

Media Release

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

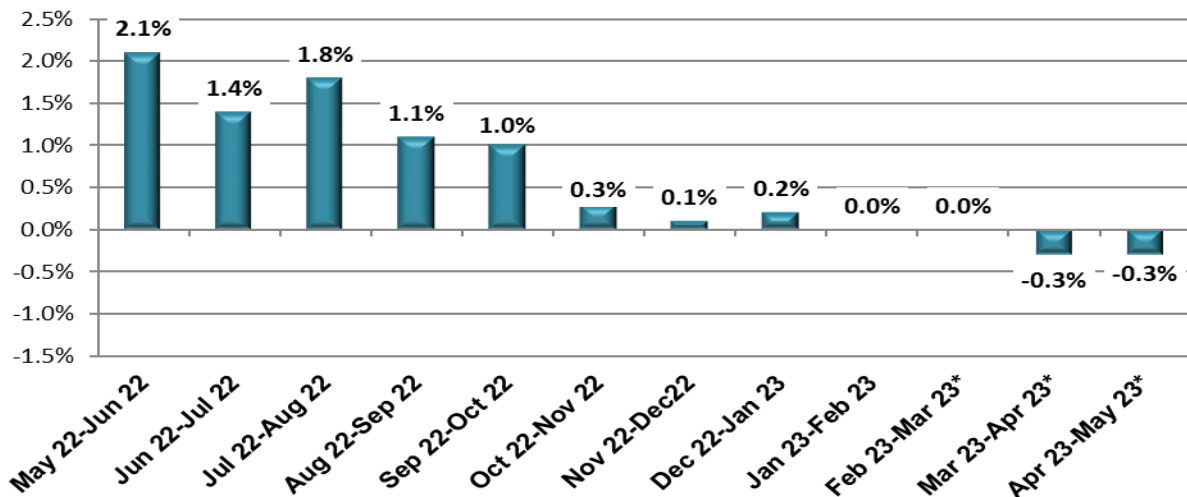
1. Dwellings Price Index (quality-adjusted price changes)

- A comparison of the transaction prices in April 2023 – May 2023 to the transaction prices in March 2023 – April 2023, shows that dwelling prices decreased by 0.3%.^[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.

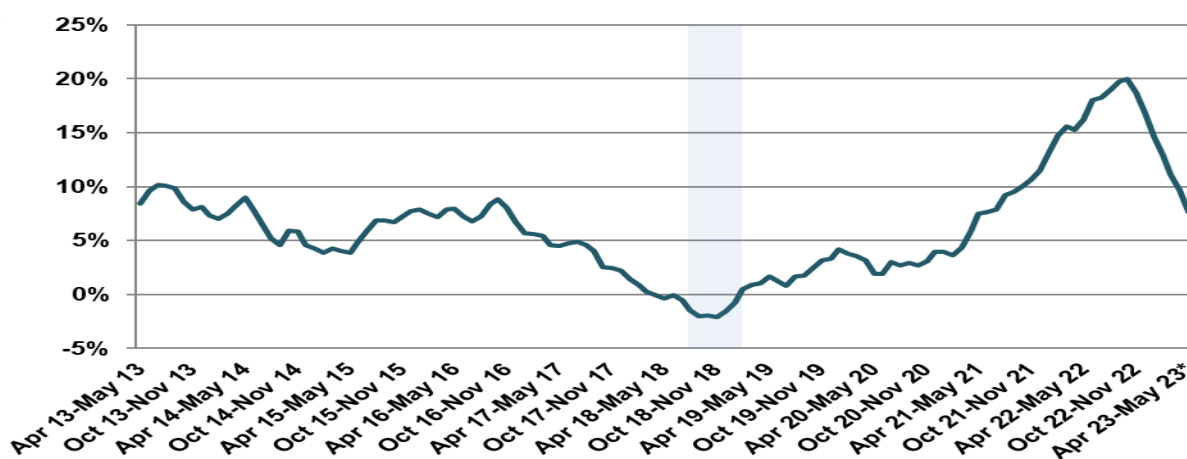
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¹ For explanations and details, see "Methodology for calculating the index of Prices of Dwellings, and Quarterly and Annual Averages" in [Price Statistics Monthly, Chapter B. section 1.1.](#)

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., April 2023 – May 2023 compared to April 2022 – May 2022, shows that dwelling prices increased by 7.6%. Figure 2 presents annual percentage change in the dwellings price index over the last decade. From this figure it can be seen that after a period of sharp increase of annual prices, a moderation in the rate of the annual price increase was recorded. Note that the significant previous moderation in the rate of annual price increase began in 2016 to the point of price decline in the last three quarters of 2018 (shaded area).

