

November 2019

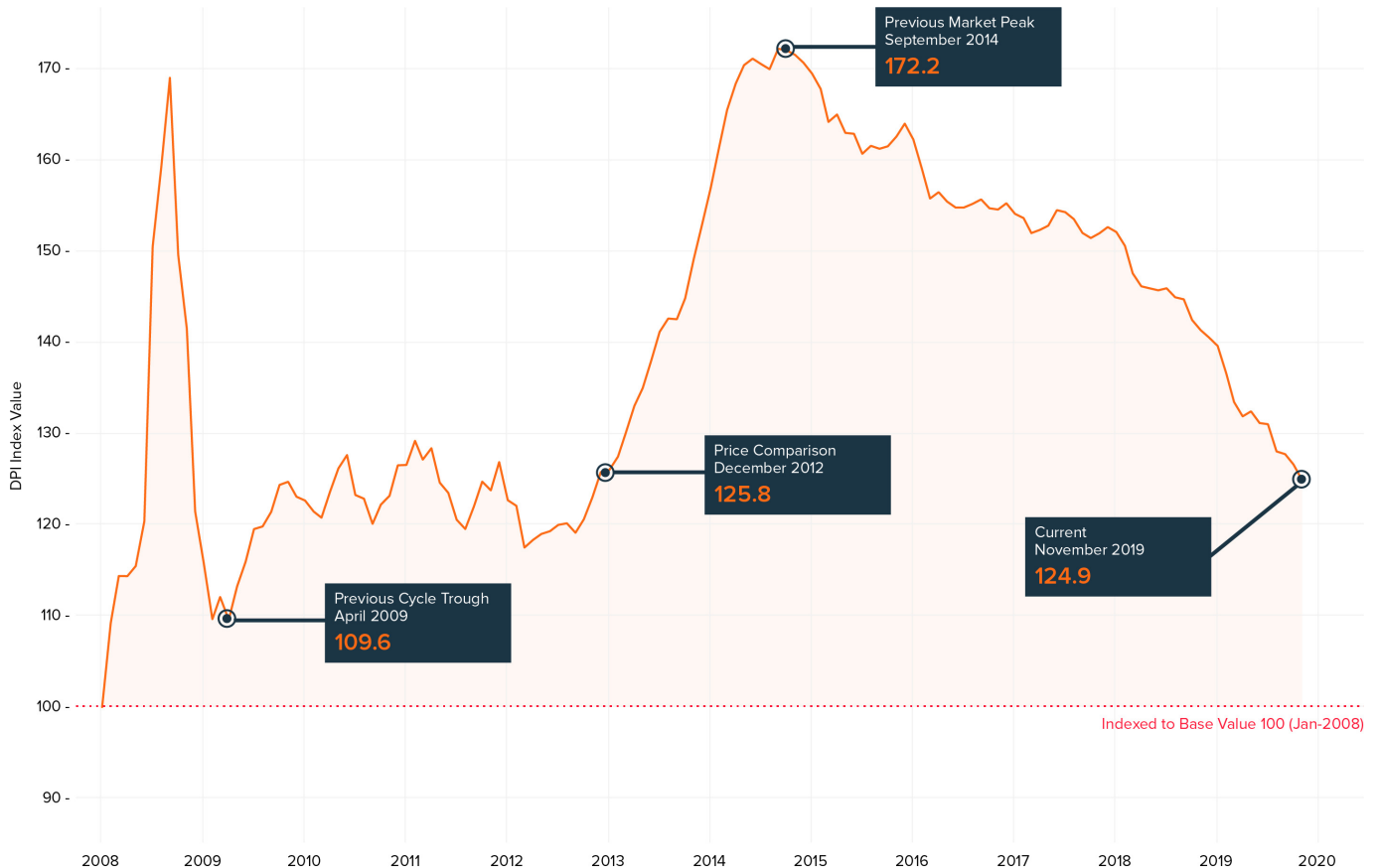
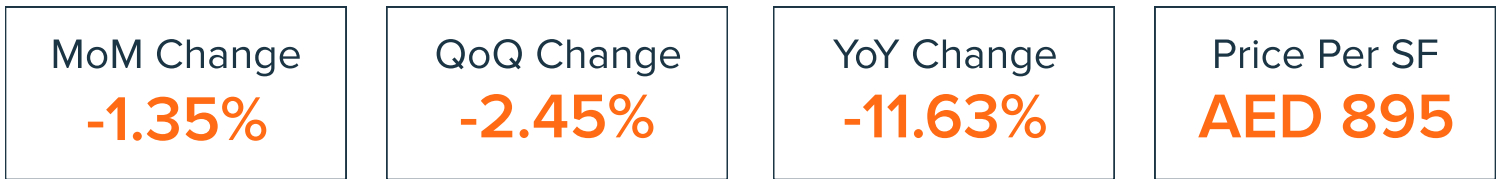
Dynamic Price Index

