

# Residential Property Price Indexes (ABS Cat No 6416.0)

Latest quarter: December quarter 2017

Release date: 20 March 2018

Next release date: 19 June 2018

Changes in house prices measured by this index are nominal house price movements. In isolation, this is not a measure of housing affordability, as this measure is not adjusted for relative changes in nominal wages or interest rates.

The capital city house price indexes measure price movements over time in each capital city, but they are not measures of the absolute difference in price levels between capital cities.

## Established House Price Index (HPI)

The HPI measures price change for established detached houses within the eight capital cities over time. Established houses are defined as detached residential dwellings on their own block of land, including new houses sold as a house/land package.

The ABS estimated that the established house price index in Hobart increased by 4.0 per cent in the December quarter 2017 compared to the previous quarter. Nationally, established house prices increased by 1.1 per cent in the same period.

Compared to the previous quarter, Hobart recorded the largest HPI increase of all jurisdictions in the December quarter 2017, followed by Melbourne (up 2.6 per cent), Canberra (up 1.6 per cent), Brisbane (up 1.4 per cent), Perth (up 1.3 per cent) and Adelaide (up 0.7 per cent). In the same period, Darwin recorded the largest HPI decrease (down 1.0 per cent), followed by Sydney (down 0.2 per cent).

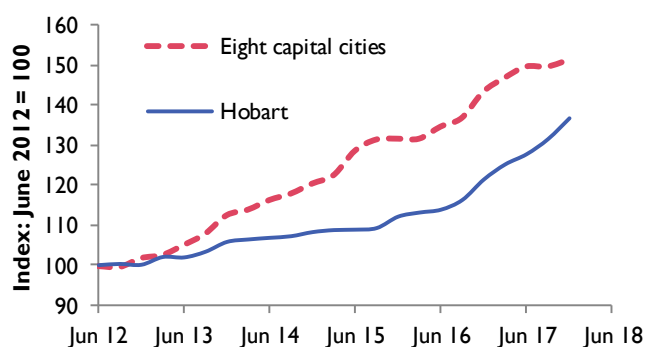
The ABS estimated that established home prices in Hobart and for the national weighted average have increased since late 2012, with a very sharp increase recorded for Hobart since mid-2016 (Chart 1). The Hobart HPI is currently 12.6 per cent higher than the same period one year earlier. In the same period, the national weighted average HPI increased by 5.6 per cent, driven primarily by a strong increase in Melbourne (up 11.7 per cent).

**Table 1: Quarterly growth in established house and residential property price indexes by capital city, December quarter 2017**

Original data	% change from previous quarter		% change from previous year	
	Established House	Residential Property	Established House	Residential Property
Sydney	-0.2	-0.1	3.5	3.8
Melbourne	2.6	2.6	11.7	10.2
Brisbane	1.4	0.9	2.7	2.1
Adelaide	0.7	0.6	3.5	3.6
Perth	1.3	1.1	-1.3	-1.7
<b>Hobart</b>	<b>4.0</b>	<b>3.9</b>	<b>12.6</b>	<b>13.1</b>
Darwin	-1.0	-1.5	-4.9	-6.3
Canberra	1.6	1.7	6.9	5.7
<b>Australia</b>	<b>1.1</b>	<b>1.0</b>	<b>5.6</b>	<b>5.0</b>

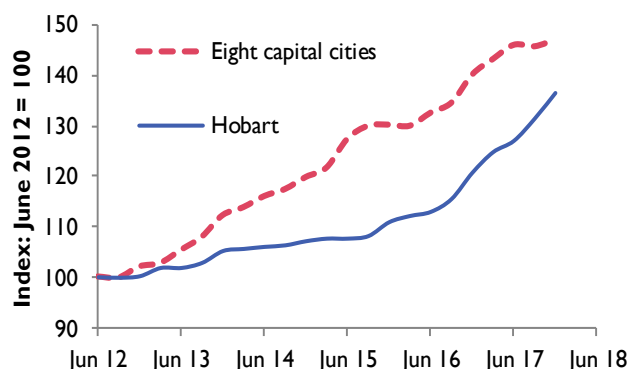
SOURCE: RESIDENTIAL PROPERTY PRICE INDEXES, ABS CAT NO 6416.0: TABLES 1, 2

**Chart 1: Established house prices, Hobart and Australia**



SOURCE: RESIDENTIAL PROPERTY PRICE INDEXES, ABS CAT NO 6416.0: TABLE 2

**Chart 2: Residential property prices, Hobart and Australia**



SOURCE: RESIDENTIAL PROPERTY PRICE INDEXES, ABS CAT NO 6416.0: TABLE 1

# Residential Property Price Indexes (ABS Cat No 6416.0)

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## Residential Property Price Index (RPPI)

The RPPI is an aggregation of the Established House Price Index and the Attached Dwellings Price Index (ADPI) and measures the price change in all residential dwellings within the eight capital cities over time. ADPI is a measure of the price change of attached dwellings, including flats, units and apartments and semi-detached, row and terrace houses.

The residential property price index in Hobart was estimated to have increased by 3.9 per cent in the December quarter 2017 compared to the previous quarter, while nationally, residential property prices were estimated to have increased by 1.0 per cent in the same period.

In other jurisdictions, the quarterly increases were also recorded in Melbourne (up 2.6 per cent), followed by Canberra (up 1.7 per cent), Perth (up 1.1 per cent), Brisbane (up 0.9 per cent) and Adelaide (up 0.6 per cent) (Table 1).

The ABS estimated that Darwin and Sydney recorded decreases in RPPI in the December quarter 2017 compared to the previous quarter (Table 1).

The residential property price index in Hobart in the December quarter 2017 was 13.1 per cent higher than the same period one year earlier. In the same period, the national weighted average of residential property price index was estimated to have increased by 5.0 per cent (Table 2).

**Table 2: House price indexes, Hobart (Tasmania) and weighted average of capital cities (Australia)**

Index: 2011-12 = 100	Tasmania				Australia			
	Dec 16	Jun 17	Sep 17	Dec 17	Dec 16	Jun 17	Sep 17	Dec 17
<b>Established House</b>								
Index in quarter	118.9	125.1	128.8	133.9	143.8	150.1	150.1	151.8
quarterly change (%)	4.4	2.0	3.0	4.0	4.7	1.9	0.0	1.1
change cf prev year (%)	8.3	12.2	13.1	12.6	8.9	11.1	9.3	5.6
<b>Residential Property Price Index</b>								
Index in quarter	118.5	124.7	129	134	140.6	146.5	146.2	147.6
quarterly change (%)	4.5	1.8	3.4	3.9	4.1	1.9	-0.2	1.0
change cf prev year (%)	8.8	12.4	13.8	13.1	7.7	10.2	8.3	5.0

SOURCE: RESIDENTIAL PROPERTY PRICE INDEXES, ABS CAT NO 6416.0: TABLES 1, 2

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