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

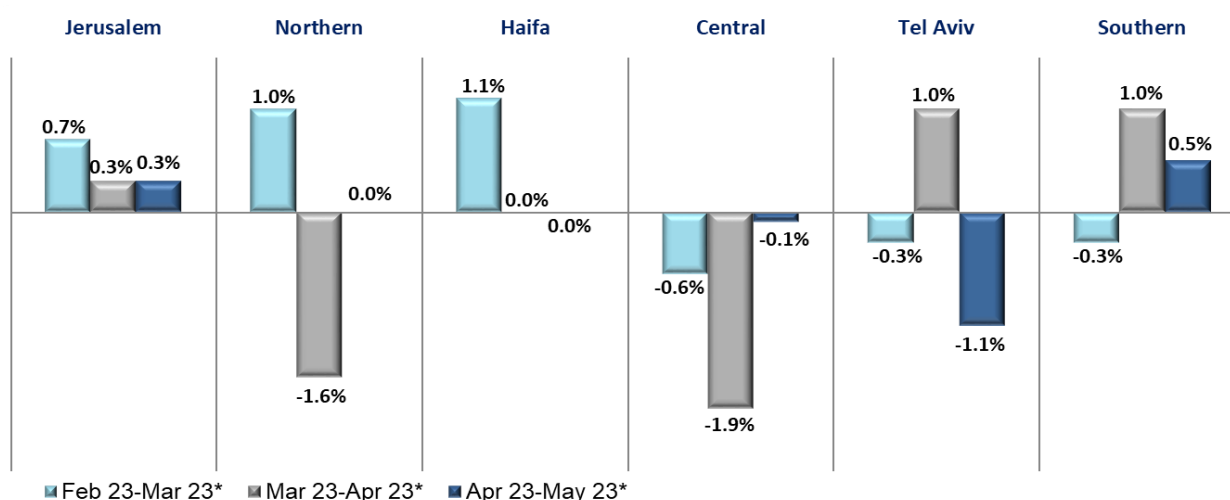


* The annual price changes for the last period are provisional

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

A comparison of the transaction prices in April 2023 – May 2023 to the transaction prices in March 2023 – April 2023, shows that the prices of dwellings by districts changed as follows: Jerusalem (0.3%), Northern (0.0%), Haifa (0.0%), Central (-0.1%), Tel Aviv (-1.1%) and Southern (0.5%). 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)



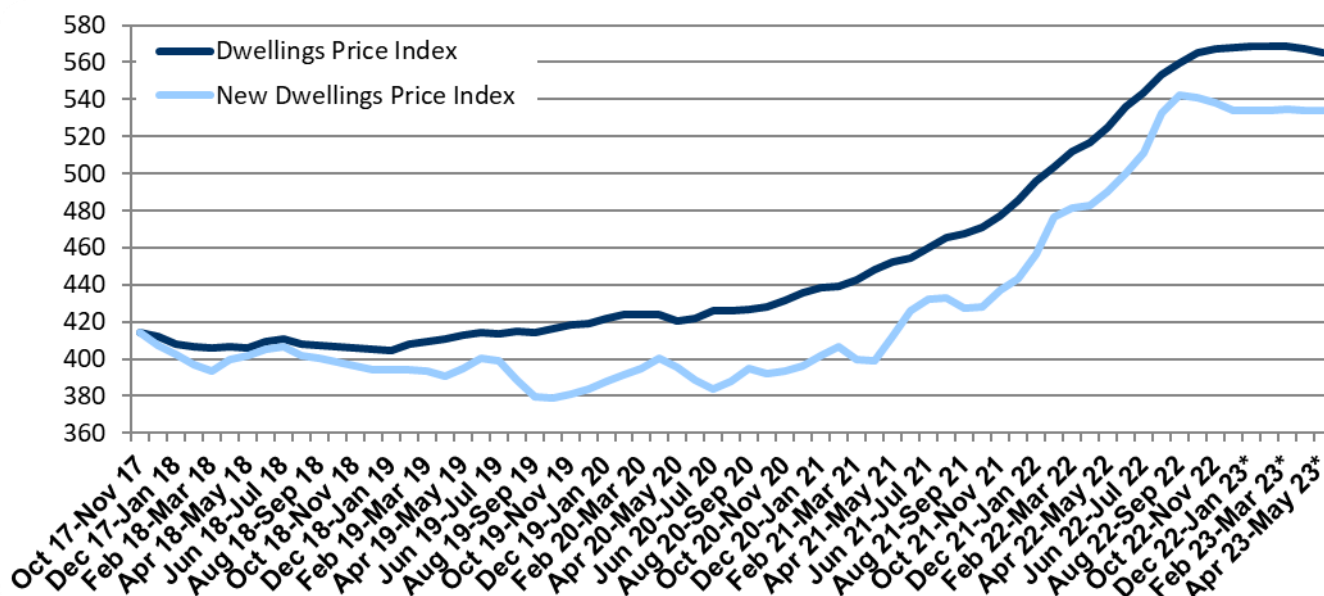
A comparison of the transaction prices in the current period, to the transaction prices in the same period last year, i. e., April 2023 – May 2023 compared to April 2022 – May 2022, shows the price increases in all districts: Northern (11.4%), Haifa (11.0%), Jerusalem (9.1%), Southern (6.8%), Central (6.6%) and Tel-Aviv (5.9%).

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

A comparison of the transaction prices of new dwellings in April 2023 – May 2023 to the transaction prices in March 2023 – April 2023 shows that new dwelling prices decreased by 0.1%. Government-supported transactions that are included in the calculation of the new dwellings price index increased constituting 19.1% of the number of new dwelling transactions, compared to 25.3% in the previous period. Note that the rate of government-supported transactions is mostly negatively correlated to the new dwelling price index. Additional estimation shows that excluding government-supported transactions, the new dwelling price index decreased by 0.1%.

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 8.8% with respect to the prices in the same period last year, i. e., April 2023 – May 2023 compared to April 2022 – May 2022.

³ New Dwellings Price Index is published since January 2018