



RESIDENTIAL PROPERTY PRICE INDEX (RPPI)

Fourth Quarter 2018/19

PRESS RELEASE

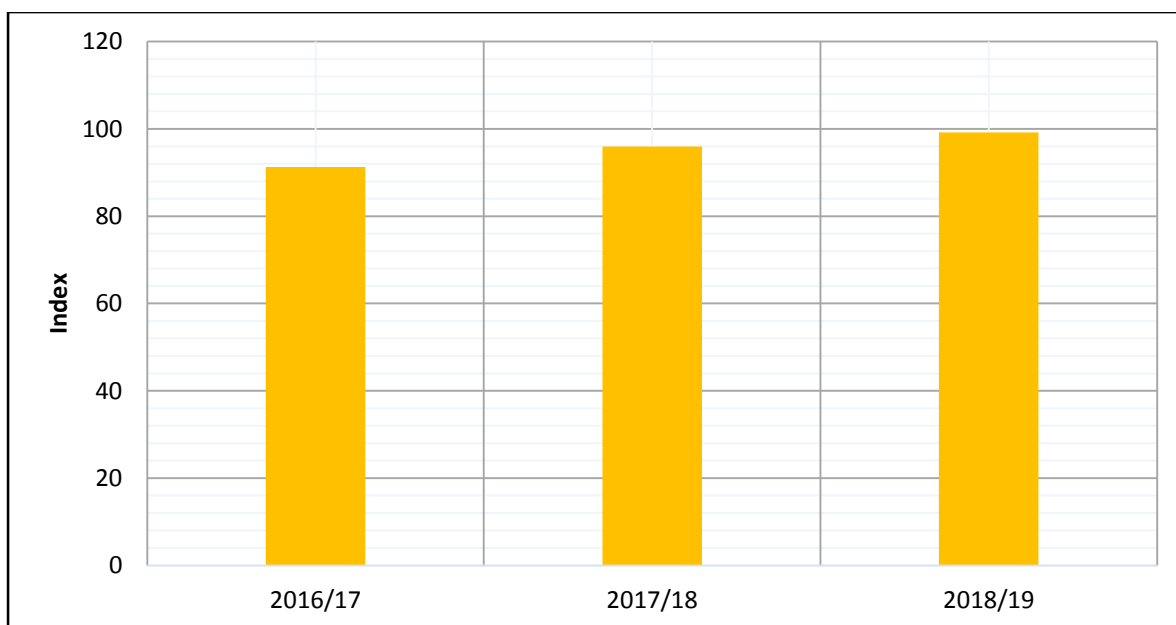
1.0 INTRODUCTION

This press release presents statistical information on real estate price developments on a quarterly basis. The information covers Residential Property Price Index (RPPI). The geographical coverage of the indices is the Greater Kampala Metropolitan Area (GKMA), covering Kampala district and urban areas of Wakiso district. Uganda Bureau of Statistics (UBOS) uses the method of Hedonic pricing approach to compute the RPPI. Hedonic pricing is a method that identifies price factors. The factors are represented as price determining characteristics that exist and affect both internal and external features of the property.

2.0 ANNUAL RESULTS

The Residential Property Price Index (RPPI) for GKMA is registered at 98.40 price level index for 2018/19 Financial Year (FY) from the 96.03 price level of the last FY. This is a 2.5 percent rise for the 2018/19 FY from the 5.3 percent rise recorded during the 2017/18 FY. The rise was due to prices of properties in most parts of GKMA including Wakiso, Kampala & Makindye, and Kawempe & Rubaga that registered 3.5, 2.5 and 6.6 percent respectively. However, prices in Nakawa area declined to minus 7.4 percent during the 2018/19 FY compared to 0.9 percent registered in the 2017/18 FY. The figure 1 below shows the increasing price levels of residential properties within GKMA.

Figure 1: Residential Property Price Index for GKMA 2016/17 - 2018/19 FYs, (2014/15 - 2015/16 =100).



Year - on - Year quarterly changes, the RPPI for the quarter between Q4 (April - June) 2018 and Q4 (April - June) 2019 declined to minus 6.9 percent compared to the 9.4 percent recorded between Q3 (January - March) 2018 and Q3 (January - March) 2019. The decrease was due to residential properties in Kampala Central & Makindye areas that declined to minus 13.3 percent for the year ending Q4 2018/19 compared to the 18.4 percent rise registered for the year ended Q3 2018/19. In addition prices of properties in Nakawa areas further decelerated to minus 14.3 percent for the year ending Q4 2018/19 compared to the minus 1.4 percent recorded during the year ended Q3 2018/19, see Table 1.

