

Media Release

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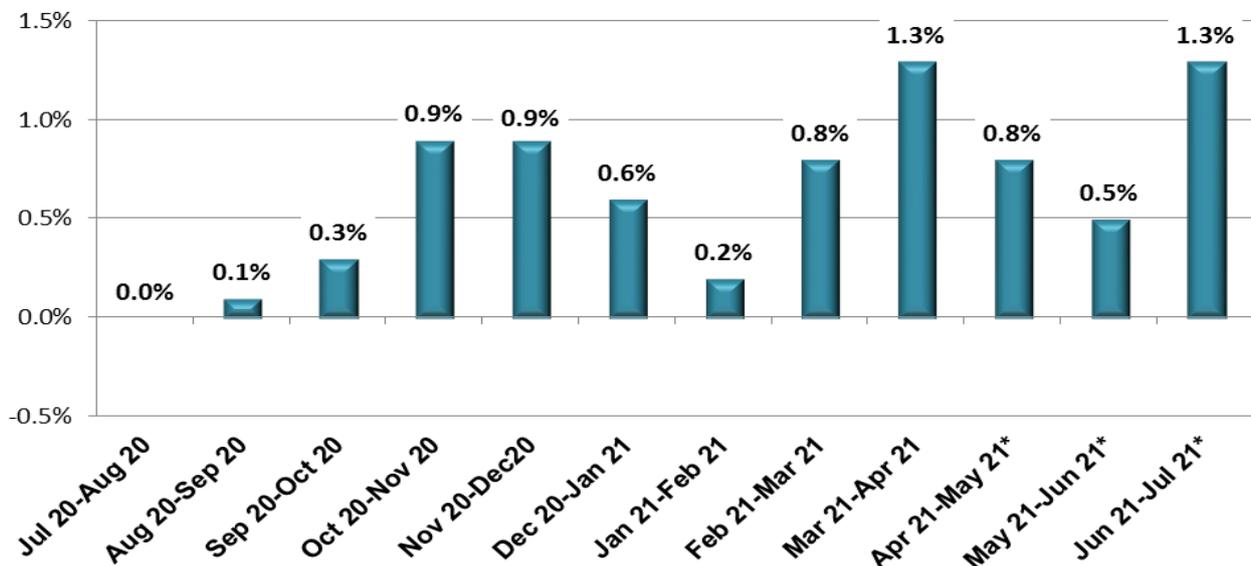
Price changes in the dwellings market (Not part of the Consumer Price Index)^[1]

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

- A comparison of the transaction prices in June 2021 – July 2021 to the transaction prices in May 2021 – June 2021, shows that dwelling prices increased by 1.3%.^[2] **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.

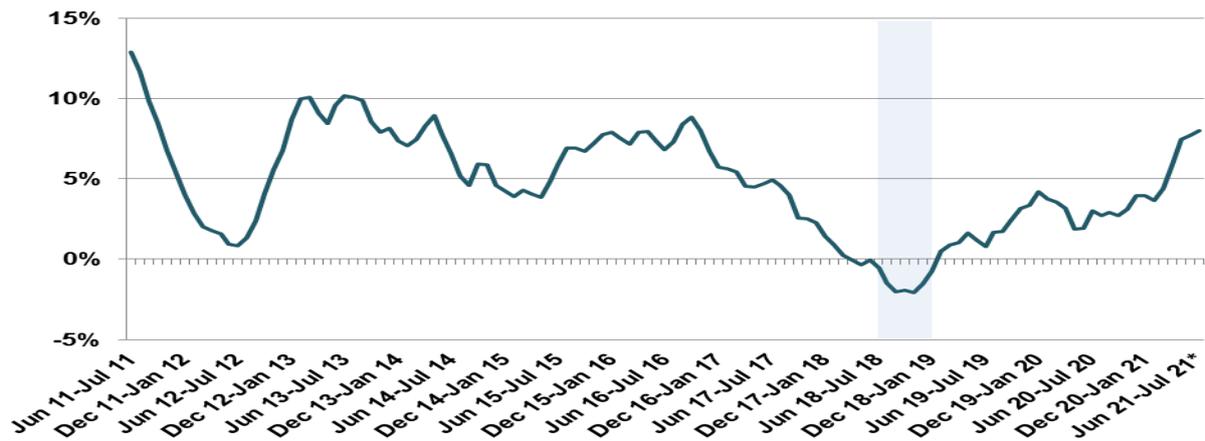
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¹ For explanations and details, see "Methodology for calculating the index of Prices of Dwellings, and Quarterly and Annual Averages" in [Price Statistics Monthly, Chapter B, section 1.1](#).

² 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., June 2021 – July 2021 compared to June 2020 – July 2020, shows that dwelling prices increased by 8.0%. Figure 2 presents annual percentage change in the dwellings price index over the last decade. From this figure it can be seen that compared to the beginning of the decade, prices have increased at much more moderate rate over the decade to the point of price declines in the last three quarters of 2018 (shaded area). Then, since the second half of 2021, the annual price has risen by more than 5%.

