



REPUBLIC OF CYPRUS  
MINISTRY OF FINANCE

STATISTICAL SERVICE  
OF CYPRUS  
1444 NICOSIA

7<sup>th</sup> April, 2017.

## **PRESS RELEASE**

### **HOUSE PRICE INDEX (HPI): Q4 2016**

#### **Quarterly Change 3,1%**

According to a preliminary estimate of the Statistical Service, the HPI for the fourth quarter of 2016, amounts to 90,50 units. Compared to the third quarter of 2016, the index increased by 3,1% while compared to the corresponding index of the previous year, the index increased by 2,8%.

The fluctuation of the Index for the period between the first and the fourth quarter of 2016 as well as the quarterly and annual percentage changes are presented in the following table:

	<b>Q1 2016</b>	<b>Q2 2016</b>	<b>Q3 2016</b>	<b>Q4 2016</b>
<b>HPI (2010=100)</b>	85,52	87,56	87,76	90,50
<b>Quarterly change (%)</b>	-2,9	2,4	0,2	3,1
<b>Annual change (%)</b>	-1,0	-1,7	-3,3	2,8

## **METHODOLOGICAL NOTES**

### **Definition**

The **House Price Index (HPI)** is a quarterly index which measures the change in the average prices of residential dwellings. It captures all types of residential properties, both new and existing. The land component of the residential property is included.

### **Data source**

The data source used for both, indices and weights, is the Department of Lands and Surveys, Ministry of Interior. The data cover all areas which are under the control of the government of the Republic of Cyprus.

### **Data compilation**

The data are stratified into two strata; old and new dwellings. For each stratum a rolling window hedonic regression model is used in order to calculate the sub-indices. Then, the sub-indices are weighted based on the sum of the value of the properties of each stratum in the previous year.

### **Base year**

The base year is 2010=100.

### **Data revision**

The variables of the model have been redefined in order to be available over time and ensure the comparability of the indices. Therefore, the indices for the period between the first quarter of 2015 and the second quarter of 2016 have been revised and a break in the series in the first quarter of 2015 occurred.

Data are initially marked as provisional and are revised as soon as new information is available.

### ***Further information***

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