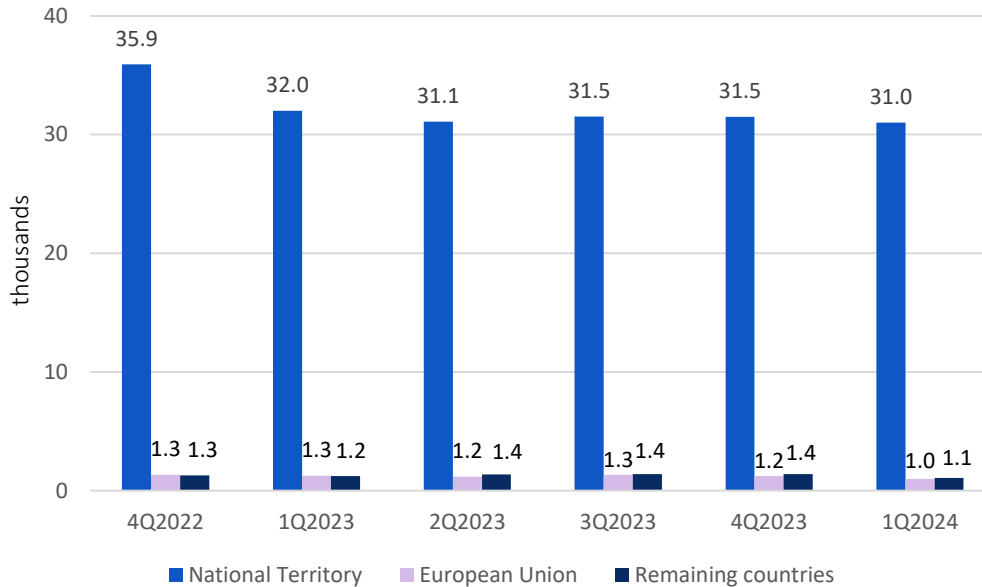


Source: INE, House Price Index.

In the first three months of 2024, house purchases by buyers with a tax residence in the *National Territory* were down by 3.1% year-on-year, to a total of 31,010 units. This represents 93.8% of the total number of transactions, the highest relative weight since the 1st quarter of 2022. During this period, house purchases by buyers with a tax residence outside the *National Territory* totalled 2,067 units, corresponding to a rate of change of -17.1% compared to the same period in 2023 (0.3% in the 4th quarter of 2023). Among transactions involving buyers with tax residence outside the *National Territory*, the *European Union* category totalled 989 units, below the *Remaining Countries* category, which reached 1,078 sales, corresponding to year-on-year rates of change of -22.1% and -11.9%, respectively.



Figure 4. House Transactions Indicator, Number, by tax residence of the purchaser, 4Q2022 – 1Q2024



Source: INE, House Price Index.

In the 1st quarter of 2024, 9,932 dwellings were transacted in the *Norte*, corresponding to 30.0% of the total, 1.2 pp more than in the same period of the previous year. The *Centro*, *Península de Setúbal* and *Região Autónoma dos Açores* regions, with 5,376, 3,125 and 591 transactions respectively, also recorded increases in their respective regional shares, 1.0 pp, 0.4 pp and 0.1 pp, by the same order. In the *Oeste and Vale do Tejo*, there were 3,088 transactions, corresponding to a relative weight of 9.3%, identical to the same period in 2023. In *Grande Lisboa*, 6,334 units were transacted, reaching 19.1 % of the total, down 0.2 pp year-on-year. The *Algarve*, with a total of 2,305 sales, corresponding to 7.0 % of the total, was the region that decreased the most in terms of relative share, down 1.9 pp. In the *Alentejo* and the *Região Autónoma da Madeira*, 1,630 and 696 dwellings were sold, respectively. In both cases, there were year-on-year reductions in their respective relative shares, -0.2 pp and -0.5 pp, by the same order.