Table 1: Annual Inflation trends by strata, Q1 2017/18 - Q4 2018/19.

		Wakiso	Kampala Central & Makindye	Nakawa	Kawempe & Rubaga	Headline
Financial Year						
2017/18		7.8	14.0	0.9	-5.5	5.3
2018/19		3.5	2.5	-7.4	6.6	2.5
Annual Quarterly % Changes						
2018/19	Q1	2.2	2.6	-6.0	4.1	1.6
	Q2	16.1	6.4	-7.5	2.3	7.1
	Q3	2.2	18.4	-1.4	17.1	9.4
	Q4	-5.3	-13.3	-14.3	4.0	-6.9

Source: UBOS

Figure 2: Headline RPPI for GKMA on a Quarterly Basis Q1 2016/17 - Q1 2018/19

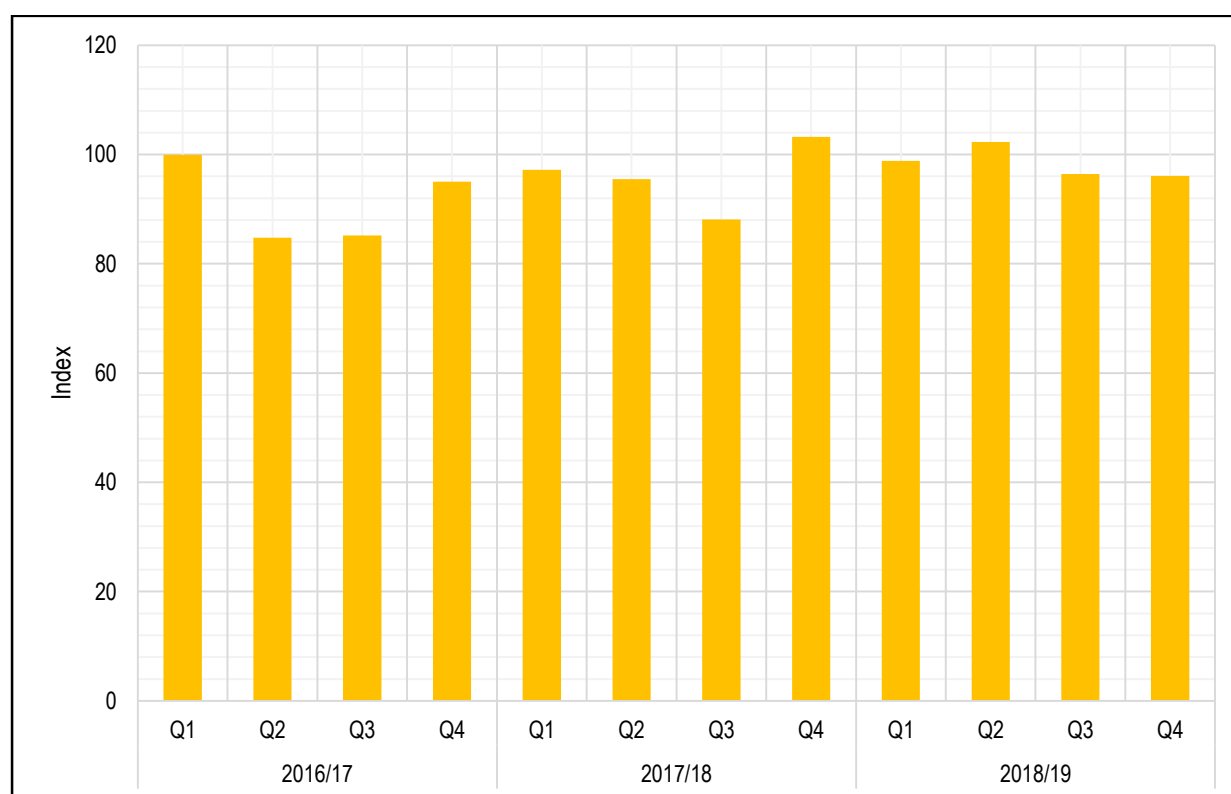
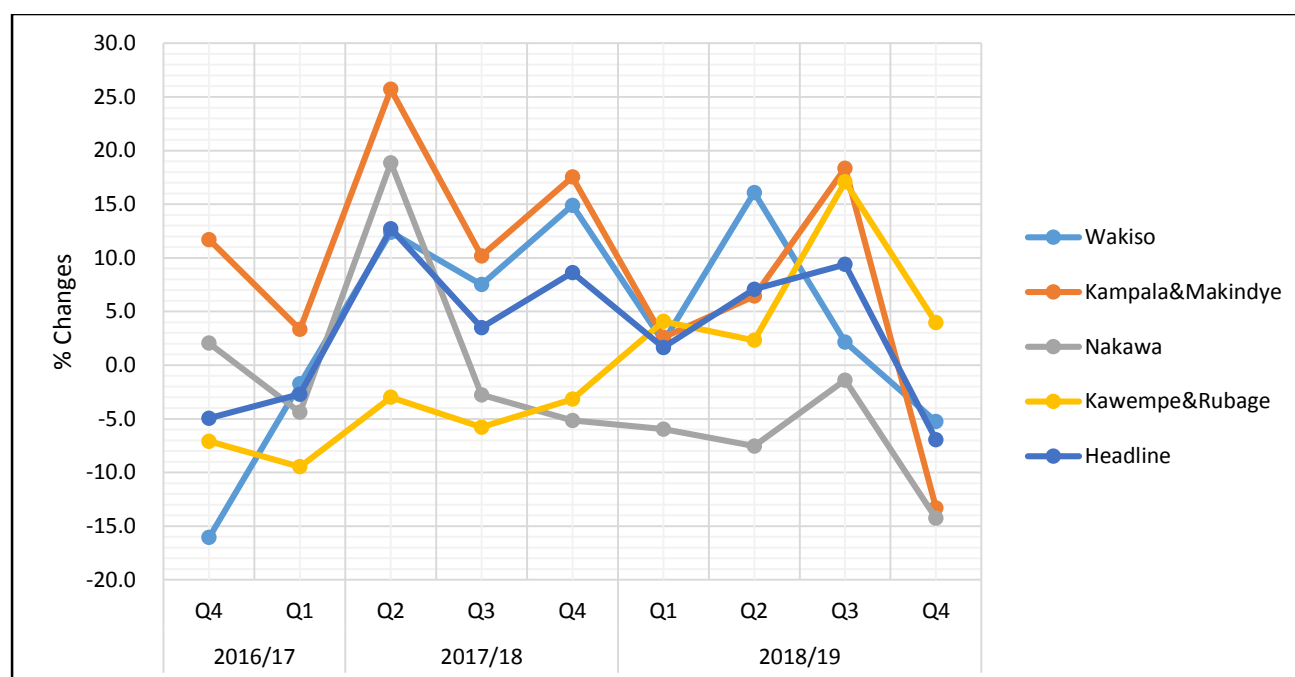


