



For Immediate Release
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Fourth Quarter 2020 Citi Residential Property Ownership Survey
Over 40% of respondents expect home prices to remain stable in the coming year, undeterred by the fourth wave of the COVID-19 outbreak

Citi Hong Kong conducted a survey in December 2020 on residential property ownership in Q4 2020, gauging the impact of COVID-19 on respondents' attitude towards residential property ownership. According to the survey results:

- 8% of the respondents considered it a good time to buy a home in Q4 2020, representing a number higher than that recorded in the eight years before the COVID-19 outbreak.
- 17% of the respondents were interested in purchasing a property in Q4 2020, with a marginal percentage change from the previous quarter, and over 320,000 members of the public had been to view show flats in November last year, reflecting interest among the public in buying a home.
- Respondents remained confident about property prices, undeterred by the impact of the fourth wave of the pandemic. Over 40% of the respondents expect home prices to stay flat in the coming year, and there was a significant decline in the overall percentage of respondents holding a bearish view of the property market compared with the previous quarter.
- The overall sentiment towards home ownership in Q4 2020 was relatively consistent from the previous quarter. Judging by the level of interest in property ownership throughout 2020, the percentage of respondents considering it a good time to buy a home has persistently stayed at a relatively high level compared with that seen before the outbreak, while respondents show no significant change in the interest in home ownership before and after the outbreak, amid an increasingly stable outlook for Hong Kong's property prices.

43% of respondents expect property prices to stay steady, with a higher percentage of respondents considering it a good time to buy a home compared with that before the outbreak

According to the survey results, 8% of the respondents considered Q4 2020 a good/excellent time to buy a home, showing a slight decline in numbers compared with the first three quarters of 2020, but still higher than the level recorded in the eight years before the pandemic outbreak.

17% of the respondents were interested in buying a home in Q4 2020, a level of interest comparable with that recorded in the previous quarter and showing little change during the third and fourth waves of the outbreak. Approximately 325,000 members of the public had gone to view a show flat in November last year, representing a decline in numbers compared with nearly 400,000 respondents in the third quarter, but still showing a 35% increase compared with the number recorded during the same period in 2019. This can be



seen as reflecting an interest in buying a home despite the fourth wave of the outbreak among a significant number of citizens who were actually going house-hunting.

Over 40% of the respondents expect property prices to remain stable in the coming year despite the impact of the fourth wave of the outbreak, and the overall percentage of respondents with a bearish view on the property market has dropped from 43% in the previous quarter to 36% in this quarter, reflecting a revival of confidence in property prices among the respondents. Having witnessed the cyclical fluctuations in the COVID-19 pandemic, the public were undeterred by the fourth wave of the outbreak and stayed calm and confident in the property market despite the impact of the pandemic.

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?					
Percentage of Respondents					
	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
A good/excellent time to purchase	5%	10%	11%	10%	8%
Neutral	34%	38%	35%	36%	39%
A bad/terrible time to purchase	60%	52%	54%	54%	54%

Base: All Respondents

How interested are you in purchasing a property now?					
Percentage of Respondents					
	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Very/rather interested	16%	17%	21%	17%	17%
Neutral	27%	31%	27%	28%	27%
Very/rather uninterested	57%	52%	52%	55%	56%

Base: All Respondents

How do you think home prices will trend in the next 12 months?					
Percentage of Respondents					
	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Upward	21%	16%	33%	23%	22%
Flat	32%	28%	34%	34%	43%
Downward	46%	57%	33%	43%	36%

Base: All Respondents

Josephine Lee, Head of Retail Bank, Citi Hong Kong, said, "The survey results show that the overall sentiment towards residential property ownership in Q4 2020 is comparable with that seen in the previous quarter. Judging by the level of interest in home ownership throughout 2020, the percentage of respondents considering it a good time to buy a home has persistently stayed at a relatively high level compared with that before the outbreak, showing no significant impact of the pandemic on residential property ownership with a significant



number of citizens actually going to view a show flat. Over the past year, local citizens have gradually gotten used to the cyclical fluctuations in the pandemic, with an increasingly stable outlook for property prices. The pent-up demand for home ownership is expected to be unleashed on the prospects of an economic recovery in 2021. 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 December 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 Q4 2020 Residential Property Ownership Survey

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