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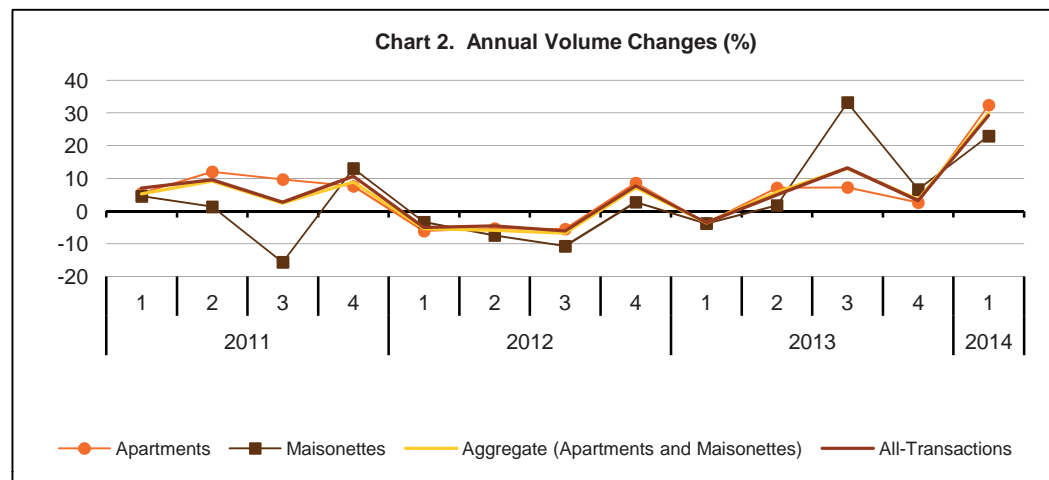
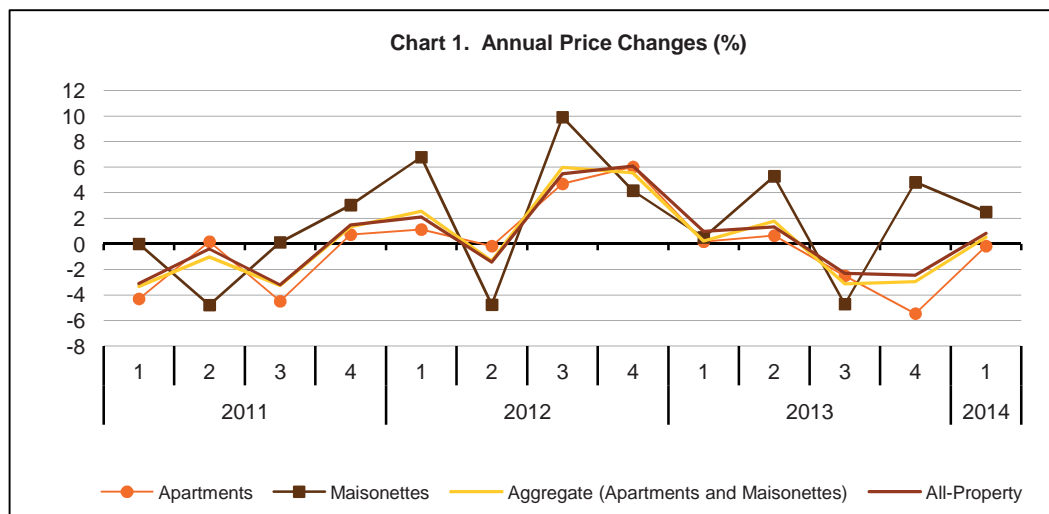
In the first quarter this year, the All-Property Price Index stood at 101.21, a rise of 0.8 per cent compared with the corresponding period last year.

