

# Media Release

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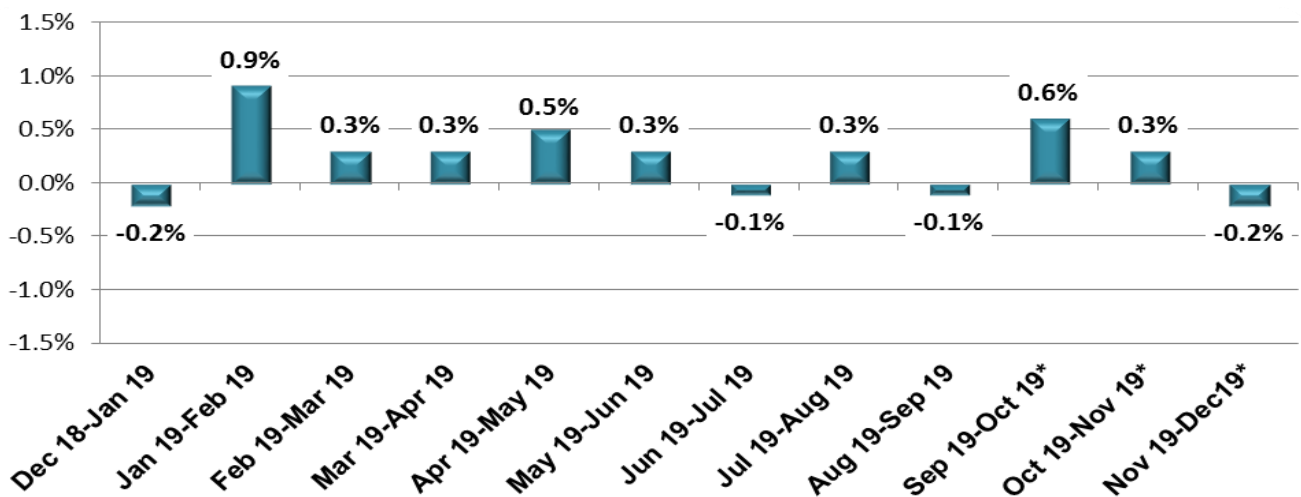
## Price changes in the dwellings market (Not part of the Consumer Price Index)<sup>[1]</sup>

### 1. Dwellings Price Index (quality-adjusted price changes):

- A comparison of the transaction prices in November 2019 – December 2019 to the transaction prices in October 2019 – November 2019, shows that dwelling prices decreased by 0.2%.<sup>[2]</sup> [See data series from 2010 in table 1](#)

Figure 1 presents the bimonthly change in the dwelling price index during the past 12 months.

**Figure 1: Monthly Percentage Change in the Dwellings Price Index**



\* The price changes for the last three periods are provisional.

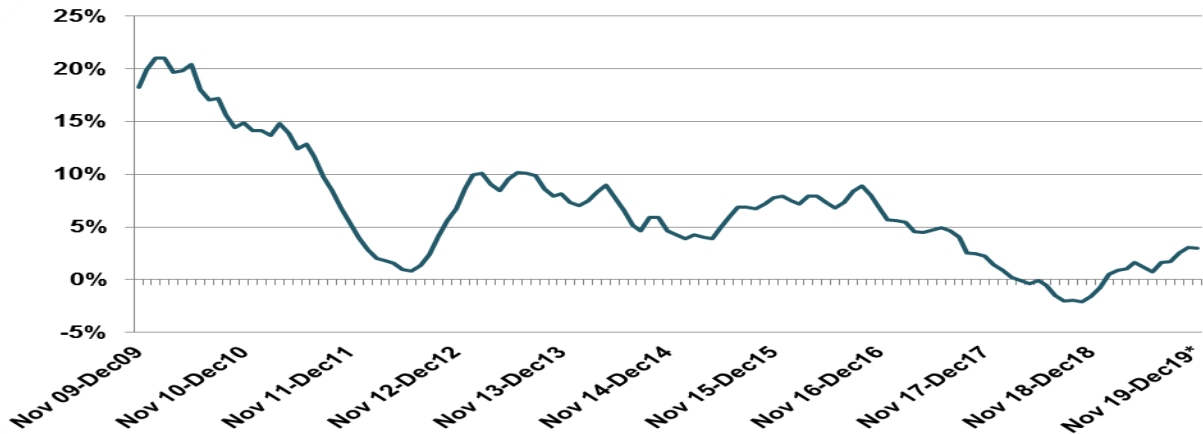
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<sup>1</sup> For explanations and details, see "Methodology for calculating the index of Prices of Dwellings, and Quarterly and Annual Averages" in [Price Statistics Monthly, Chapter B, section 1.1](#).