In the reference quarter, the value of dwellings sold in the *Grande Lisboa* totalled 2.2 billion euros, 32.5% of the total, a year-on-year increase of 0.7 pp. In the *Norte* and *Península de Setúbal*, housing sales totalled 1.7 billion euros and 629 million euros, respectively, corresponding to relative weights of 25.1% and 9.3%, by the same order. In both cases, there were increases in the respective relative shares of 1.6 pp in the *Norte* and 0.6 pp in the *Península de Setúbal*. The *Centro*, with a value of 625 million euros, 9.3% of the total, also saw an increase in its share (+0.4 pp). The value of dwellings sold in the *Algarve* totalled 733 million euros, the region with the highest reduction in regional share, -2.9 pp, to a total of 10.9%. In the *Alentejo*, sales of dwellings totalled 179 million euros, representing 2.7% of the total (-0.2 pp year-on-year). In the *Região Autónoma da Madeira*,

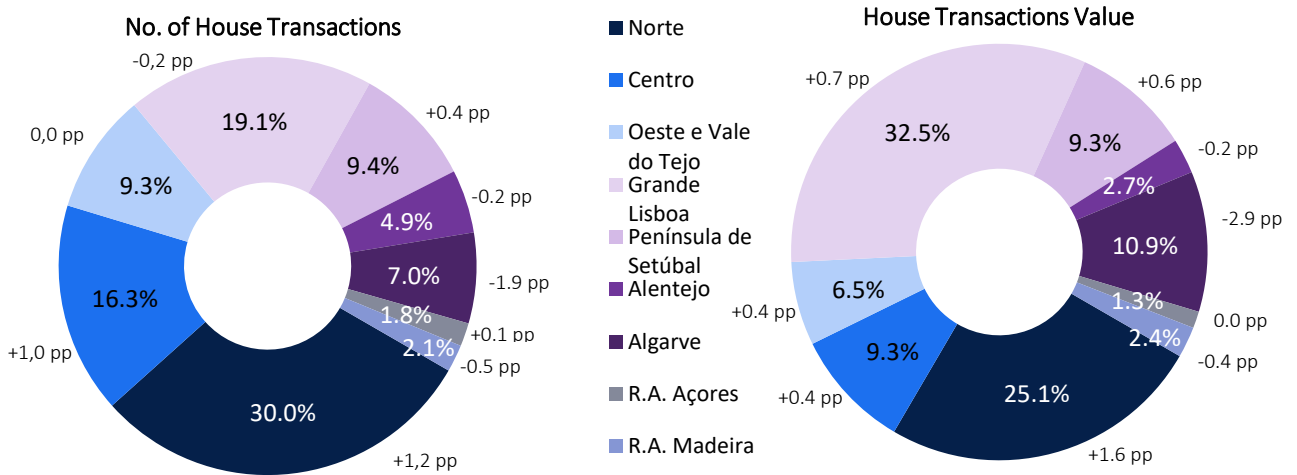


housing sales accounted for 161 million euros, while in the *Região Autónoma dos Açores* they totalled 90 million euros, 2.4% and 1.3% of the total, respectively.

The next figure shows the distribution of the number and value of house transactions by NUTS II region for the 1st quarter of 2024.

Figure 5. Percentage distribution of the number and value of house transactions, by NUTS II, 1st quarter of 2024

(percentage points difference compared with the same period in the previous year)





Annex 1: House Price Index and House Transactions Indicator - All dwellings, 1st quarter 2018 - 1st quarter 2024

