



**For Immediate Release
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**Citi Hong Kong Releases Results of
First Quarter 2019 Residential Property Ownership Survey**

Reversal of home price expectations among respondents; Young singletons aspiring for home ownership

Citi Hong Kong announced today the results of its survey on residential property ownership in Hong Kong for Q1 2019. The survey found that the percentage of respondents who expected home prices in Hong Kong to rise in the next 12 months increased over the preceding quarter, and so did the percentage of respondents showing an interest in property ownership, particularly among the young and single. There was also a higher percentage of respondents who took a neutral stand on whether this is a good time to purchase a home, reflecting a wait-and-see attitude among potential home buyers.

Expectations reversed: more respondents expecting home prices to rise in the next 12 months

The percentage of respondents who expected home prices in Hong Kong to rise in the next 12 months was up drastically from 18% in Q4 2018 to 42% in Q1 2019. In comparison, the percentage of respondents who expected home prices to fall was down significantly from 57% in Q4 2018 to 24% in Q1 2019.

Since the second half of 2018, the market had been battered by multiple headwinds, including the US-China trade war, interest rate hikes, and a weakening yuan. However, with these news gradually discounted during Q1 2019, the expectations among local citizens of the future property price trend were reversed.

How do you think home prices will trend in the next 12 months?						
Percentage of Respondents						
	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Upward	63%	64%	69%	38%	18%	42%
Flat	27%	25%	22%	33%	25%	35%
Downward	10%	12%	9%	29%	57%	24%

Base: All Respondents

* Figures may not add up to 100% due to rounding

Stronger overall interest in home buying; Young singletons desirous of a starter home

Despite the prevailing expectations of rising home prices, the respondents showed a stronger interest in buying a home. 26% of the respondents expressed a very or rather strong interest in buying a property in Q1 2019, a record high percentage since the survey was first conducted. 37% of those aged between 21 and 29 expressed interest in home buying, higher than the comparative figure of 19% recorded in Q4 2018. One third of the respondents aged between 30 and 44 have the same interest.



According to the results, 31% of the single respondents also expressed a very or rather strong interest in buying a property, reflecting a particularly keen desire for home ownership among the young and single.

How interested are you in purchasing a property now?						
Percentage of Respondents						
	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
Very/rather interested	20%	20%	19%	21%	18%	26%
Neutral	30%	31%	31%	33%	33%	29%
Very/rather uninterested	50%	49%	50%	46%	49%	45%

Base: All Respondents

A slightly lower percentage of respondents said it is not a good time to purchase a home now

Still representing a simple majority, 57% of the respondents in Q1 2019 felt that it is not a good time to purchase a home, down from 67% in Q4 2018. 39% of the respondents took a neutral stand in Q1 2019 on whether this is a good time to purchase a property, reflecting a wait-and-see attitude among many potential home buyers.

If you do not own any property now, taking into consideration your current standard of living and family finances, do you think it is a good time to purchase a home now?						
Percentage of Respondents						
	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019
A good/excellent time to purchase	3%	3%	3%	2%	4%	4%
Neutral	22%	28%	24%	24%	29%	39%
A bad/terrible time to purchase	75%	69%	73%	74%	67%	57%

Base: All Respondents

Josephine Lee, Head of Retail Bank, Citibank Hong Kong, said, “The results show that local citizens’ view on the property market has reversed as they expect home prices to rise in the coming year. Given the expectations of rising home prices, local citizens are likely to become less confident in their home affordability. To make their dreams of home ownership come true, it is important for potential home buyers to consider financial services best tailored to their needs, with a comprehensive wealth management plan in place.”



Citibank commissioned The University of Hong Kong Social Sciences Research Centre to conduct the survey, interviewing over 500 Hong Kong respondents by phone in March 2019. Since 2010, Citibank has conducted a quarterly survey on the housing market to assess the current state of homeownership in Hong Kong, gauge public opinion on the subject of homeownership and public expectations in terms of future housing price trends.

Source: Citibank Q1 2019 Residential Property Ownership Survey