



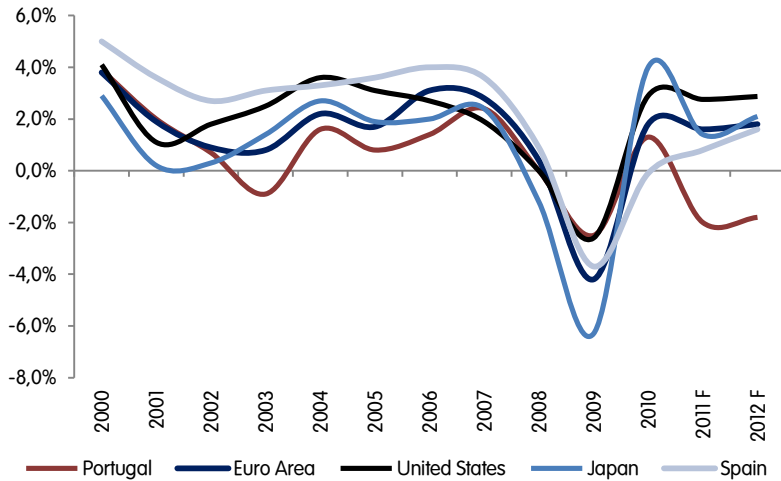
**FIABCI PORTUGAL**

**August-September  
2011**

**APEMIP**

Associação dos Profissionais e Empresas de Mediação imobiliária de Portugal

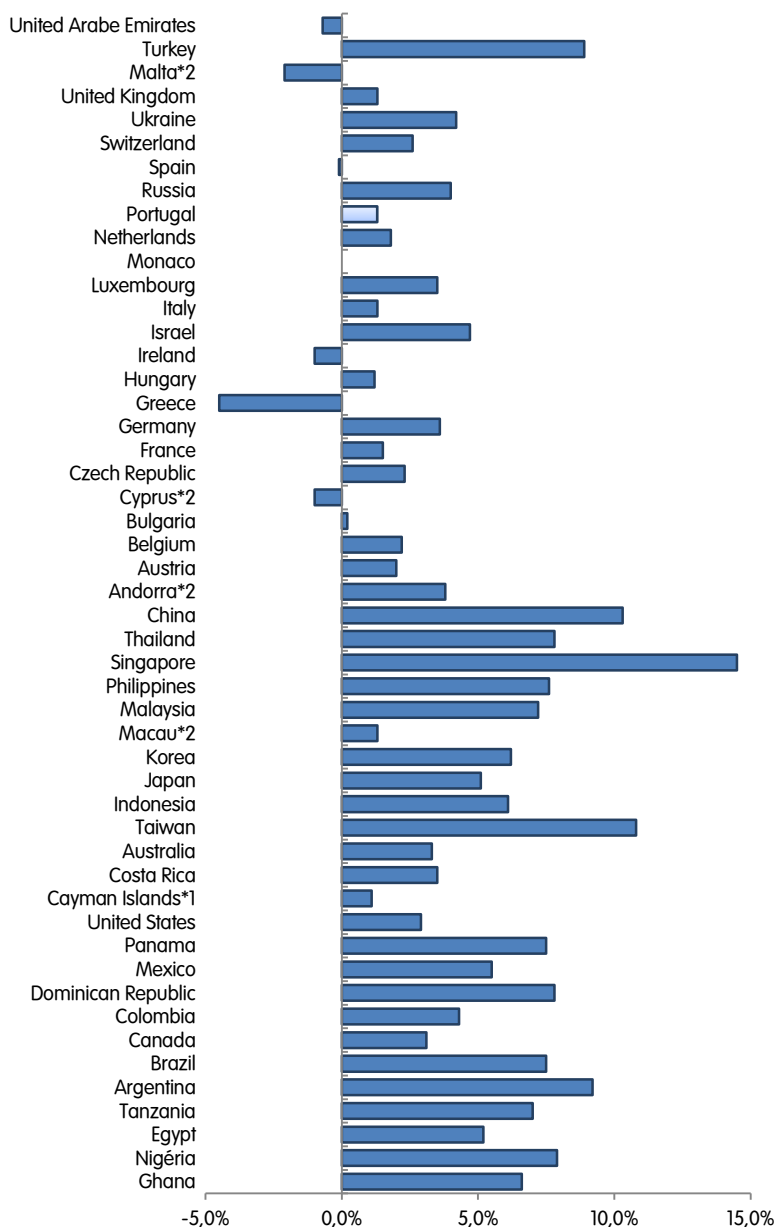
## GDP Growth Rate (%)



Source: Eurostat | IMF

Since the end of 2007, world economy has been failing, due to the subprime crises. In the end of 2010 it seems like global economy has finally start to recover, however, negative results in some economies have weakened the strength of the recover. In Europe, Greece and Ireland, in 2010 have present a downturn in GDP growth, although Portugal as shown signs of weakness, in that year it presented an increase of 1,3%.

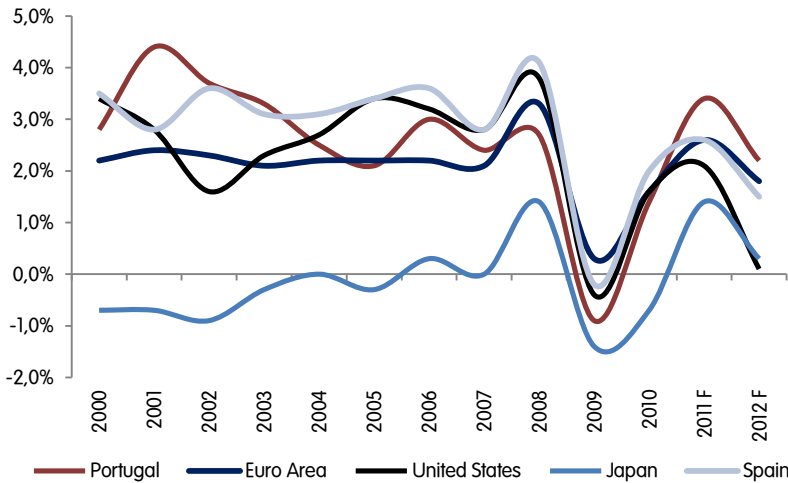
## FIABCI Member's GDP Growth Rate (%):2010



Source: World Bank; \*1; \*2 : 2009 data

In 2010, FIABCI Member's in global, had present a positive behavior of GDP. In notice, the Asian Tigers and the BRIC countries had present the highest growth's.

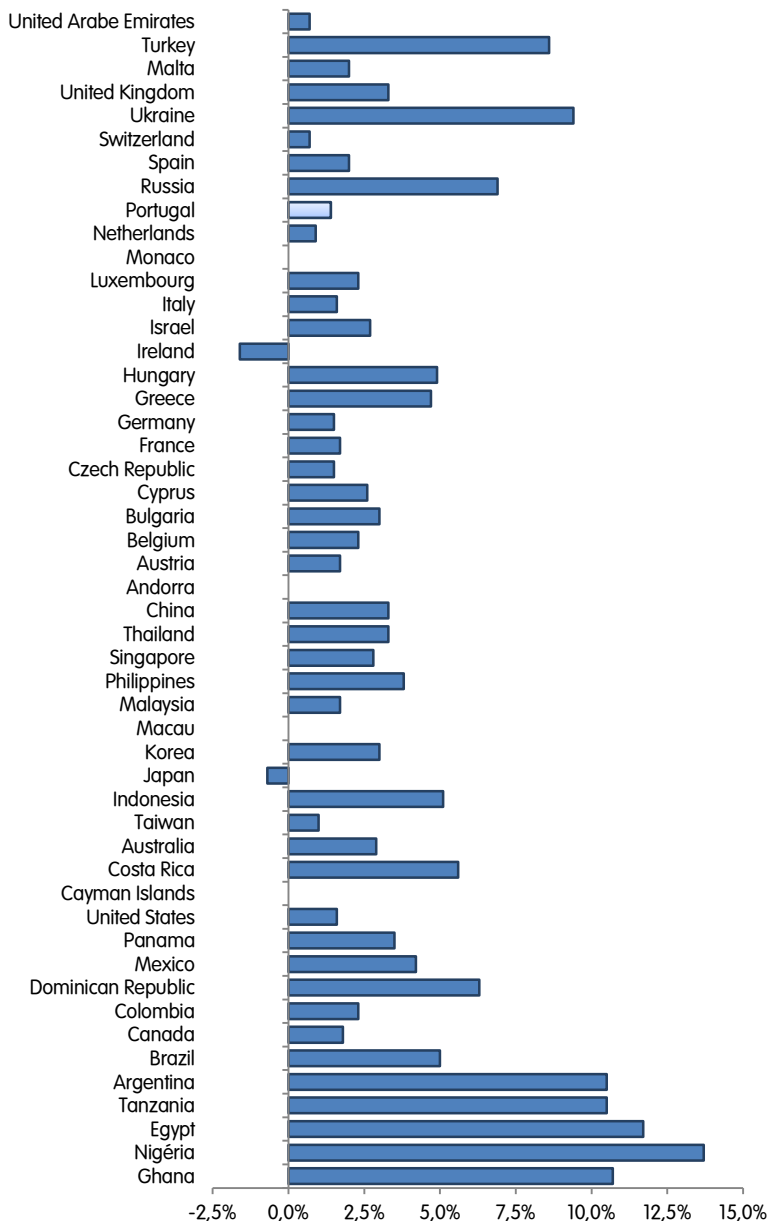
## Inflation, Consumer Prices (%)



Source: Eurostat | IMF

In terms of price developments, keep inflation at lower levels is one of the major concern of all countries. During the year of 2010, HICP inflation, in Euro Zone and USA was around 1,6%. In Portugal it register a 1,4% growth, below the average of Euro Zone and USA, for 2011 and 2012 it seems that it's going to be an increase to values of 3,4% and 2,2%, mainly due to the raise of VAT and energy prices.

