



**For Immediate Release  
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**Citi Hong Kong Releases Results of  
Second Quarter 2020 Residential Property Ownership Survey**  
*Overall property market sentiment improves as the number of people expecting  
higher property prices next year doubles*

Citi Hong Kong conducted a survey in June this year on the impact of COVID-19 on residential property ownership in Q2 2020, gauging residents' attitudes towards residential property ownership as COVID-19 unfolded. According to the survey:

- More than 10% of the respondents considered it a good/excellent time to buy a home at this moment, representing a slight increase from the previous quarter, and remains the highest percentage in nine years.
- The public were split on the trend of property prices. In this quarter, the proportion of respondents who considered that property prices will rise in the next 12 months has doubled as compared with the previous quarter, and the number of respondents who expected property prices to fall has decreased significantly.
- The overall interest in purchasing residential property over the past two quarters has rebounded, with more than one-fifth of this quarter's respondents interested in buying a home.
- Compared to the figures in the first quarter and the second quarter, the impact of COVID-19 on the attitude towards the property market in the second quarter has eased. Respondents anticipated property prices at the end of the year would be similar to that at the beginning of the year taking into account COVID-19's impact, which was expected to only knock 5% off property prices at most.

**Property market sentiment has improved, with rebounded interest in buying properties**

The survey in Q2 2020 indicated a relative calm sentiment in the property market with positive changes observed in important indicators, including the judgment on the time of property purchasing, the views on the trends of property prices and the interest towards property buying. In this quarter, although a considerable proportion of respondents considered now a bad/terrible time to purchase a home, more than 10% of the respondents considered now a good/excellent time to do so, representing a slight increase from the previous quarter and the percentage remained at its highest level in nine years. As for the trend of property market, respondents who anticipated property prices to rise, remain flat and fall next year were evenly split, with each option accounting for 33% to 34% of all respondents. Compared with the previous quarter, the number of respondents expecting property prices to rise in this quarter has doubled, while the number of respondents expecting property prices to fall has decreased significantly. Meanwhile, the overall interest



in purchasing a property has rebounded over the past two quarters, with more than one-fifth of this quarter's respondents suggesting they were interested in buying a home.

<b>If you do not own any property now, taking into consideration your current standard of living and family finances, do you think it is a good time to purchase a home now?</b>					
<b>Percentage of Respondents</b>					
	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>A good/excellent time to purchase</b>	2%	3%	5%	10%	11%
<b>Neutral</b>	27%	29%	34%	38%	35%
<b>A bad/terrible time to purchase</b>	71%	68%	60%	52%	53%

Base: All Respondents

<b>How do you think home prices will trend in the next 12 months?</b>					
<b>Percentage of Respondents</b>					
	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>Upward</b>	36%	18%	21%	16%	33%
<b>Flat</b>	36%	26%	32%	28%	34%
<b>Downward</b>	28%	56%	46%	57%	33%

Base: All Respondents

<b>How interested are you in purchasing a property now?</b>					
<b>Percentage of Respondents</b>					
	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>Very/rather interested</b>	25%	20%	16%	17%	21%
<b>Neutral</b>	28%	29%	27%	31%	27%
<b>Very/rather uninterested</b>	47%	51%	57%	52%	52%

Base: All Respondents

### **COVID-19's impact on attitude towards property market is diminishing**

According to the survey, the respondents' feedback over the impact of COVID-19 on the property market this quarter was less than that in the previous quarter. Respondents in this quarter anticipated property prices at the end of the year would be similar to that at the beginning of the year taking into account COVID-19's impact, which was expected to only knock 5% off the property prices at most.

"The results show that the public is beginning to regain their confidence in purchasing residential property" said Josephine Lee, Head of Retail Bank, Citi Hong Kong. "As the overall property market sentiment improved in the second quarter of this year and the number of respondents expecting property prices to rise has doubled, the property market's development is gradually returning to normal. We suggest that interested homebuyers



comprehensively assess their financial position and choose a mortgage plan that best meets their needs.”

Citibank commissioned The University of Hong Kong Social Sciences Research Centre to conduct the survey, interviewing a random sample of over 500 Hong Kong respondents by phone in June 2020. Since 2010, Citibank has been conducting quarterly surveys on the Hong Kong housing market to assess the current state of home ownership in the SAR, gauge public intentions towards home ownership, and track public expectations of future housing price trends.

Source: Citibank Q2 2020 Residential Property Ownership Survey

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