Figure 3: Year - on - Year Quarterly % Changes for GKMA: 2016/17 - 2018/19.



3.0 QUARTERLY RESULTS

The RPPI for GKMA decreased by minus 0.3 percent during the fourth quarter 2018/19 from the minus 5.7 percent registered during the third quarter 2018/19, see table 2 below.

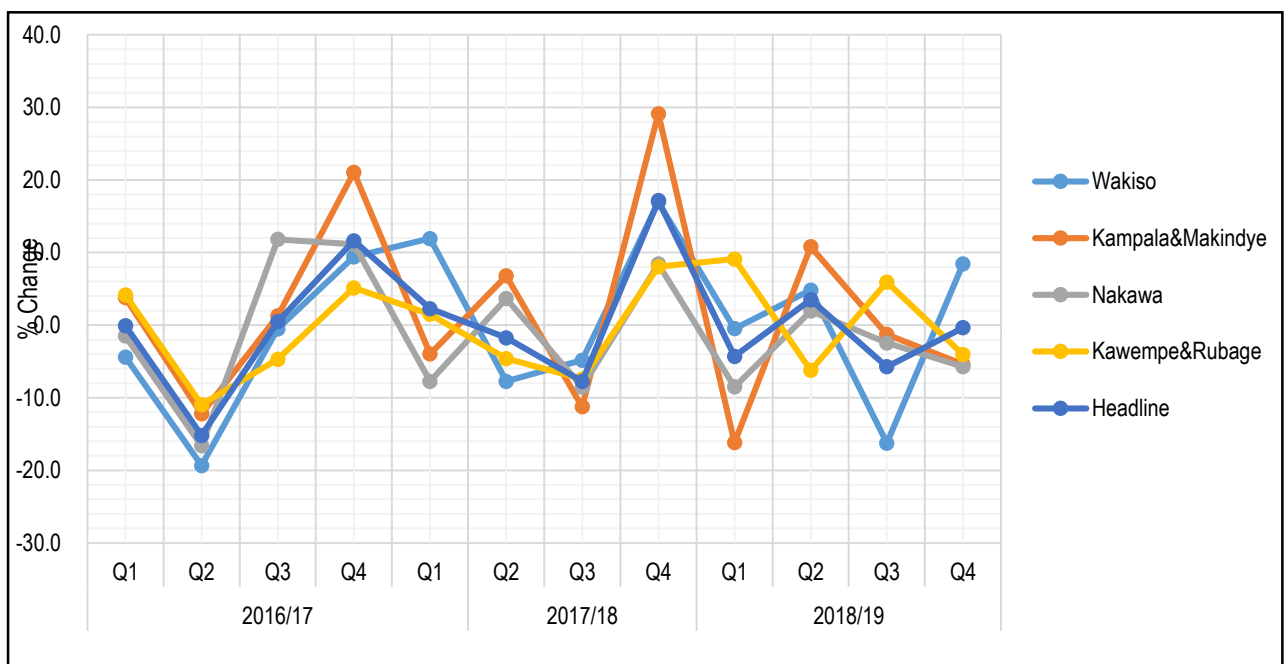
Table 2: Quarterly percentage changes by strata, Q1 2017/18 - Q4 2018/19.