## FIABCI Member's Inflation - Consumer Prices : 2010

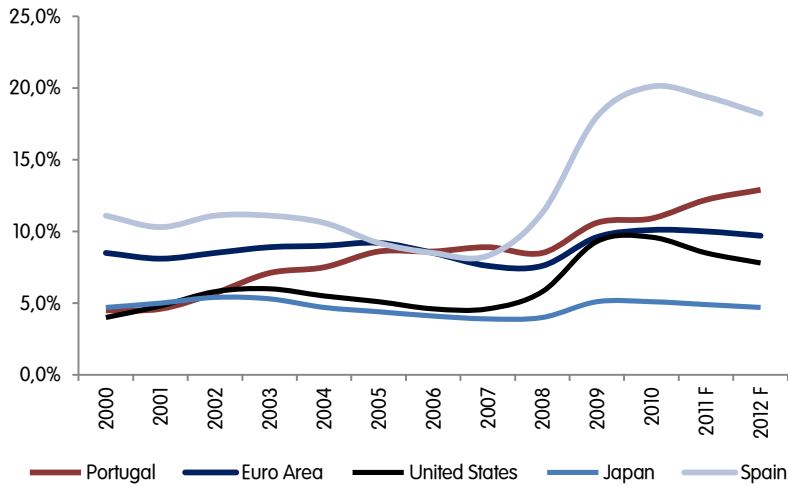


Source: WorldBank

According to IMF, in advanced economies, inflation is projected to return below 2% in 2011, settling at about 1½ % during the course of 2012 as food and energy price hikes abate and wages accelerate only gradually amid weak labor markets.

Across the FIABCI Member's inflation mainly in African and Latin Countries has observed very high values in 2010 as in some emerging and developing economies, in fact inflation pressures are broadening among accommodative macroeconomic policies and increasingly necessary capacity constraints.

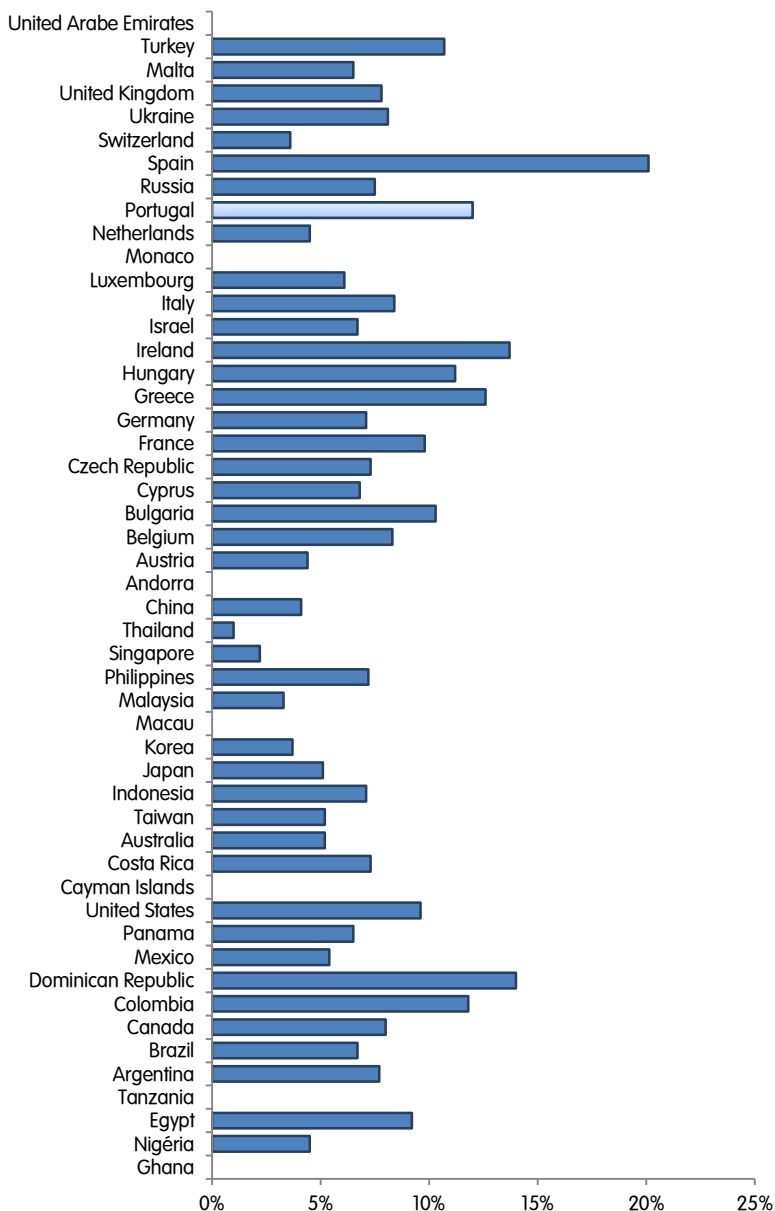
## Unemployment Rate (%)



Source: Eurostat | IMF

Since the financial crises many companies, banks, have reduced the workforce, with reflection in unemployment rates, in general countries, are implementing measures to improve employment. In Portugal in the next two years, unemployment is expected to achieve values around 12%, although high, still remains below Spain forecasts' around 19%.

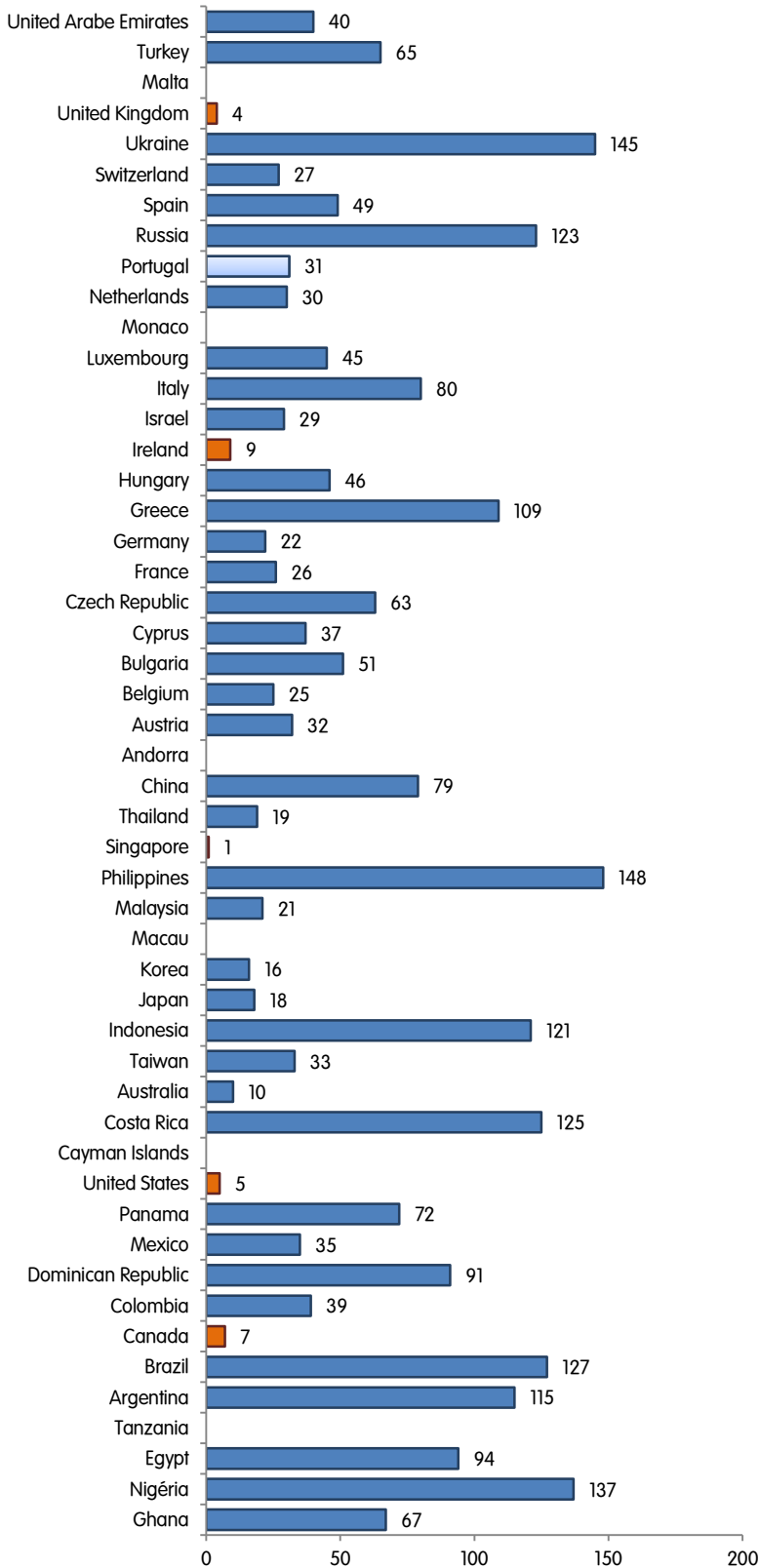
## FIABCI Member's Unemployment Rate : 2010



Source: World Bank

In terms of FIABCI Member's, European countries in 2010, have the highest unemployment rates, e.g Spain, Ireland, Greece.