Quarter	Indexes			Quarterly rate of change (%)			Annual rate of change (%)			Rolling 4-quarter average rate of change (%)			House transactions (n ^o)		
	All dwellings	Existing	New	All dwellings	Existing	New	All dwellings	Existing	New	All dwellings	Existing	New	All dwellings	Existing	New
1Q2018	125.58	129.18	115.80	3.7	3.6	4.4	12.2	13.0	9.7	10.3	11.3	7.0	34,449	28,878	5,571
2Q2018	128.49	132.90	115.86	2.3	2.9	0.1	11.2	12.6	6.3	11.1	12.2	7.2	38,730	32,409	6,321
3Q2018	129.72	134.11	117.19	1.0	0.9	1.1	8.5	9.2	5.7	10.6	11.6	6.9	38,964	32,381	6,583
4Q2018	132.34	136.60	120.34	2.0	1.9	2.7	9.3	9.5	8.5	10.3	11.0	7.5	39,066	32,633	6,433
1Q2019	137.14	142.08	122.76	3.6	4.0	2.0	9.2	10.0	6.0	9.5	10.3	6.6	36,954	31,321	5,633
2Q2019	140.65	145.19	127.88	2.6	2.2	4.2	9.5	9.2	10.4	9.1	9.5	7.6	36,681	31,116	5,565
3Q2019	143.67	148.63	129.43	2.1	2.4	1.2	10.8	10.8	10.4	9.7	9.9	8.8	39,554	33,233	6,321
4Q2019	146.07	151.48	130.27	1.7	1.9	0.6	10.4	10.9	8.3	10.0	10.2	8.8	41,676	34,951	6,725
1Q2020	151.67	157.37	134.99	3.8	3.9	3.6	10.6	10.8	10.0	10.3	10.4	9.7	36,399	30,489	5,910
2Q2020	154.34	160.28	136.94	1.8	1.8	1.4	9.7	10.4	7.1	10.4	10.7	8.9	26,379	21,355	5,024
3Q2020	153.61	159.44	136.57	-0.5	-0.5	-0.3	6.9	7.3	5.5	9.4	9.8	7.7	35,596	28,767	6,829
4Q2020	157.69	163.64	140.27	2.7	2.6	2.7	8.0	8.0	7.7	8.8	9.1	7.5	39,139	32,458	6,681
1Q2021	161.70	168.40	142.35	2.5	2.9	1.5	6.6	7.0	5.5	7.8	8.1	6.4	34,614	28,704	5,910
2Q2021	166.40	173.24	146.63	2.9	2.9	3.0	7.8	8.1	7.1	7.3	7.6	6.4	41,736	35,119	6,617
3Q2021	171.30	177.71	152.50	2.9	2.6	4.0	11.5	11.5	11.7	8.5	8.7	8.0	43,447	36,092	7,355
4Q2021	175.96	183.18	155.12	2.7	3.1	1.7	11.6	11.9	10.6	9.4	9.6	8.7	45,885	38,173	7,712
1Q2022	182.64	191.26	157.93	3.8	4.4	1.8	12.9	13.6	10.9	11.0	11.3	10.1	43,544	35,941	7,603
2Q2022	188.31	198.66	158.91	3.1	3.9	0.6	13.2	14.7	8.4	12.3	13.0	10.4	43,607	35,742	7,865
3Q2022	193.82	203.82	165.31	2.9	2.6	4.0	13.1	14.7	8.4	12.7	13.8	9.5	42,223	34,627	7,596
4Q2022	195.91	206.38	166.10	1.1	1.3	0.5	11.3	12.7	7.1	12.6	13.9	8.7	38,526	31,652	6,874
1Q2023	198.55	209.72	166.99	1.3	1.6	0.5	8.7	9.7	5.7	11.5	12.8	7.4	34,493	27,523	6,970
2Q2023	204.74	216.50	171.59	3.1	3.2	2.8	8.7	9.0	8.0	10.4	11.4	7.3	33,624	26,799	6,825
3Q2023	208.48	220.36	174.95	1.8	1.8	2.0	7.6	8.1	5.8	9.0	9.8	6.6	34,256	26,644	7,612
4Q2023	211.27	223.19	177.59	1.3	1.3	1.5	7.8	8.1	6.9	8.2	8.7	6.6	34,126	27,414	6,712
1Q2024	212.45	225.65	176.24	0.6	1.1	-0.8	7.0	7.6	5.5	7.8	8.2	6.6	33,077	26,412	6,665

Notes: (*) HPI base 100 = 2015. The definition of the rates of change used in this table are available in the explanatory notes.