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

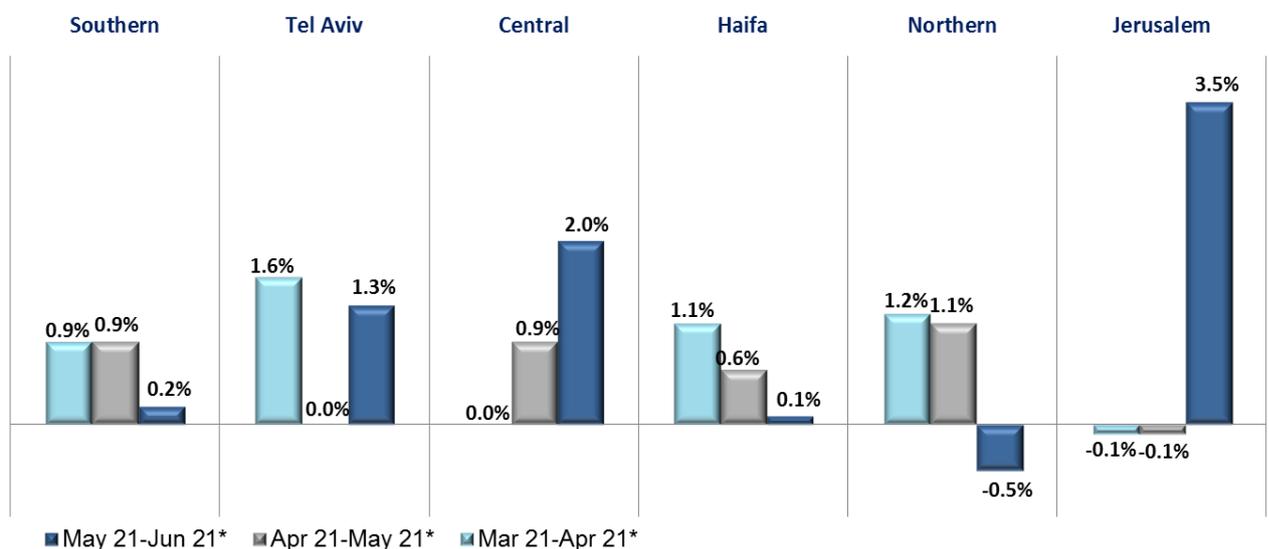


* The annual price changes for the last period are provisional

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

A comparison of the transaction prices in June 2021 – July 2021 to the transaction prices in May 2021 – June 2021, shows that the prices of dwellings by districts changed as follows: Jerusalem (3.5%), Northern (-0.5%), Haifa (0.1%), Central (2.0%), Tel Aviv (1.3%) and Southern (0.2%). Figure 3 presents the provisional price changes by districts. [See data series from October 2017 in table 3](#)

Figure 3: Percent Change in 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., June 2021 – July 2021 compared to June 2020 – July 2020, shows that price increased in all districts: Northern district (9.9%), Jerusalem district (8.8%), Central district (8.6%), Tel-Aviv district (7.5%), Southern district (6.4%) and Haifa district (5.1%).

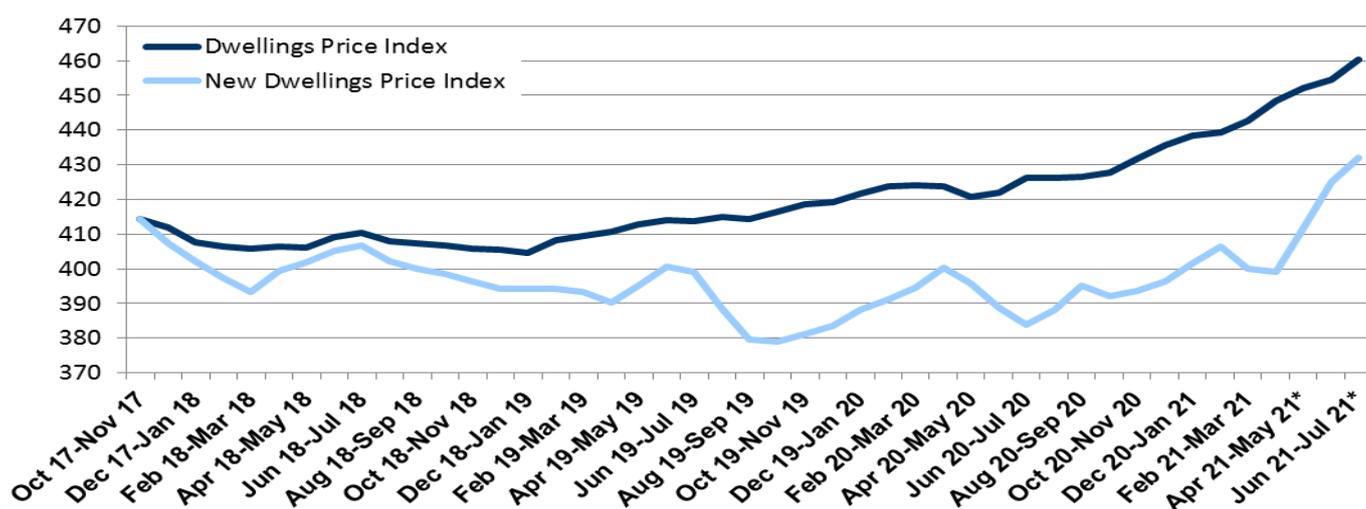
3. New Dwellings Price Index (quality-adjusted price changes)^[3]

A comparison of the transaction prices of new dwellings in June 2021 – July 2021 to the transaction prices of new dwellings in May 2021– June 2021 shows that new dwelling prices increased by 1.6%. Government-supported (Buyer Price) transactions that are included in the calculation of the new dwellings price index increased constituting 20.4% of the number of new dwelling transactions, compared to 19.4% in the previous month. Note that the rate of government-supported (Buyer Price) transactions is mostly negatively correlated to the new dwelling price index. Additional estimation shows that excluding Government-supported (Buyer Price) transactions, the new dwelling price index increased by 1.5%.

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

[See data series from October 2017 in table 4](#)

Figure 4: Dwellings Price Index vs. New Dwellings Price Index^[3]



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

Prices of new dwellings increased by 12.5% with respect to the prices in the same period last year, i. e., June 2021 – July 2021 compared to June 2020 – July 2020.

³ New Dwellings Price Index is published since January 2018