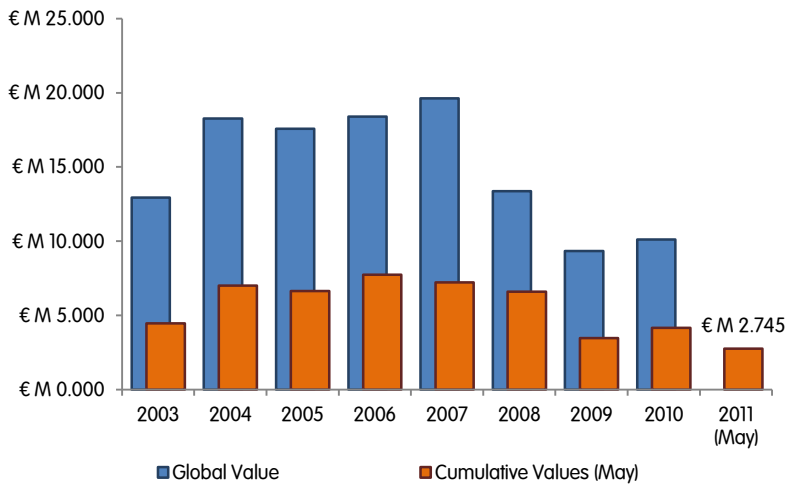
## FIABCI Member's : Doing Business Rank (2011)



Source: World Bank

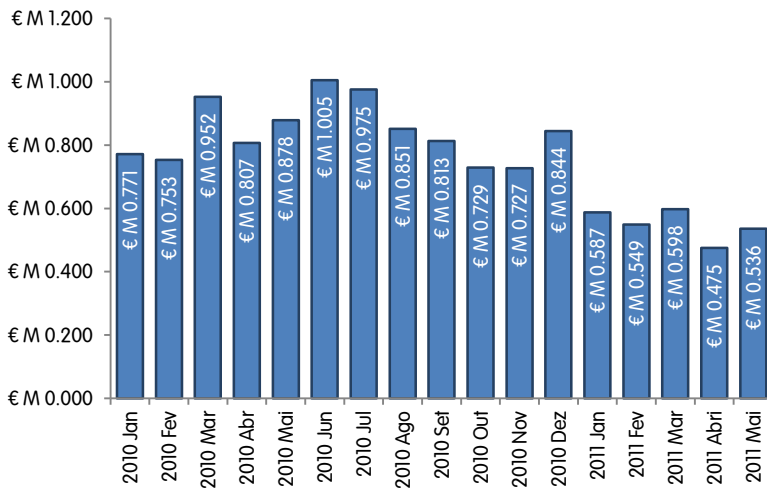
According to doing business 2011, Globally, doing business remains easiest in OECD high-income economies. In the ranking, of the 183 economies of the study, Singapore retains the first place on the ease of doing business, followed by Hong Kong, New Zealand, the United Kingdom, the United States, Denmark, Canada, Norway, Ireland and Australia. Portugal has rank 31, improving two places since 2010.

## Portugal New House Loans: Value



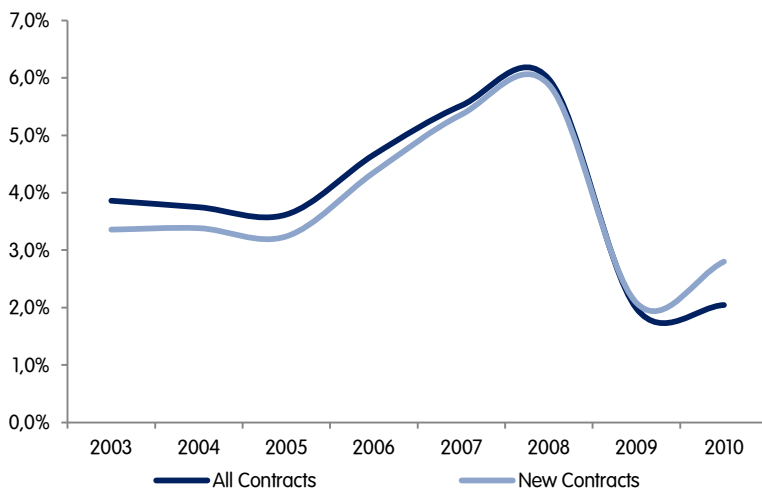
Source: Bank of Portugal

## Portugal New House Loans: Month Value



Source: Bank of Portugal

## Interest Rate: Housing

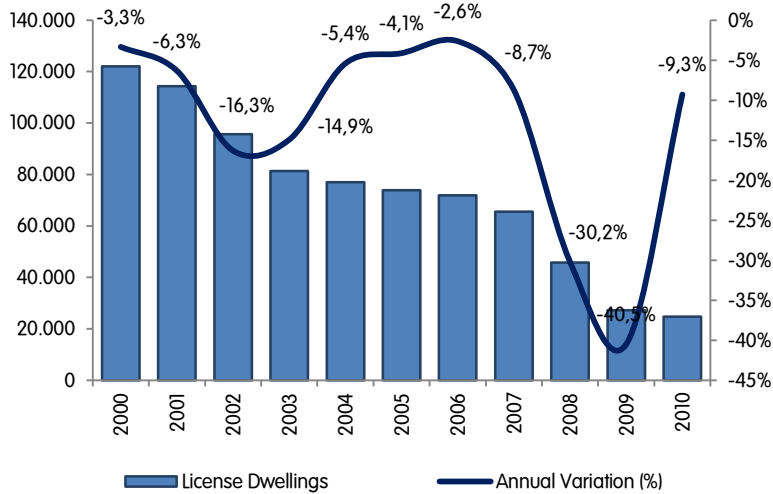


Source: INE

Portuguese economy has been facing a downturn with influences on the housing market. According to Bank of Portugal data, in the first five months house loans have achieved the value of € 2.745 million, decreasing 39% when compared to the same period in 2010.

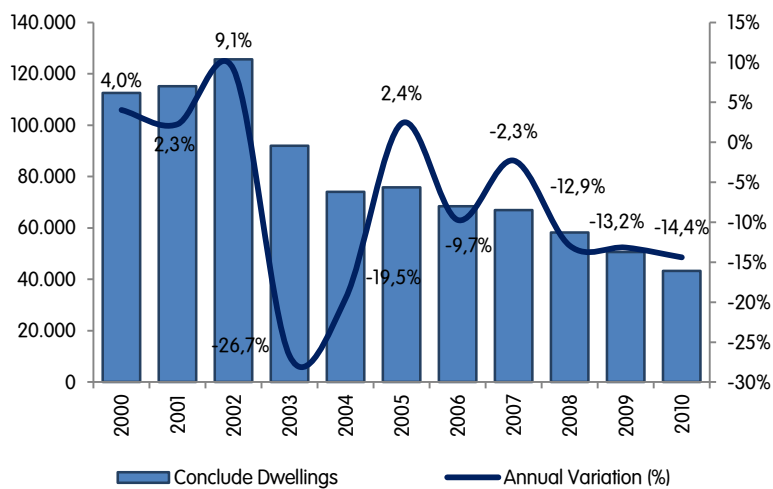
In 2010, the interest rate for new house loans were around 2,8%.