Source: INE, House Price Index.



Annex 2: Value (*) and number of dwelling transactions - National and regional totals, 1st quarter 2018 - 1st quarter 2024

Quarter	Total		Norte				Centro		Oeste e Vale do Tejo		Grande Lisboa	
	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º	Área Metropolitana do Porto (NUTS III)		Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º
					Value (10 ³ euros)	N.º						
1Q2018	4,755,125	34,449	1,139,059	9,982	757,956	5,865	359,009	4,022	242,579	2,567	1,779,087	8,467
2Q2018	5,425,227	38,730	1,281,421	11,308	851,254	6,619	437,576	4,773	284,666	2,829	2,037,257	9,335
3Q2018	5,512,302	38,964	1,316,688	11,574	863,338	6,585	458,488	4,996	276,282	2,853	2,022,279	8,766
4Q2018	5,414,883	39,066	1,334,767	11,798	852,547	6,661	466,425	5,137	300,391	3,120	1,872,947	8,242
1Q2019	5,261,090	36,954	1,234,131	10,487	828,137	6,123	420,803	4,727	279,792	2,919	1,874,262	8,482
2Q2019	5,414,806	36,681	1,258,564	10,413	829,917	5,977	446,452	4,713	289,496	2,941	1,957,655	8,280
3Q2019	5,800,028	39,554	1,365,258	11,433	886,422	6,457	505,679	5,359	344,155	3,406	2,045,236	8,617
4Q2019	6,136,268	41,676	1,444,479	11,849	956,244	6,778	533,092	5,711	331,701	3,453	2,158,061	9,016
1Q2020	5,785,538	36,399	1,372,712	10,347	934,823	6,171	450,687	4,577	313,102	2,965	2,100,495	8,344
2Q2020	4,125,502	26,379	1,051,789	7,784	690,425	4,534	381,889	3,620	235,739	2,246	1,401,673	5,713
3Q2020	5,427,603	35,596	1,354,648	10,669	848,134	5,634	520,460	5,374	340,138	3,208	1,680,690	6,832
4Q2020	6,098,441	39,139	1,522,354	11,313	964,424	6,139	533,877	5,600	397,367	3,699	1,924,777	7,572
1Q2021	5,595,240	34,614	1,410,222	10,127	936,545	5,826	471,348	4,707	347,134	3,143	1,842,804	7,201
2Q2021	6,933,006	41,736	1,634,272	11,887	1,074,740	6,828	578,825	5,761	436,334	3,968	2,305,020	8,360
3Q2021	7,345,978	43,447	1,758,824	12,527	1,122,062	6,881	605,750	6,003	472,862	3,985	2,341,398	8,518
4Q2021	8,225,207	45,885	1,927,112	13,158	1,262,394	7,300	652,552	6,375	493,504	4,028	2,712,834	9,288
1Q2022	8,081,797	43,544	1,910,902	12,371	1,246,115	6,830	663,628	5,976	456,886	3,759	2,639,455	9,046
2Q2022	8,287,705	43,607	1,851,936	11,967	1,180,017	6,469	685,881	6,162	515,138	4,009	2,652,189	8,746
3Q2022	8,051,492	42,223	1,876,987	11,995	1,171,357	6,264	682,619	6,186	494,570	3,883	2,588,479	8,204
4Q2022	7,362,219	38,526	1,737,340	10,970	1,088,067	5,679	671,523	5,958	482,495	3,758	2,302,466	7,185
1Q2023	6,857,332	34,493	1,613,625	9,924	1,035,158	5,343	612,761	5,266	417,729	3,208	2,183,725	6,672
2Q2023	6,904,628	33,624	1,596,465	9,628	999,983	5,008	606,623	5,168	426,883	3,160	2,270,896	6,354
3Q2023	7,072,380	34,256	1,746,314	10,314	1,129,307	5,451	644,334	5,525	445,955	3,178	2,251,170	6,213
4Q2023	7,174,277	34,126	1,672,741	9,849	1,035,703	4,907	641,002	5,447	454,797	3,188	2,354,133	6,615
1Q2024	6,730,533	33,077	1,692,342	9,932	1,092,921	5,322	625,406	5,376	435,179	3,088	2,185,757	6,334