## Property Price Index and Property Volume Index: Q1/2014

Cut-off date:  
**26 May 2014**

In the first quarter, the All-Property Price Index increased by 0.8 per cent (Table 3). The main driver was a rise of 2.5 per cent in the maisonettes index compared with the corresponding quarter last year. The apartments index declined by 0.2 per cent. This is reflected in a 0.5 per cent increase in the aggregate (apartments and maisonettes) index.

The All-Transactions Volume Index showed that the number of transactions in the first quarter this year increased by 29.2 per cent when compared to the corresponding period last year. The sharpest rise was recorded in the apartments category, by 32.4 per cent (Table 4). The largest number of transactions undertaken in the past year involved apartments (72.2 per cent), whereas the locality registering the largest number of transactions was St Paul's Bay, with 9.7 per cent of the total transactions, as shown in Tables 5 and 6 respectively ■



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Table 1. Property Price Indices (PPI)

Year	Quarter	Apartments	Maisonettes	Aggregate (Apartments and Maisonettes)	All-Property *
2010	1	101.73	95.79	100.30	100.51
	2	98.45	105.64	100.19	100.13
	3	103.08	102.77	103.01	103.30
	4	96.74	95.79	96.51	96.06
2011	1	97.36	95.79	96.96	97.38
	2	98.62	100.58	99.16	99.73
	3	98.45	102.89	99.65	99.99
	4	97.44	98.70	97.80	97.46
2012	1	98.45	102.30	99.45	99.41
	2	98.45	95.79	97.83	98.30
	3	103.07	113.09	105.61	105.48
	4	103.31	102.81	103.23	103.40
2013	1	98.62	102.81	99.68	100.37
	2	99.09	100.86	99.56	99.60
	3	100.50	107.77	102.31	103.04
	4	97.68	107.77	100.18	100.86
2014	1	98.45	105.38	100.19	101.21

Table 2. Property Volume Indices (PVI)

Year	Quarter	Apartments	Maisonettes	Aggregate (Apartments and Maisonettes)	All-Transactions *
2010	1	97.99	96.96	97.72	97.60
	2	100.30	102.70	100.94	101.18
	3	100.55	112.16	103.62	103.89
	4	101.16	88.18	97.72	97.34
2011	1	103.35	101.35	102.82	104.41
	2	112.36	104.05	110.16	110.88
	3	110.29	94.59	106.13	106.68
	4	108.83	99.66	106.40	107.73
2012	1	97.02	97.97	97.27	99.17
	2	106.39	96.28	103.71	105.81
	3	104.20	84.46	98.97	100.22
	4	118.20	102.36	114.00	116.03
2013	1	93.49	94.26	93.69	95.67
	2	113.94	97.97	109.71	111.05
	3	111.75	112.50	111.95	113.41
	4	121.24	109.12	118.03	119.79
2014	1	123.80	115.88	121.70	123.63

\* includes terraced houses

**Table 3. Annual Price Changes (%)**

Year	Quarter	Apartments	Maisonettes	Aggregate (Apartments and Maisonettes)	All-Property *
2011	1	-4.3	0.0	-3.3	-3.1
	2	0.2	-4.8	-1.0	-0.4
	3	-4.5	0.1	-3.3	-3.2
	4	0.7	3.0	1.3	1.5
2012	1	1.1	6.8	2.6	2.1
	2	-0.2	-4.8	-1.3	-1.4
	3	4.7	9.9	6.0	5.5
	4	6.0	4.2	5.6	6.1
2013	1	0.2	0.5	0.2	1.0
	2	0.6	5.3	1.8	1.3
	3	-2.5	-4.7	-3.1	-2.3
	4	-5.5	4.8	-3.0	-2.5
2014	1	-0.2	2.5	0.5	0.8