## Dwellings' Permits



Source: INE

## Conclude Dwellings



Source: INE

## Most Dynamic Municipalities - Top 10 Transactions

| Most Dynamic Municipalities | National Relevance |
|-----------------------------|--------------------|
| Lisboa                      | 5,04%              |
| Sintra                      | 2,64%              |
| Porto                       | 2,46%              |
| Vila Nova de Gaia           | 2,30%              |
| Cascais                     | 1,52%              |
| Leiria                      | 1,48%              |
| Coimbra                     | 1,43%              |
| Braga                       | 1,38%              |
| Matosinhos                  | 1,35%              |
| Oeiras                      | 1,33%              |

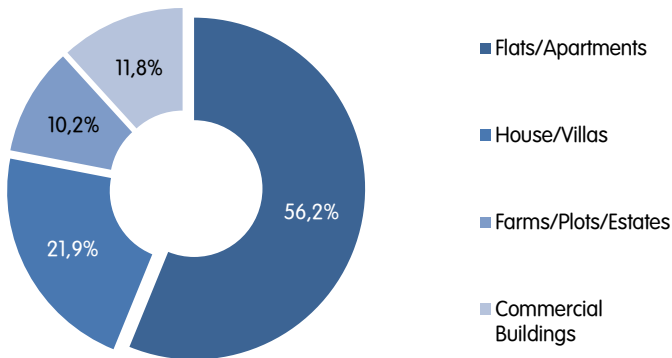
Source: APEMIP | www.casayes.pt

The Portuguese Residential Market was one of the first sectors to feel the effects of the crisis. In fact, in the first nine months of 2008 the interest rates increased, allied with restrictive bank policies and retraction of the residential supply and demand. Although in 2009 we assist the decreasing of the interest rate, this was not enough to the market recover, because of the restrictive lending policies, the low levels of consumer confidence and the instability of the labor market. In 2010, interest rates increased due to the euribor rate behavior.

The retraction of residential supply was marked by the decreasing of license (-9,3%) and conclude dwellings (-14,4%).

Facing the downturn of the economy the number of transactions in the real estate sector in 2011, are expected to decreased. In the first semester the number of transactions expected varied between 98.000 to 101.700. According to APEMIP forecast during May and June 2011, the top three dynamic municipalities in terms of transactions were Lisbon, Sintra and Porto.

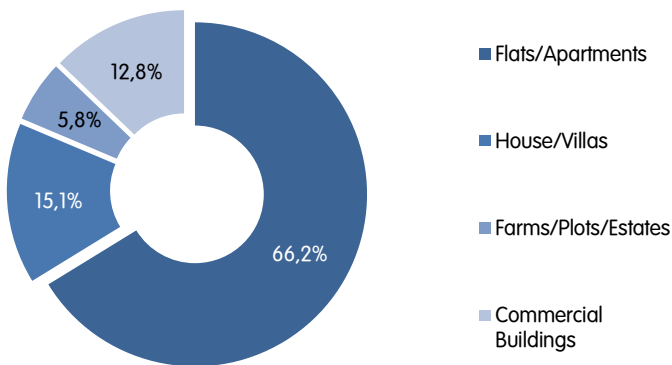
## Supply by Type: Portugal



Source: APEMIP | www.casayes.pt

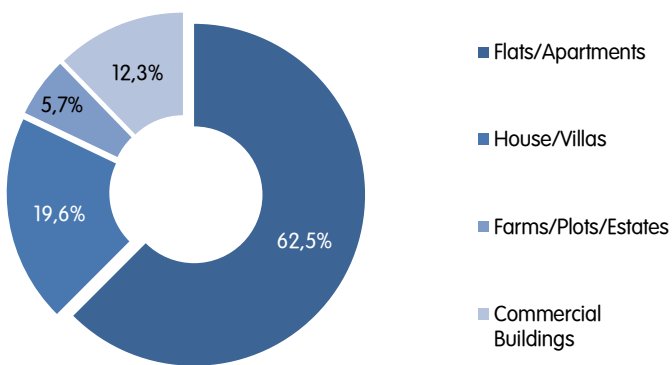
According to data based on CasaYES Portal (June 2011), in terms of supply by type, 56,2% are flats and 21,9% houses. In Greater Porto and Greater Lisbon the weight of the flats is in evidence. In Algarve there's seems to be a balance between flats and houses.

## Supply by Type: Greater Porto



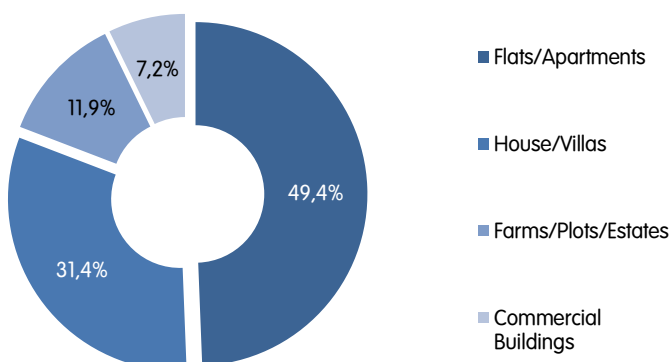
Source: APEMIP | www.casayes.pt

## Supply by Type: Greater Lisbon



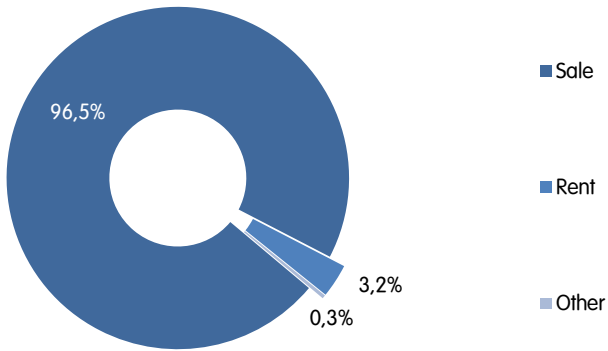
Source: APEMIP | www.casayes.pt

## Supply by Type: Algarve



Source: APEMIP | www.casayes.pt

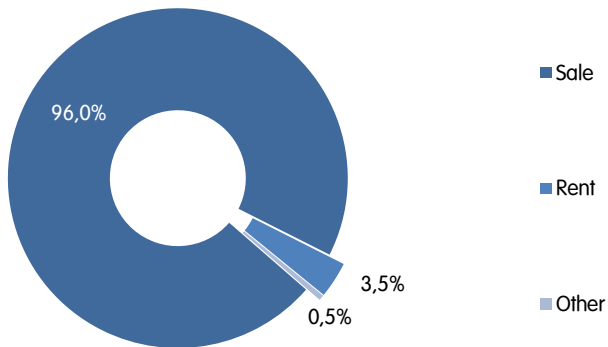
## Residential Supply by Use: Portugal



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

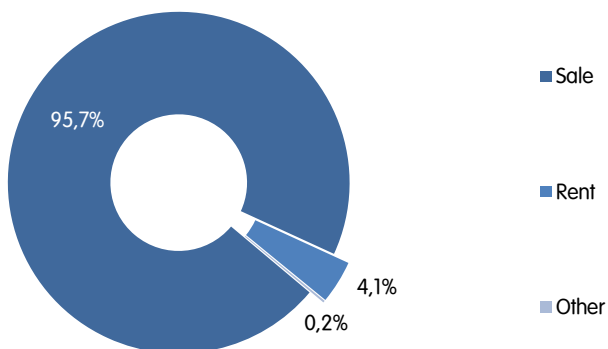
In Portugal according to census 2001, 76% of the Portuguese population owned is house, nowadays many residents try to let a house, but there's seems to be an imbalance, as showed in the figures, on 2011, most of the supply, in 90% of the cases, is oriented to sales. In Greater Porto and Lisbon, the supply to let is above the national average.

## Residential Supply by Use: Greater Porto



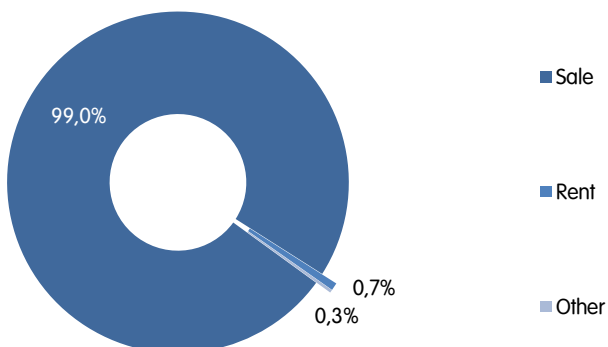
Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

## Residential Supply by Use: Greater Lisbon



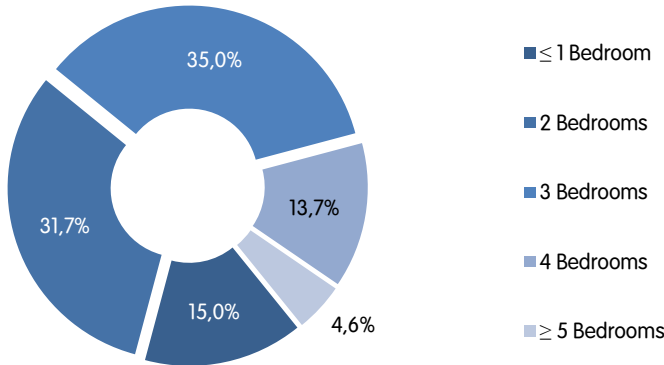
Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