(continues)



Annex 2: Value (*) and number of dwelling transactions - National and regional totals, 1st quarter 2018 - 1st quarter 2024

(continuation)

Quarter	Total		Península de Setúbal		Alentejo		Algarve		Região Autónoma dos Açores		Região Autónoma da Madeira	
	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º	Value (10 ³ euros)	N.º
1Q2018	4,755,125	34,449	376,626	3,401	107,536	1,316	614,718	3,591	47,585	482	88,925	623
2Q2018	5,425,227	38,730	435,675	3,947	130,397	1,594	676,893	3,771	55,470	573	85,872	600
3Q2018	5,512,302	38,964	516,015	4,547	149,632	1,631	609,153	3,309	54,434	567	109,331	722
4Q2018	5,414,883	39,066	499,762	4,275	149,551	1,754	621,717	3,371	73,350	661	95,972	709
1Q2019	5,261,090	36,954	499,335	4,149	129,703	1,493	669,517	3,438	61,573	575	91,973	684
2Q2019	5,414,806	36,681	496,690	4,139	132,767	1,533	684,034	3,461	63,818	587	85,331	614
3Q2019	5,800,028	39,554	532,829	4,202	157,465	1,827	678,547	3,274	69,958	709	100,901	727
4Q2019	6,136,268	41,676	563,853	4,658	152,464	1,792	775,392	3,807	65,570	616	111,656	774
1Q2020	5,785,538	36,399	524,426	3,943	132,711	1,481	696,205	3,322	76,583	668	118,617	752
2Q2020	4,125,502	26,379	408,081	2,917	118,806	1,252	412,644	1,968	49,832	435	65,049	444
3Q2020	5,427,603	35,596	541,066	3,695	166,934	1,730	651,496	2,807	61,424	555	110,747	726
4Q2020	6,098,441	39,139	635,952	4,370	183,244	2,017	719,731	3,177	65,370	607	115,769	784
1Q2021	5,595,240	34,614	577,349	3,817	156,379	1,598	610,304	2,757	57,361	510	122,338	754
2Q2021	6,933,006	41,736	706,728	4,611	202,551	2,052	826,780	3,453	78,564	684	163,932	960
3Q2021	7,345,978	43,447	729,091	4,555	211,932	2,216	997,596	4,040	85,609	726	142,917	877
4Q2021	8,225,207	45,885	746,982	4,664	229,479	2,276	1,170,812	4,313	109,753	803	182,178	980
1Q2022	8,081,797	43,544	758,606	4,418	233,024	2,099	1,115,974	4,129	98,743	722	204,581	1024
2Q2022	8,287,705	43,607	825,225	4,590	236,558	2,165	1,197,651	4,166	95,860	702	227,268	1100
3Q2022	8,051,492	42,223	799,397	4,257	243,679	2,109	1,028,325	3,666	108,289	743	229,148	1180
4Q2022	7,362,219	38,526	700,056	3,772	226,056	2,104	946,037	3,162	115,774	779	180,472	838
1Q2023	6,857,332	34,493	598,955	3,089	201,441	1,757	946,956	3,080	86,800	599	195,339	898
2Q2023	6,904,628	33,624	660,998	3,342	192,450	1,698	889,013	2,946	75,346	533	185,955	795
3Q2023	7,072,380	34,256	634,500	3,101	213,410	1,788	833,681	2,643	90,872	617	212,142	877
4Q2023	7,174,277	34,126	657,076	3,206	190,819	1,723	951,330	2,733	98,283	636	154,096	729
1Q2024	6,730,533	33,077	628,899	3,125	178,737	1,630	733,155	2,305	90,365	591	160,694	696

Notes: (*) The sum of the regional values may not be exactly the same as the national total due to the presence of rounding errors.