<sup>2</sup> The data is not final because additional transactions were carried out during this period but not yet reported.

- A comparison of the transaction prices in the current period, to the transaction prices in the same period last year, i. e., November 2019 – December 2019 compared to November 2018 – December 2018, shows that dwelling prices increased by 3.0%. Figure 2 presents annual percentage change in the dwellings price index over the last decade. From this figure it can be seen that prices have increased at much more moderate rate over the decade to the point of price declines in the last three quarters of 2018. As of 2019, annual prices' increase has been modestly renewed.

**Figure 2: 12-Month Percentage Change in the Dwellings Price Index**

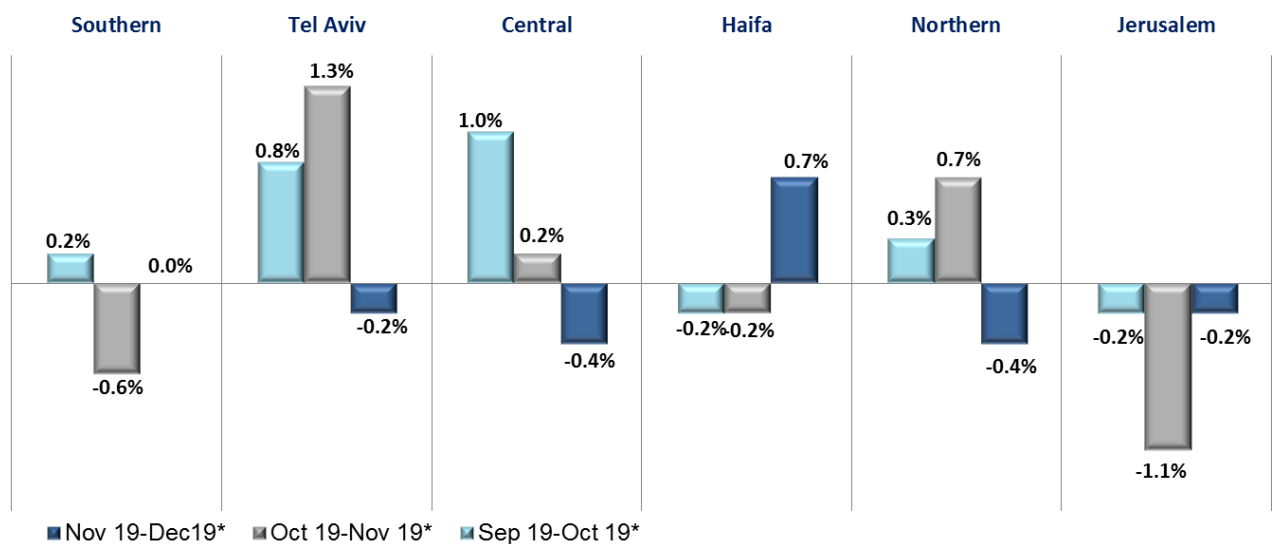


\* The annual price changes for the last period are provisional

## 2. Dwellings Price Indices by Districts (quality-adjusted price changes)

A comparison of the transaction prices in November 2019 – December 2019 to the transaction prices in October 2019 – November 2019, shows that the prices of dwellings by districts changed as follows: Jerusalem (-0.2%), Northern (-0.4%), Haifa (0.7%), Central (-0.4%), Tel Aviv (-0.2%) and Southern remained without change. Figure 3 presents the provisional price changes by districts. [See data series from October 2017 in table 3](#)