## Residential Supply by Use: Algarve



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

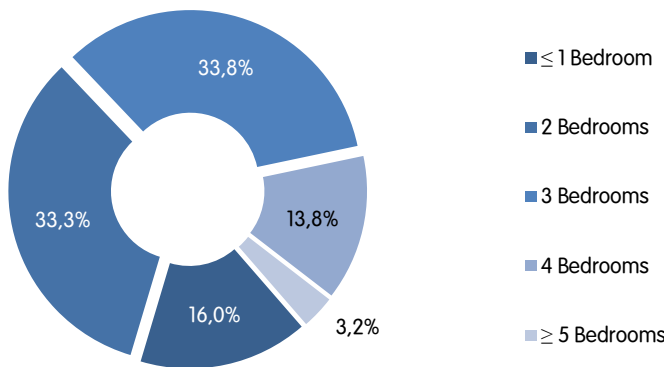
## Supply by Number of Bedrooms: Portugal



Source: APEMIP | www.casayes.pt

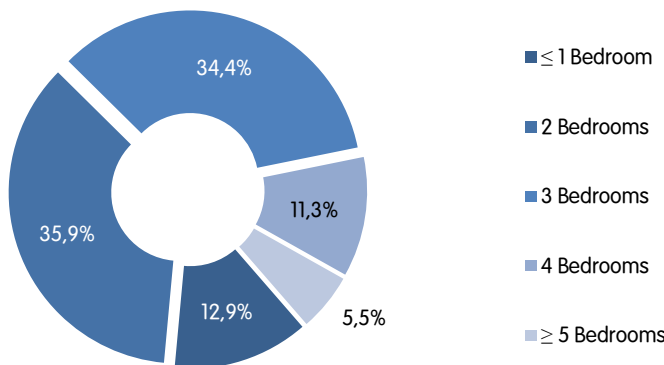
In average, according to the June data of CasaYES, 31,5% of the supply refers to two bedrooms and 35,0% to three bedrooms. In Greater Porto Area 67% of the residential supply on CasaYes Portal is 2 and 3 bedroom, in Greater Lisbon it represent 70%. In Algarve, the one bedroom apartments represent already 20,5% of the total supply.

## Supply by Number of Bedrooms: Greater Porto



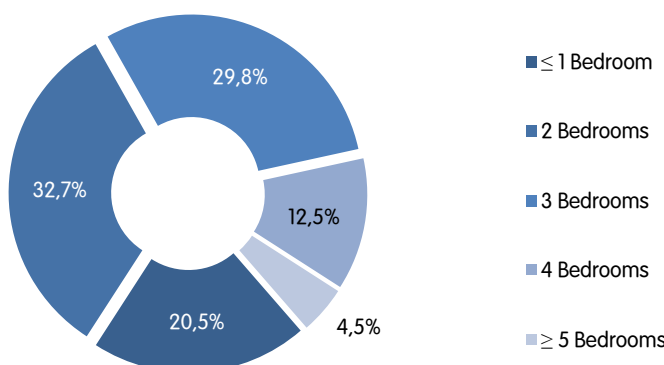
Source: APEMIP | www.casayes.pt

## Supply by Number of Bedrooms: Greater Lisbon



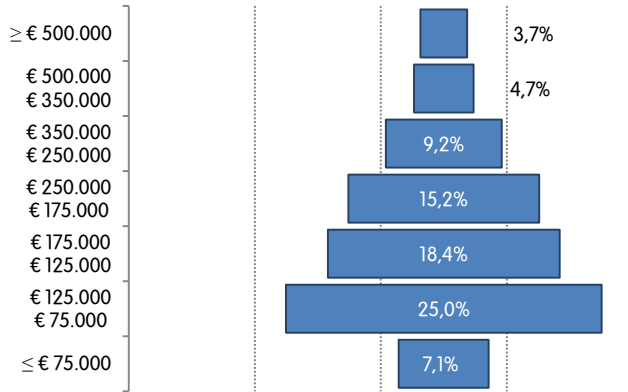
Source: APEMIP | www.casayes.pt

## Supply by Number of Bedrooms: Algarve



Source: APEMIP | www.casayes.pt

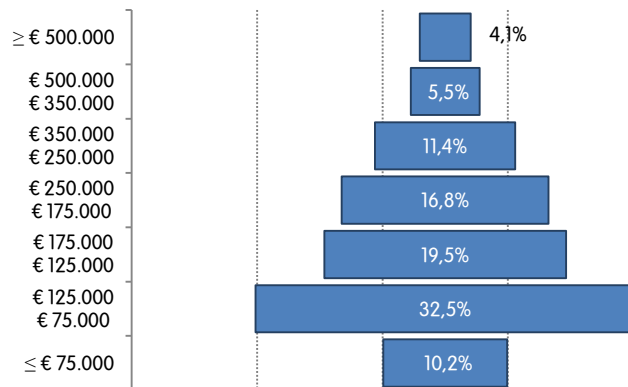
## Portugal Supply: Asking Values



Source: APEMIP | www.casayes.pt

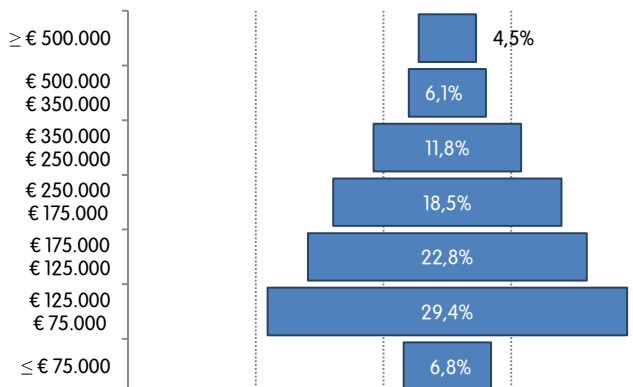
In terms of sales value, 25% of the residential stock available on CasaYES Portal, various between €75.000 and €125.000 and 18,4% between €125.000 to €175.000. In Greater Porto and Lisboa Area the price structures of the supply side is similar to the national. In fact, in Greater Porto, 32,5% of the supply range from €75.000 to €125.000 and 19,5% from €125.000 to €175.000.

## Greater Porto Supply: Asking Values



Source: APEMIP | www.casayes.pt

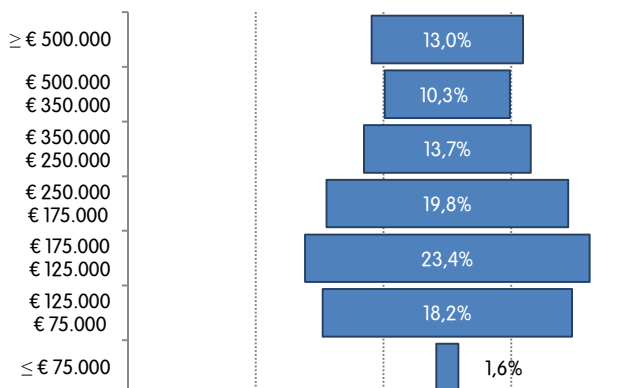
## Greater Lisbon Supply: Asking Values



Source: APEMIP | www.casayes.pt

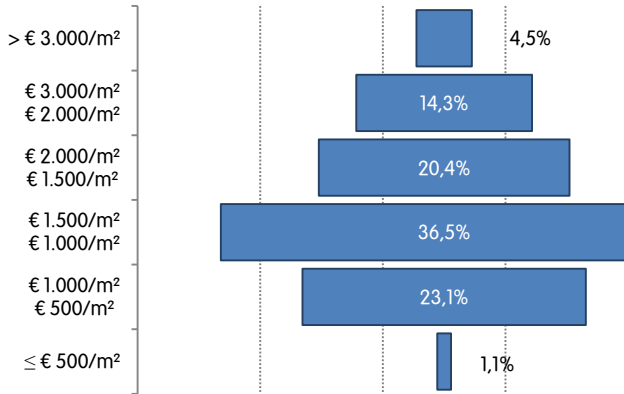
In Greater Lisbon area 29,4% of the supply it range from €75.000 to €125.000, and 22,8% between €125.000 to €175.000. In Algarve the price structure is quite different with higher prices, in fact 23,4% are between €125.000 to €175.000 and 19,8% between €175.000 to €250.000. This market has a high share of second homes to sell in the national and international market, the asking price structure, in the month of the analyses has this in consideration.

## Algarve Supply: Asking Values



Source: APEMIP | www.casayes.pt

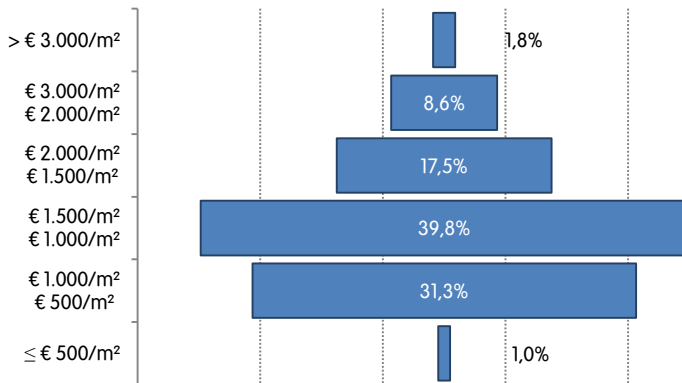
## Portugal Supply: Asking Values per sq m



Source: APEMIP | www.casayes.pt

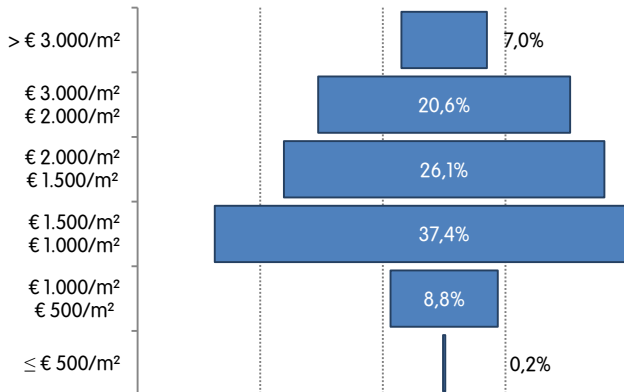
Analysing supply by sq m, in Portugal, according to CasaYes Portal, 36,5% of the supply of the residential market is between €1.000/sq m and 1.500 and 23,1% between €500 to €1.000/sq m. Greater Lisbon and Porto follow the national average, exception for Algarve with 27,7% of the values range between €2.000 to €3.000/sq m, and 27,6% from €1.500/sq m to €2.000/sq m.