**Table 4. Annual Volume Changes (%)**

Year	Quarter	Apartments	Maisonettes	Aggregate (Apartments and Maisonettes)	All-Transactions *
2011	1	5.5	4.5	5.2	7.0
	2	12.0	1.3	9.1	9.6
	3	9.7	-15.7	2.4	2.7
	4	7.6	13.0	8.9	10.7
2012	1	-6.1	-3.3	-5.4	-5.0
	2	-5.3	-7.5	-5.8	-4.6
	3	-5.5	-10.7	-6.7	-6.1
	4	8.6	2.7	7.1	7.7
2013	1	-3.6	-3.8	-3.7	-3.5
	2	7.1	1.8	5.8	5.0
	3	7.2	33.2	13.1	13.2
	4	2.6	6.6	3.5	3.2
2014	1	32.4	22.9	29.9	29.2

\* includes terraced houses

**Table 5. Distribution of transactions by type of property \***

	per cent
Apartments	72.2
Maisonettes	24.1
Terraced Houses	3.7
<b>Total</b>	<b>100.0</b>

**Table 6. Localities registering the largest number of transactions \***

Rank	Locality	% of Total Transactions
1	St Paul's Bay	9.7
2	Tas-Sliema	8.5
3	St Julian's	5.6
4	Marsaskala	5.6
5	Birkirkara	4.9
6	Mosta	4.2
7	Naxxar	3.3
8	Swieqi	3.0
9	H'Attard	2.9
10	Haż-Żabbar	2.6

\* between Q2/2013 and Q1/2014

## Explanatory Notes

1. The Property Price Indices (PPI) and Property Volume Indices (PVI) are compiled on a quarterly basis. These indices are compiled on a quarterly rather than on a monthly basis to ensure that each index observation is substantiated by a larger sample.
2. Both the PPI and PVI cover apartments, maisonettes and terraced houses only. The price and volume data for the properties being included are deemed to be indicative of developments in land and construction prices and the property market in general.
3. No distinction is made between new and old houses. Over 1,000 transactions are considered every quarter.
4. The PPI is compiled on the basis of the median price in respect of each house type. The All-Property Index is compiled using a Laspeyres-type formula by which the indices of apartments, maisonettes and terraced houses are aggregated together using the volume of properties transacted every year as a basis for weights. Moreover, the All-Property Index is chain-linked every year. This enables the revision of weights on an annual basis and thus, the regular capture of trends observed in the property market.
5. While price indices are indicative of price trends in the markets for the reference properties and the property market in general, they are limited by the heterogeneity of the properties under reference. It is widely recognised that the price of a property is dependent on its location, type, state of maintenance and finish, age, tenure, the number of bedrooms and bathrooms, size and the availability of other amenities like yards and gardens. The available data do not allow for the use of any quality adjustment methodologies. However, the use of median prices compensates in part for this.
6. The PVI is compiled on the basis of the number of transactions in respect of each dwelling type. The All-Transactions Index reflects the percentage changes registered in the total number of transactions recorded by the Inland Revenue Department in the three dwelling types considered for the scope of this release.
7. Terraced houses are reflected in both the All-Property and All-Transactions indices. However, the price and volume indices of terraced houses are not published due to under-representation of the data (as shown in table 5) and the heterogeneity issue, which is more pronounced for this dwelling type. An additional indicator being compiled is an Aggregate Index based on apartments and maisonettes.
8. The base year of all the indices is 2010.
9. The indices published in this release have been updated as a result of newly available information. Data for the last four quarters are provisional.
10. **Definitions:**
  - An **apartment** is a self-contained room or suite of rooms with a separate entrance that is accessible from a common passage, landing or stairway. This category includes penthouses.
  - A **maisonette** is a self-contained room or suite of rooms with a separate entrance that is accessible from the street and is either at ground-floor level with overlying habitation, or at first-floor level with underlying habitation. A ground-floor maisonette may be classified either as a ground-floor tenement without its own airspace or as a maisonette. The category includes solitary maisonettes too.
  - A **terraced house** is a dwelling with at least two floors, with its own access at street level, with its own airspace and no underlying structures that are not part of the house itself. A terraced house is attached to other structures on both sides. This housing category includes a corner house at the end of a row of terraced houses.