**Figure 3: Percent Change in the Dwellings Price Indices by Districts (Provisional Results)**



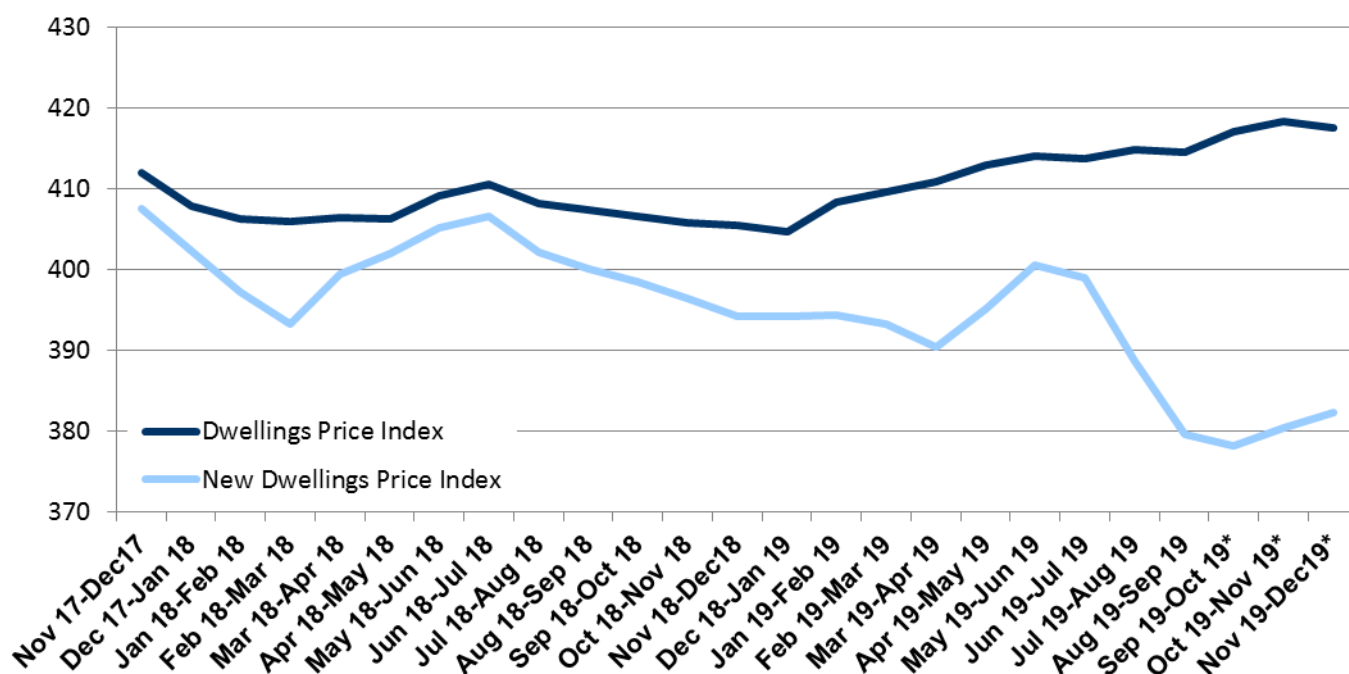
A comparison of the transaction prices in the current period, to the transaction prices in the same period last year, i. e., in November 2019 – December 2019 compared to November 2018 – December 2018, shows that there are no districts with annual price decline. The most notable price increases were found in following districts: Tel-Aviv district (5.7%), North district (3.8%) and Haifa district (1.8%). Moderate increase was recorded in the other districts.

### 3. New Dwellings Price Index (quality-adjusted price changes)<sup>[3]</sup>

A comparison of the transaction prices of new dwellings in November 2019 – December 2019 to the transaction prices of new dwellings in October 2019 – November 2019 shows that new dwelling prices increased by 0.5%. Government-supported transactions that are included in the calculation of the new dwellings price index constituted 44.5% of the number of new dwelling transactions, compared to 47.8% in the previous month. [See data series from October 2017 in table 4](#)

Figure 4 presents evolution of the dwellings price index vs. new dwellings price index over the recent two years.

**Figure 4: Dwellings Price Index vs. New Dwellings Price Index<sup>[3]</sup>**



\* The price changes for the last three periods are provisional.

<sup>3</sup> New Dwellings Price Index is published since January 2018

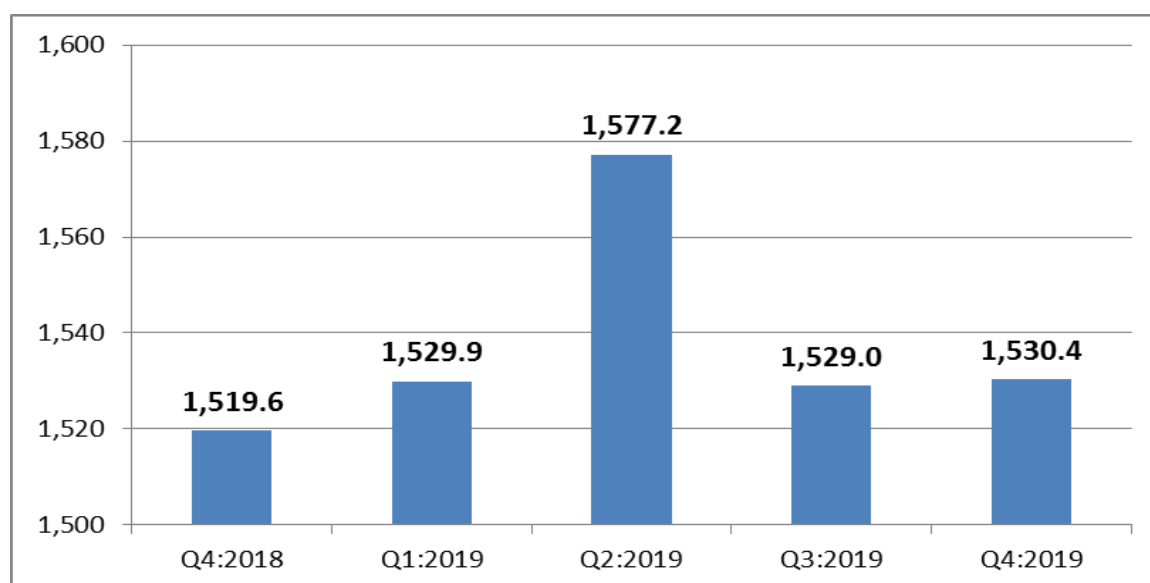
Prices of new dwellings decreased by 3.0% with respect to the prices in the same period last year, i. e., November 2019 – December 2019 compared to November 2018 – December 2018.