## Greater Porto Supply: Asking Values per sq m



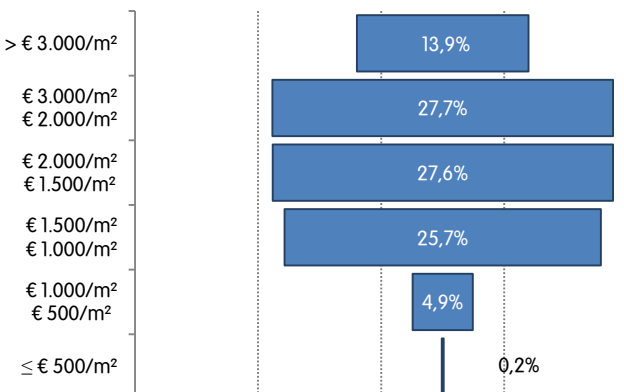
Source: APEMIP | www.casayes.pt

## Greater Lisbon Supply: Asking Values per sq m



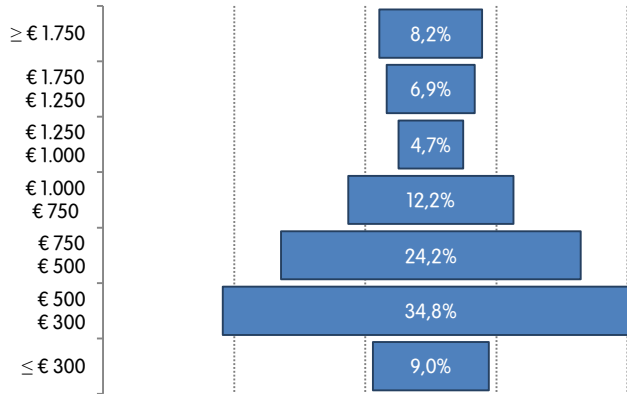
Source: APEMIP | www.casayes.pt

## Algarve Supply: Asking Values per sq m



Source: APEMIP | www.casayes.pt

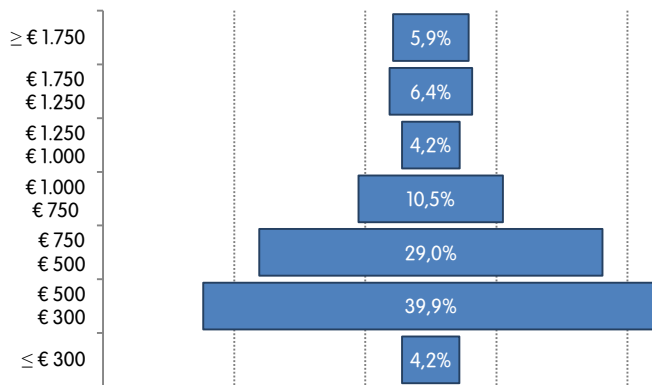
## Portugal Supply: Rent Values



Source: APEMIP | www.casayes.pt

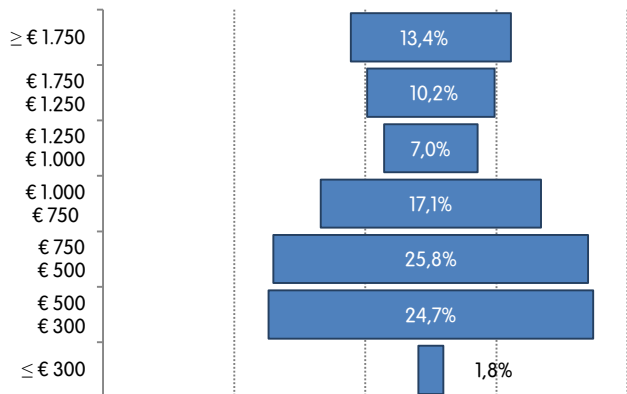
In terms of the rent market, according to the data available on CasaYes Portal on June, 59% of the supply is concentrate on values that range from €300 to €750. All the areas analyzed have the supply mainly focus on the mention range values.

## Greater Porto: Rent Values



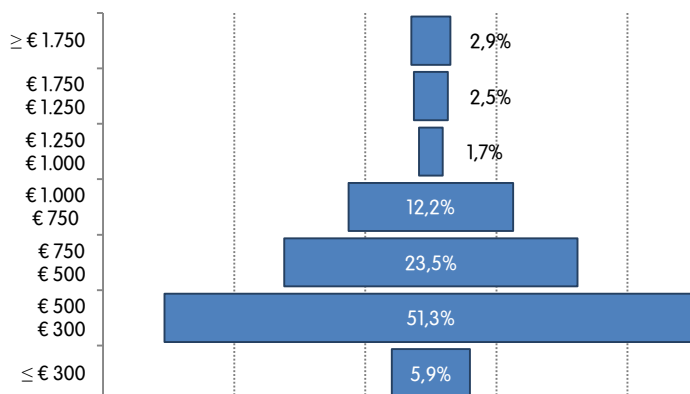
Source: APEMIP | www.casayes.pt

## Greater Lisbon: Rent Values



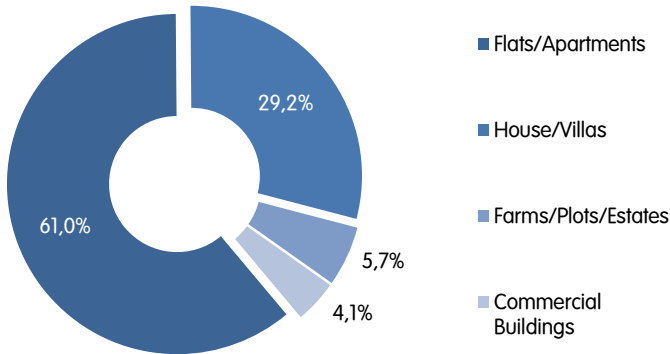
Source: APEMIP | www.casayes.pt

## Algarve: Rent Values



Source: APEMIP | www.casayes.pt

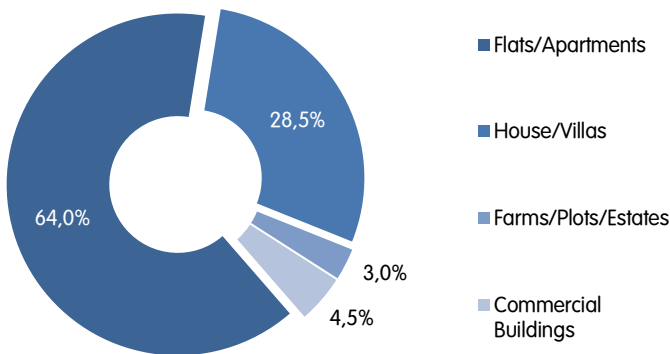
## Demand by Type: Portugal



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

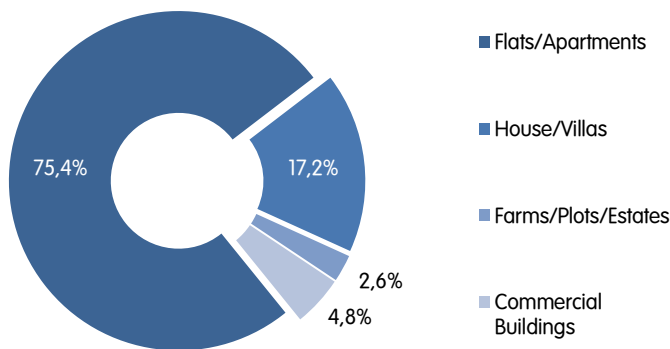
On the demand side, the search of residential still remains although with different rhythms and alternative choices, renting a house is now a more day to day alternative. The bank restriction, the raise of interest rates, the growing unemployment with the deterioration of the purchase power as given a new way to look at the market, considering carefully all the possible choices.

