

# Residential Property Price Indexes (ABS Cat No 6416.0)

Latest quarter: September quarter 2018

Release date: 11 December 2018

Next release date: 19 March 2019

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 0.9 per cent in the September quarter 2018 compared to the previous quarter. Nationally, established house prices decreased by 1.7 per cent in the same period.

Compared to the previous quarter, Hobart recorded the largest HPI increase of all jurisdictions in the September quarter 2018, followed by Brisbane (up 0.8 per cent), Canberra (up 0.5 per cent) and Adelaide (up 0.4 per cent). In the same period, decreases were recorded by Melbourne (down 3.0 per cent), Sydney (down 2.1 per cent) and Perth (down 0.5 per cent). Darwin remained unchanged over the same period.

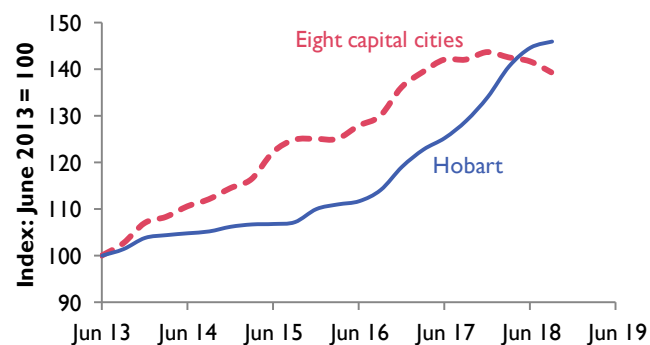
The ABS estimated that established home prices in Hobart and for the national weighted average have increased since late 2012, with a very sharp increase recorded for Hobart since mid-2016 (Chart 1). The Hobart HPI is currently 13.2 per cent higher than the same period one year earlier. In the same period, the national weighted average HPI decreased by 1.9 per cent, driven primarily by a large decrease in Sydney (down 4.9 per cent).

**Table 1: Quarterly growth in established house and residential property price indexes by capital city, September quarter 2018**

Original data	% change from previous quarter		% change from year	
	Established House	Residential Property	Established House	Residential Property
	Sydney	-2.1	-1.9	-4.9
Melbourne	-3.0	-2.6	-2.1	-1.5
Brisbane	0.8	0.6	2.2	1.7
Adelaide	0.4	0.6	2.3	2.0
Perth	-0.5	-0.6	0.0	-0.5
<b>Hobart</b>	<b>0.9</b>	<b>1.3</b>	<b>13.2</b>	<b>13.0</b>
Darwin	0.0	-0.9	-1.9	-4.4
Canberra	0.5	0.5	4.2	3.7
<b>Australia</b>	<b>-1.7</b>	<b>-1.5</b>	<b>-1.9</b>	<b>-1.9</b>

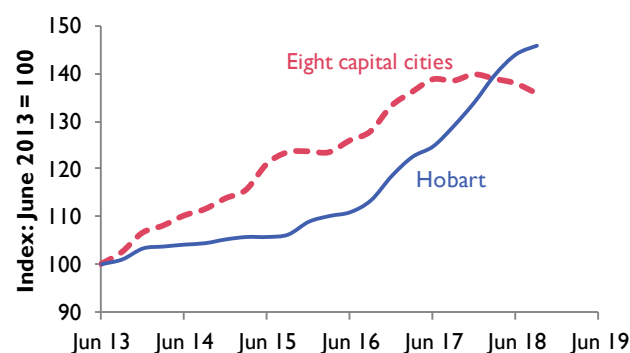
SOURCE: RESIDENTIAL PROPERTY PRICE INDEXES, ABS CAT NO 6416.0: TABLES 1, 2

**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

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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 1.3 per cent in the September quarter 2018 compared to the previous quarter, while nationally, residential property prices were estimated to have decreased by 1.5 per cent in the same period.

In other jurisdictions, quarterly increases were also recorded in Brisbane and Adelaide (both up 0.6 per cent) and Canberra (up 0.5 per cent) (Table 1).

The ABS estimated that all other capital cities recorded decreases in RPPI in the September quarter 2018 compared to the previous quarter, with Melbourne recording the largest decrease (down 2.6 per cent), followed by Sydney (down 1.9 per cent), Darwin (down 0.9 per cent) and Perth (down 0.6 per cent) (Table 1).

The residential property price index in Hobart in the September quarter 2018 was 13.0 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 decreased by 1.9 per cent (Table 2).

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

Index: 2011-12 = 100	Tasmania				Australia			
	Sep 17	Mar 18	Jun 18	Sep 18	Sep 17	Mar 18	Jun 18	Sep 18
<b>Established House</b>								
Index in quarter	128.8	140.5	144.5	145.8	150.1	150.6	149.7	147.2
quarterly change (%)	3.0	4.9	2.8	0.9	0.0	-0.8	-0.6	-1.7
change cf prev year (%)	13.1	14.6	15.5	13.2	9.3	2.2	-0.3	-1.9
<b>Residential Property Price Index</b>								
Index in quarter	129	139.8	144	145.8	146.2	146.6	145.6	143.4
quarterly change (%)	3.4	4.3	3.0	1.3	-0.2	-0.7	-0.7	-1.5
change cf prev year (%)	13.8	14.1	15.5	13.0	8.3	2.0	-0.6	-1.9

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

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