#### 4. Average price of transactions (with no quality adjustment):

The national average price of transactions conducted in the fourth quarter of 2019 was 1,530.4 thousand NIS.<sup>[4]</sup> Compared to the previous quarter (1,529.0 thousand NIS), the national average price increased by 0.1%. A comparison to the national average price in the same quarter of 2018 (1,519.6 thousand NIS) shows an increase by 0.7%.

Figure 5 presents national average prices over the last 5 quarters.

**Figure 5: National Average Prices<sup>4</sup>**

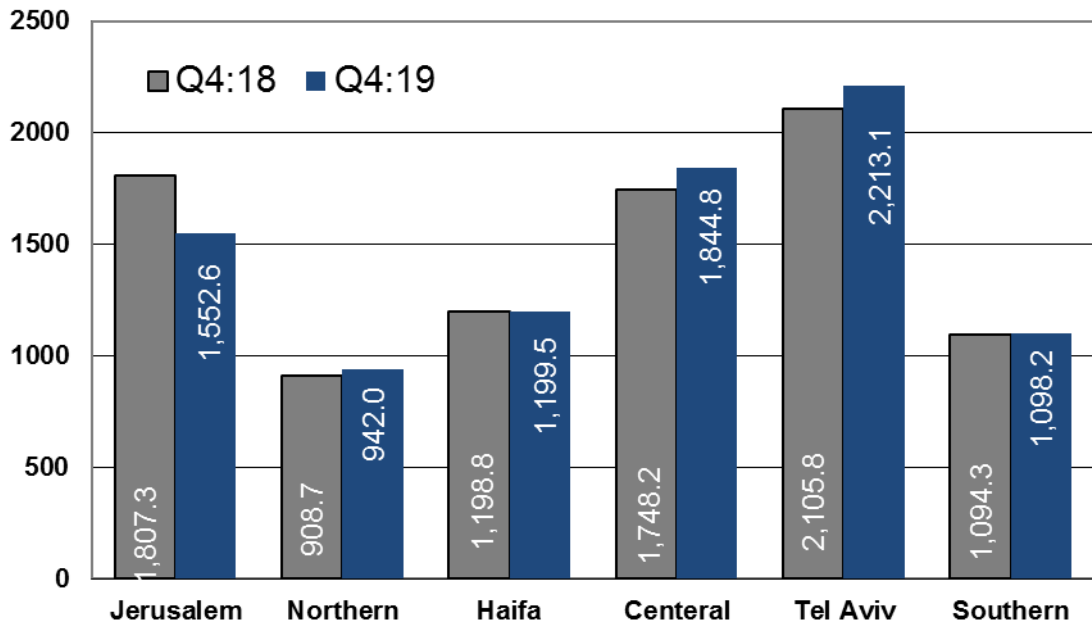


Comment: Figure 5 presents average prices of 1-6 room apartments that are calculated every quarter without considering the variances between different periods in terms of apartments' quality characteristics.

Figure 6 presents average prices of transactions by districts, in the fourth quarter of 2019 compared with the same quarter of 2018. Significant decline in the average transaction price relative to the fourth quarter of the previous year was found in Jerusalem district (14.0%). A notable increase in the average price was recorded in Tel-Aviv district (6.1%), Central district (5.7%), and the North district (3.8%).

<sup>4</sup>The data on the fourth quarter of 2019 are not final because additional transactions were carried out during this period but not yet reported.

Figure 6: Average Prices by Districts<sup>5</sup>



<sup>5</sup> The data on the fourth quarter of 2019 are not final because additional transactions were carried out during this period but not yet reported.