## Demand by Type: Greater Porto



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

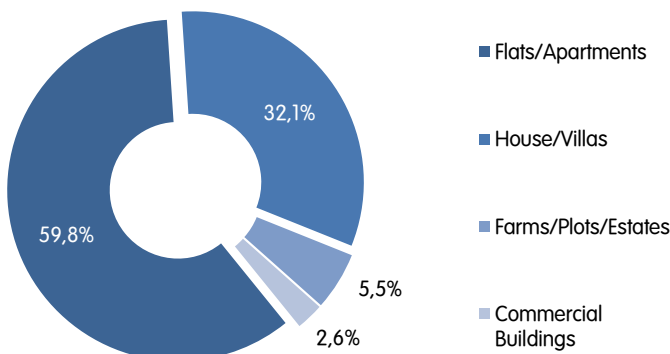
## Demand by Type: Greater Lisbon



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

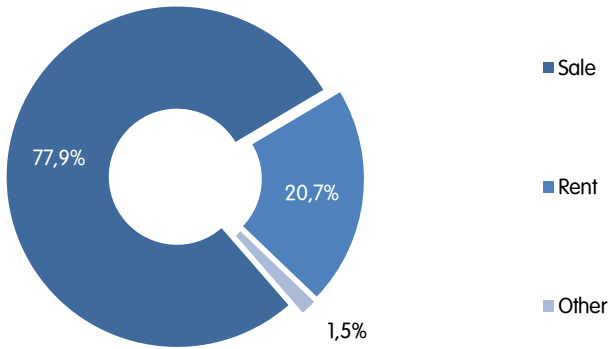
In the months of May and June, the demand was manly oriented to Apartments. In fact, at a national level 61%, in Greater Porto 64%, in Greater Lisbon 74,5% and in Algarve 59,8% , of the searches in CasaYES Portal were directed to flats.

## Demand by Type: Algarve



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

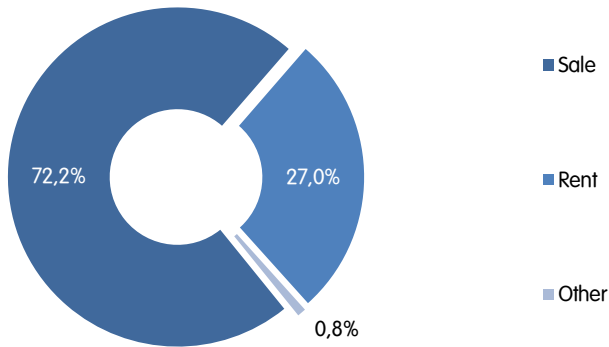
## Residential Demand by Use: Portugal



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

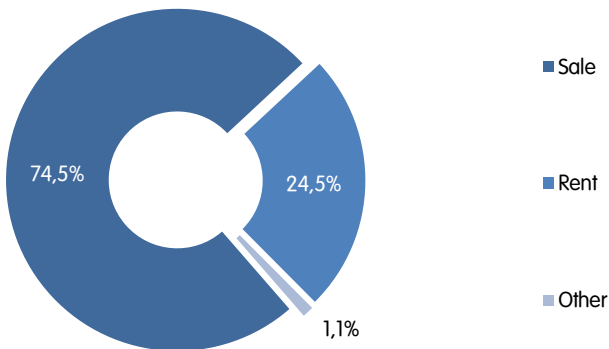
As mention before the renting market is becoming more and more an alternative to the sales market. In May and June, at a national level, 20,7% of the searches were direct to the letting market, in the greater areas of Porto (27,0%) and Lisbon (24,5%), this variable as reached values above the national average. In Algarve the renting market it represented 8,0% of the searches.

## Residential Demand by Use: Greater Porto



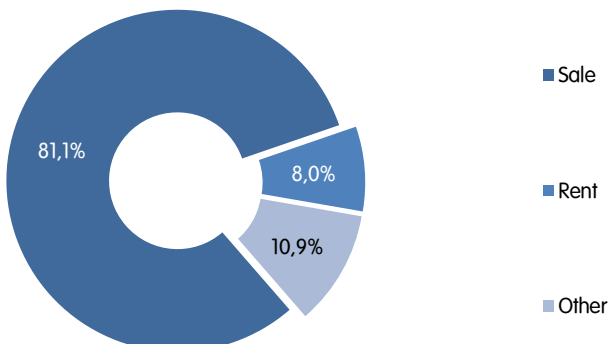
Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

## Residential Demand by Use: Greater Lisbon



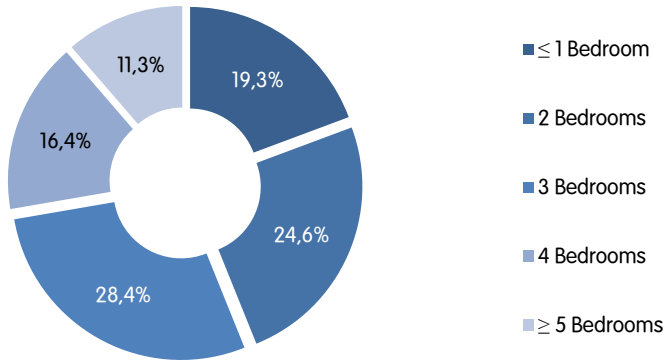
Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

## Residential Demand by Use: Algarve



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

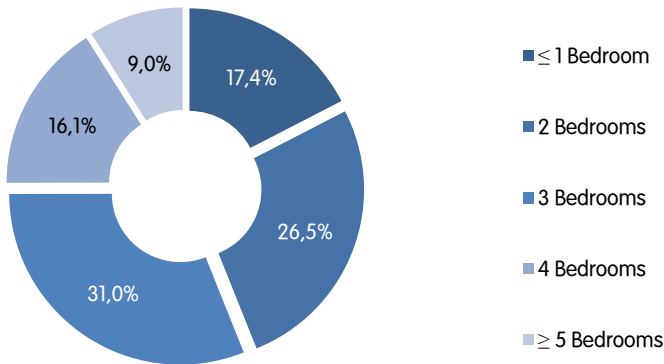
## Demand by Number Bedrooms: Portugal



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

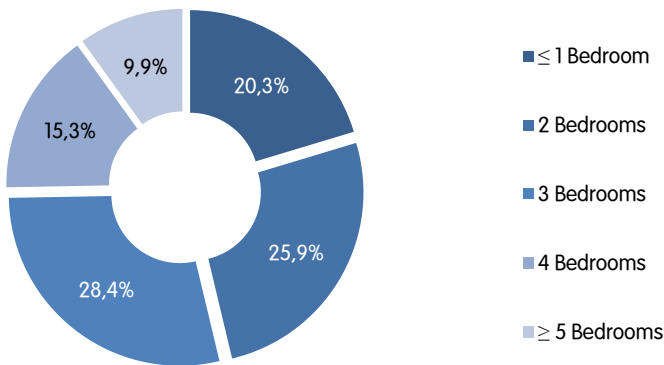
Analyzing the demand by type is interesting to notice that 52,9% of the searches, in May — June, were at a national level focus on two and three bedrooms residential, in Greater Porto 57,5% and in Greater Lisbon 54,3% it had the same focus. In Algarve, being in line with the supply side, 27,1% of the searches were to one bedroom residential and 27,5% to two bedrooms.

## Demand by Number Bedrooms: Greater Porto



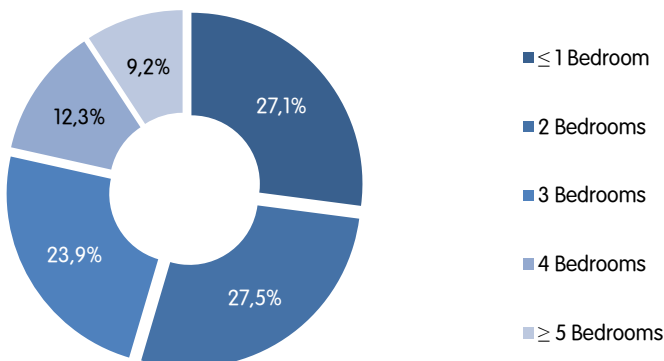
Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

## Demand by Number Bedrooms: Greater Lisbon



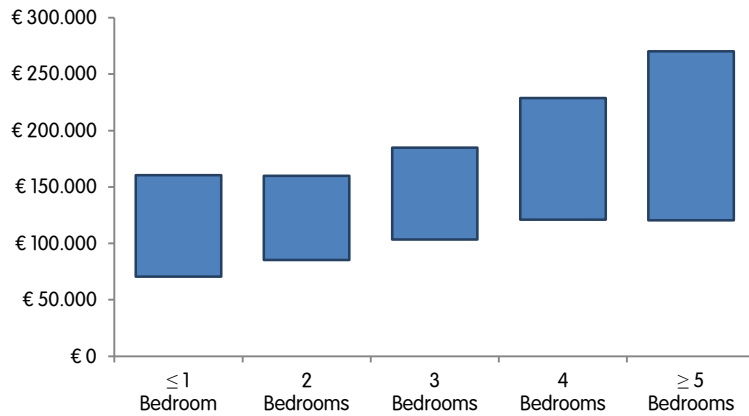
Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

## Demand by Number Bedrooms: Algarve



Source: APEMIP | [www.casayes.pt](http://www.casayes.pt)