Dubai property prices fall to under AED 900/- per square foot and number of sales approaches record highs

The Property Monitor Dynamic Price Index (DPI) tracks trends of property prices throughout 42 key communities in Dubai and is indexed to a base period of January 2008.

At an Emirate-wide level, the index value for the month of November 2019 decreased by 1.7 index points from 126.6 to 124.9, representing a month-on-month decline of 1.35% (notably above the monthly average decline of 0.81%) and placing current property values at their lowest point over the last 7 years and in line with those last seen in December 2012. This month-on-month decline represents the 21st month out of the past 24 months where property prices have fallen across the Emirate.

From the previous market peak of September 2014 property prices are down 27.48% however remain 13.99% above the previous market low of April 2009.



Year on year property values have fallen by 11.63% and when comparing YoY price movement for previous November periods the price decline trend shows signs of accelerating, with a 4.92% decline in November 2017, followed by a 7.0% decline in November 2018.

What is important to note with an Emirate-wide level index is that the trend shown is representing an entire marketplace and within the individual communities, subcommunities, and building levels there are areas that are performing above and below that of the wider market.

While property prices are down the volume of sales transactions is on the rise, with November 2019 marking one of the strongest months in the past decade. A total of 5,025 sales were recorded with off-plan (Oqood) registrations representing 60.8% (also notably higher than the year-to-date monthly average of 55.4%).

The inverse relationship between property prices and volume of recorded sales is a natural economic occurrence, which in-part is being driven by high supply in the marketplace. This is good news for the industry as it shows signs of buyer confidence returning as properties turn affordable for a larger segment of both end-users and investors, however on the other side of the equation developers and sellers may not be seeing returns in line with earlier expectations.

Time Period	Index Value	MoM Change	QoQ Change	YoY Change	Index Price (AED)
Nov 2019	124.92	-1.35%	-2.45%	-11.63%	894.64
Oct 2019	126.63	-0.88%	-3.37%	-11.12%	906.89
Sep 2019	127.76	-0.23%	-2.60%	-11.74%	914.98
Aug 2019	128.05	-2.28%	-3.32%	-11.67%	917.11
Jul 2019	131.04	-0.10%	-0.65%	-10.22%	938.52
Jun 2019	131.17	-0.97%	-1.73%	-10.00%	939.43
May 2019	132.45	0.42%	-3.04%	-9.25%	948.62
Apr 2019	131.90	-1.18%	-5.53%	-9.77%	944.67
Mar 2019	133.48	-2.29%	-5.03%	-9.57%	955.95
Feb 2019	136.61	-2.16%	-3.36%	-9.30%	978.40
Jan 2019	139.63	-0.66%	-2.00%	-8.22%	1,000.02
Dec 2018	140.55	-0.57%	-2.90%	-7.94%	1,006.63



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About Property Monitor

Property Monitor is the region's leading real estate intelligence platform and the only data source powered by RICS-accredited professionals, bringing unprecedented transparency and accuracy to local property markets. Through Property Monitor, market stakeholders can directly access real-time, transparent and accurate intelligence, unmatched anywhere else in the region. The platform empowers investors, property specialists and banking professionals with authoritative data, analytics and insights that closely correlate with market movements, empowering confident and informed property-related decisions.

Methodology & Disclaimer

The Property Monitor Dynamic Price Index family (DPI) are calculated using a moving average algorithm of median prices and the Dutot price index formula with cleansing of extreme values and outliers. The Indices are published at the end of each calendar month and are subject to backward revision should any new datapoint or datasets become available. This is a unique feature of the Property Monitor DPI as it always uses the fullest data set available and takes into account data which was not available at the point of original index compilation. Detailed index methodology, notes, and disclaimer are available at propertymonitor.ae

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