		Wakiso	Kampala Central & Makindye	Nakawa	Kawempe & Rubaga	Headline
2017/18	Q1	11.9	-4.0	-7.7	1.5	2.3
	Q2	-7.7	6.8	3.7	-4.6	-1.7
	Q3	-4.8	-11.2	-8.5	-7.4	-7.7
	Q4	16.9	29.1	8.4	8.0	17.2
2018/19	Q1	-0.5	-16.2	-8.5	9.1	-4.3
	Q2	4.8	10.8	1.9	-6.2	3.5
	Q3	-16.3	-1.3	-2.5	5.9	-5.7
	Q4	8.4	-5.4	-5.7	-4.1	-0.3

Source: UBOS

This quarterly drop was due to Kampala & Makindye properties quarterly inflation that decreased to minus 5.4 percent during the fourth quarter 2018/19 from the minus 1.3 percent registered during the third quarter of 2018/19. In addition, Nakawa quarterly prices of residential properties decreased to minus 5.7 percent during the fourth quarter 2018/19 from the minus 2.5 percent registered in the third quarter 2018/19. However, residential properties prices for Wakiso areas, increased by 8.4 percent during the fourth quarter of 2018/19 compared to the minus 16.3 percent recorded during the third quarter of 2018/19, see Table 2 and Figure 2.

Figure 3: Quarterly % Changes for GKMA: 2016/17 - 2018/19.



Source: UBOS

Chris N Mukiza (PhD)
EXECUTIVE DIRECTOR

Annex 1: All Regions (strata) Index: 2014/15- 2015/16 =100.

		Wakiso	Kampala Central &Makindye	Nakawa	Kawempe &Rubaga	Headline	Quarterly % Changes	Annual % changes
	Weights	39.54	23.74	13.44	23.28	100.00		
2015/16	Q1	100.00	100.00	100.00	100.00	100.00		
	Q2	100.00	100.00	100.00	100.00	100.00		
	Q3	100.00	100.00	100.00	100.00	100.00		
	Q4	100.00	100.00	100.00	100.00	100.00		
2016/17	Q1	95.60	103.80	98.49	104.16	99.93	-0.1	
	Q2	77.11	91.12	82.12	92.73	84.75	-15.2	
	Q3	76.72	92.93	91.81	88.38	85.31	0.7	
	Q4	83.94	111.70	102.05	92.91	95.05	11.6	-4.9
2017/18	Q1	93.94	107.26	94.15	94.30	97.21	2.3	-2.7
	Q2	86.67	114.55	97.60	89.95	95.52	-1.7	12.7
	Q3	82.48	101.67	89.27	83.27	88.13	-7.7	3.5
	Q4	96.44	131.28	96.78	89.96	103.25	17.2	8.6
2018/19	Q1	95.96	110.03	88.54	98.15	98.81	-4.3	1.6
	Q2	100.60	121.91	90.25	92.05	102.28	3.5	7.1
	Q3	84.25	120.34	88.03	97.50	96.41	-5.7	9.4
	Q4	91.37	113.83	82.97	93.53	96.08	-0.3	-6.9