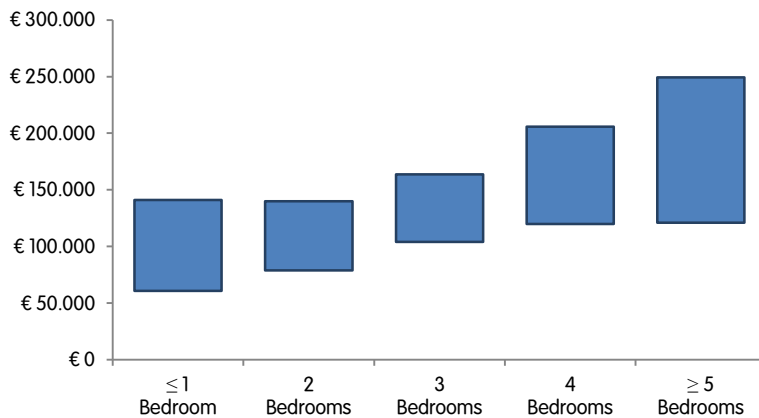
## Demand by Price - Number of Bedrooms: Portugal



Source: APEMIP | www.casayes.pt

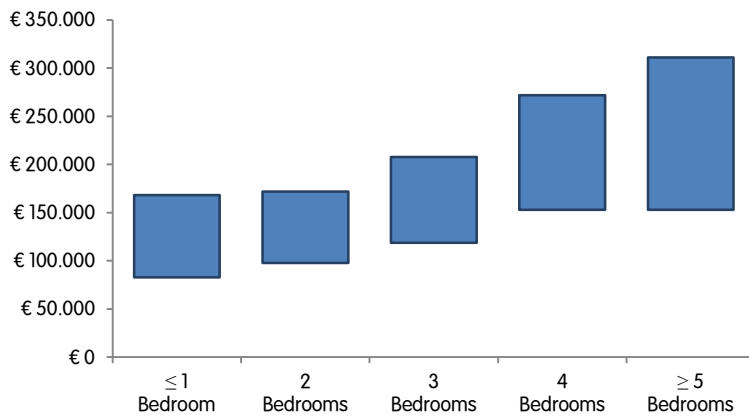
In terms of value by number of rooms, the demand side, at a national level, oriented their searches to a minimum value of € 70,4 thousand and a maximum of € 270. In Greater Porto, the values range from € 60,8 thousand to €249 thousand; in Greater Lisbon from € 82,7 thousand to €311 thousand; in Algarve from € 68 thousand to €392 thousand.

## Demand by Price - No. of Bedrooms: Greater Porto



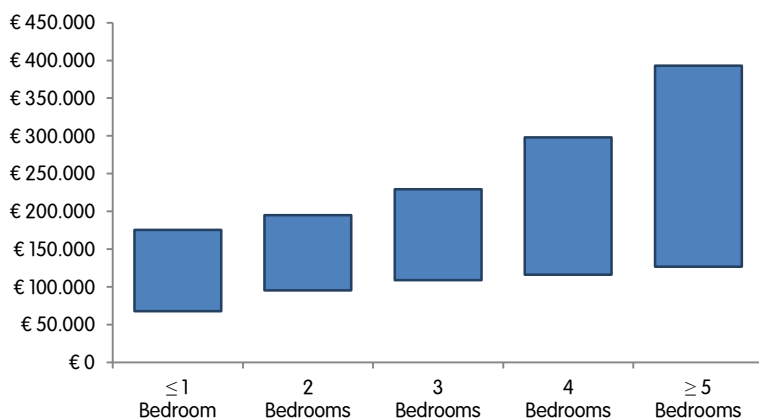
Source: APEMIP | www.casayes.pt

## Demand by Price - No. of Bedrooms: Greater Lisbon



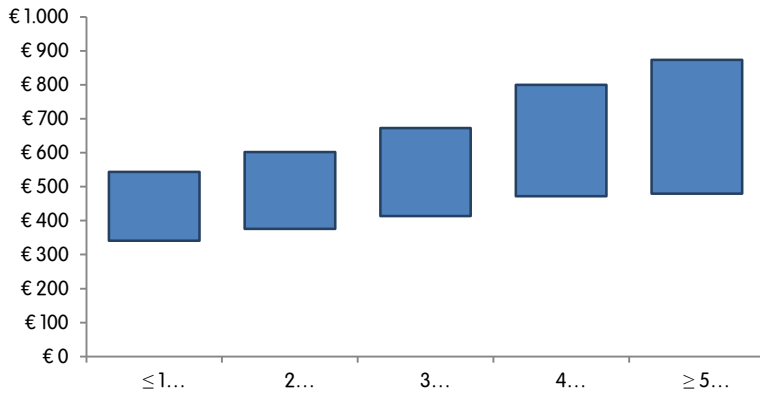
Source: APEMIP | www.casayes.pt

## Demand by Price - No. of Bedrooms: Algarve



Source: APEMIP | www.casayes.pt

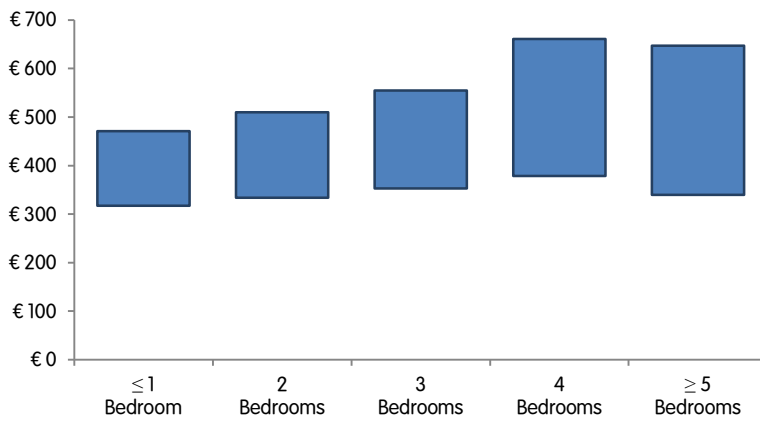
## Demand by Rent - Number of Bedrooms: Portugal



Source: APEMIP | www.casayes.pt

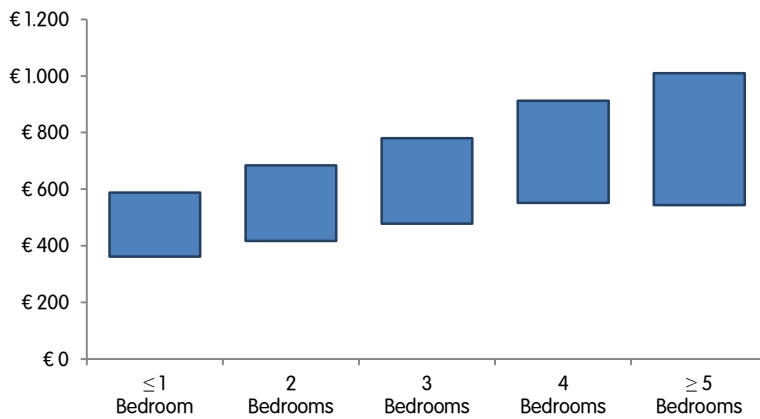
In the letting market, the demand is available to offer a minimum €340,0 to one bedroom and € 873,6 to a  $\geq 5$  bedroom. In Greater Areas of Porto and Lisbon the minimum that consumers are willing to offer was € 317 for the first and € 316 for the second. The maximum values in the same areas were around €1.000 and €650. In Algarve, the demand is available to let an one bedroom for the minimum value of €308, and willing to give a maximum of €833 to a  $\geq 5$  bedroom.

## Demand by Rent - No. of Bedrooms: Greater Porto



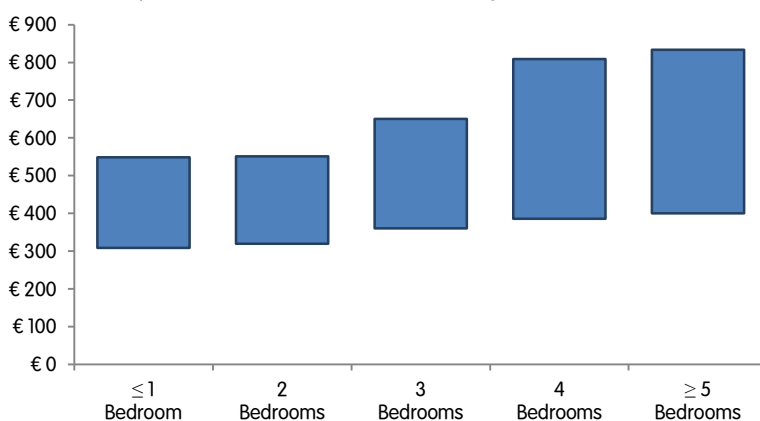
Source: APEMIP | www.casayes.pt

## Demand by Rent - No. of Bedrooms: Greater Lisbon



Source: APEMIP | www.casayes.pt

## Demand by Rent - No. of Bedrooms: Algarve



Source: APEMIP | www.casayes.pt

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## **RESEARCH DEPARTMENT**

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