Source: INE, House Price Index.



METHODOLOGICAL NOTES

House Price Index

The House Price Index (HPI) measures the evolution of the acquisition prices of the dwellings purchased by Households in the residential market in Portugal. The HPI is compiled using anonymized fiscal administrative information provided by the Tax and Customs Authority on the Municipal Property Transfer Tax (IMT) and the Municipal Property Tax (IMI).

The HPI is derived through the estimation of a functional relationship between the logarithm of the transaction prices of dwellings and their characteristics (e.g., area, location), being included in the probabilistic models of hedonic prices. The estimation is performed quarterly with data from two adjacent quarters. With this approach, it is possible to estimate the rate of change of prices controlling for changes in the quality of dwellings.

The HPI is a chained index with base 100 = 2015. The followed methodology enables the weighting structure to be updated annually with information on the value of dwelling transactions in the year immediately preceding the year in which the index refers. In the index for 2024, existing dwellings and new dwellings account for around 71% and 29% of the HPI, respectively (for 2023, the percentages were, by the same order, 75% and 25%).

ACRONYMS AND DESIGNATIONS

Quarterly rate

The quarterly rate is the change in the index of a certain quarter compared with the index of the previous quarter expressed as a percentage. Although up-to-date, this measure can be affected by seasonal and other effects.

Annual rate

The annual rate is the change in the index of a certain quarter compared with the index of the same quarter in the previous year expressed as a percentage. In the presence of a stable seasonal pattern, seasonal effects do not influence this measure.

4-quarter average rate

The rolling 4-quarter average rate is the change in the average index of one year compared with the average index of the previous year expressed as a percentage. This moving average is less sensitive to transient changes in prices.

Households

Institutional sector that consists of individuals or groups of individuals as consumers and entrepreneurs producing market goods and non-financial and financial services (market producers) provided that the production of goods and services is not by separate entities treated as quasi-corporations. It also includes individuals or groups of individuals as producers of goods and non-financial services for exclusively own final use.



New dwellings

Dwellings that, at the time of the transaction, had never been used for residential purposes.

Existing dwellings

Dwellings that, at the time of the transaction, had already been used for residential purposes.

House Transactions Indicator

Indicator that estimates the number of dwelling transactions carried out in a quarter for the national total and the segments of new dwellings and existing dwellings. The compilation of this statistic is based on information from the IMT and is based on transactions of urban articles. In calculating this indicator are not considered, similarly to what happens with the estimation of the rate of change in prices between two successive quarters, transaction parts of dwellings (i.e., are considered only transactions of dwellings in full).

The number of transactions is available for the whole country and for the second level of geographical breakdown, as defined by the Nomenclature of Territorial Units for Statistics (NUTS II). For some levels of disaggregation, it is also available the breakdown between purchases by households and other institutional sectors, as well as by place of tax residence of the buyer.

House Value Indicator

As the indicator of the number of transactions, this statistic is based on information taken from the IMT on paid real estate tax. Following what was defined for the house transactions indicator, the total value of transactions does not cover transactions of parts of dwellings.

The value of transactions is also available to the second level of geographical breakdown, as defined by NUTS II. For some levels of disaggregation, it is also available the breakdown between purchases by households and other institutional sectors, as well as by place of tax residence of the buyer.

Tax residence

- a) Place of usual residence, for private or singular individuals;
- b) Place of the head office or place of effective management or, failing that, place of permanent establishment in Portugal for legal entities.

Presentation of data

In this press release, the descriptive analysis focuses on values rounded to one decimal place so that the sum of the disaggregated values may not correspond to the value presented for the national total.

Additional information

Further methodological information on the HPI is available on the National Statistics Institute website (<https://smi.ine.pt/DocumentacaoMetodologica/Detalhes/1699>; available only in Portuguese).

Date of next the press release – 20th September 2024
