

Knight Frank launches mid-year Wealth Report

Knight Frank has this month launched a mid-year update to its Wealth Report, providing an up-to-date view on the movement of luxury residential property prices in 20 of the world's key cities, analysis of the population of global demi-billionaires as well as the latest results from Knight Frank's Luxury Investment Index.



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For the first time ever, Knight Frank also explores the demand for international accommodation in London from parents looking to place their children at private school, which has led to £2bn of investment.

Highlights from the report reveal the annual percentage change in prices to Q2 2018:

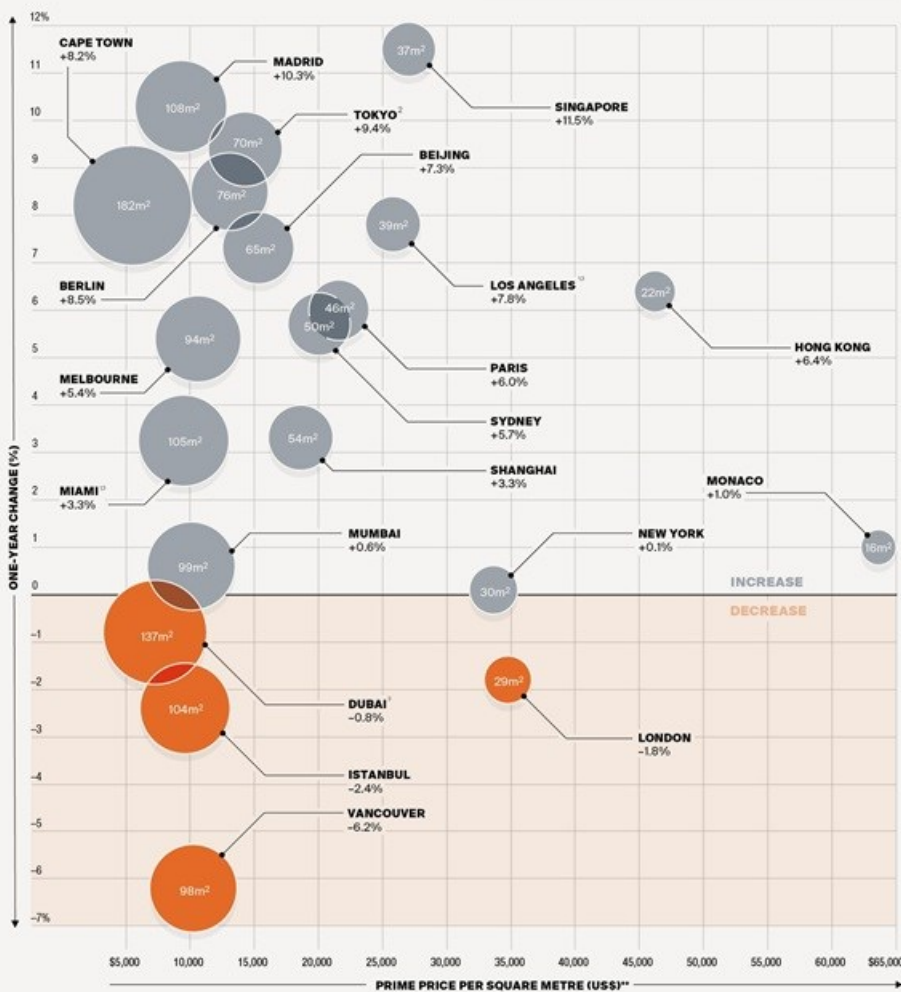
- Singapore leads the house price rankings (+11.5%). The city has witnessed resurgent price growth due to rising foreign demand and high land bids by developers.
- Prices in Tokyo have risen (9.4%). Growth is linked to economic sentiment, the city's relative value compared to Hong Kong and Singapore, and investment ahead of the 2020 Olympic Games.
- European cities continue to strengthen – Madrid (10.3%), Berlin (8.5%) and Paris (6%). Domestic buyers in Paris are back, buoyed by an improved economy and cheap finance
- Los Angeles leads the rankings amongst US cities (7.8%). US cities registered positive growth in the year to June, reflecting the general health of the economy. In some cities inventory levels are still rising and it is likely to be 2019 until the full impact of Donald Trump's State and Local tax (SALT) reforms are known.

PIRI CITY 20

LUXURY PRICES AND PRICE PERFORMANCE FOR 20 OF THE WORLD'S KEY CITIES (ANNUAL % CHANGE, JUNE 2017 TO JUNE 2018)

THE NUMBER OF SQUARE METRES US\$1 MILLION BUYS IN PRIME RESIDENTIAL MARKETS

CITY NAME
ONE-YEAR CHANGE IN PRIME PRICE (%)
(the smaller the circle, the more expensive the market)



SOURCE: ALL DATA FROM KNIGHT FRANK'S GLOBAL NETWORK (EXCEPT: TOKYO (JEN CORPORATION); NEW YORK (STREETREZ); LOS ANGELES AND MIAMI (GAP CORP/LOGIC CASE SHILLER); BERLIN (IMMOBILIENSCOUT24); VANCOUVER (CENTER ASSOCIATES REALTY, REAL ESTATE BOARD OF VANCOUVER); KNIGHT FRANK RESEARCH, DOUGLAS ELLIMAN/MILLER SAMUEL, JEN CORPORATION)

NOTES: DATA FOR NEW YORK RELATE TO MANHATTAN AND TO MAY 2018. DATA FOR LOS ANGELES AND MIAMI ARE TO APRIL 2018. THE DATA FOR BERLIN RELATE TO THOSE PROPERTIES IN THE 10TH QUANTILE WHICH ARE LOCATED IN THE CENTRAL AREA OF BERLIN.
*BASED ON TOP-TIER OF MANHATTAN MARKET IN METRO AREA. **BASED ON ALL CONTRACTS ABOVE \$100M. *PROVISIONAL. AS AT Q2 2018. **CURRENCY CALCULATION AS AT 29 JUNE 2018.

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"Property market regulations continue to determine the direction and volume of capital flows. Singapore, Hong Kong and Vancouver have all seen new macro-prudential measures introduced in the last six months, from vacancy taxes to stamp duty hikes and tighter lending rules. Singapore leads our annual rankings to Q2 2018 but if policymakers have their way, the recent increase in stamp duty for foreign buyers and developers introduced in July 2018 will result in more moderate price growth," commented Kate Everett-Allen, partner, international residential research at Knight Frank.

“Investors may rue the rise in regulations which, in many cases add to their bottom line; on the other hand, new regulations have heightened market transparency enabling some purchasers to move into emerging markets with greater confidence.”

[Download the full report.](#)

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