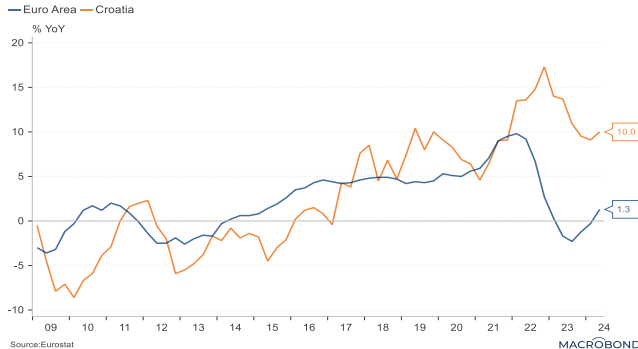


## NUMBER 877, OCTOBER 14, 2024

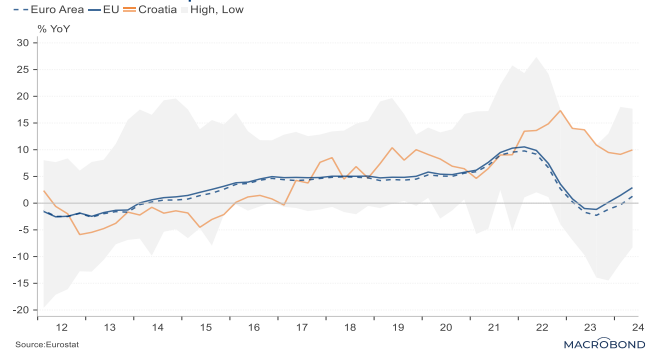
### Housing price growth accelerated in Q2

■ According to Eurostat/CBS data, the house price index in Croatia increased by 10% year-on-year (4.3% q/q) in 2Q24, accelerating price growth compared to +9.1% in 1Q24. Meanwhile, residential real estate prices rose by 1.3% in the euro area and by 2.9% in the EU, i.e. by 1.8% and 1.9% quarterly. Among the countries for which data is available, 6 of them showed an annual decline in housing prices in 2Q24, and 20 showed annual growth. The largest decreases were recorded in Luxembourg (-8.3%), Finland (-4.8%) and France (-4.6%), while the largest increases were recorded in Poland (+17.7%), Bulgaria (+15.1%), Lithuania (+10.4%) and Croatia (+10.0%). Compared to the previous quarter, prices decreased in 2 countries, remained stable in one (Hungary) and increased in 23 countries. The decline was recorded in France and Belgium (both -0.2%), while the largest increase was recorded in Croatia (+4.3%), Portugal (+3.9%) and Spain (+3.6%). In Croatia, prices of new residential real estate increased by 5.4% year-on-year, which is a slower growth compared to 6.2% recorded in the first quarter, but price growth strengthened quarter-on-quarter by 4.5% from 3.3% in 1Q24. Prices of existing real estate increased by 10.6% year-on-year (Q1 +9.5%) and by 4.2% quarter-on-quarter (compared to 1.4% in 1Q24). By location, the strongest quarterly price growth was recorded in other parts of the country (+5.9% q/q), followed by the Adriatic coast (+4.1%) and Zagreb (+3.9%), while year-on-year the largest price increase was recorded on the Adriatic coast (+10.6% y/y), the City of Zagreb (9.4%), while prices in other parts of Croatia increased by 9.2% compared to the previous year.

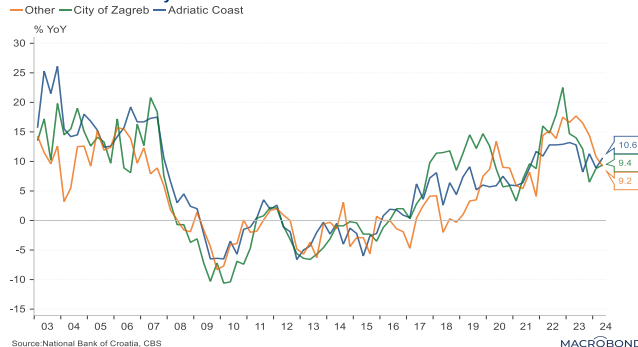
**House Price Index**



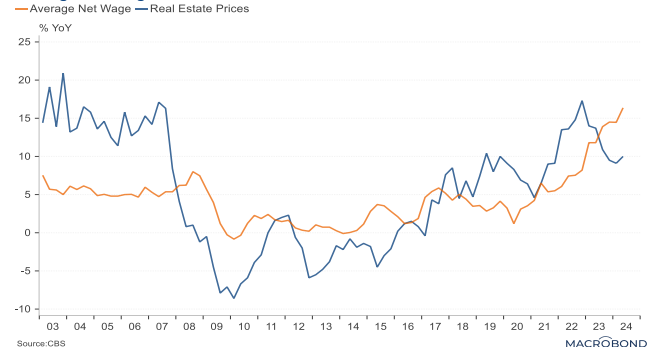
**Residential real estate prices**



**House Price Index by location**



**Average Net Wage and Real Estate Prices**

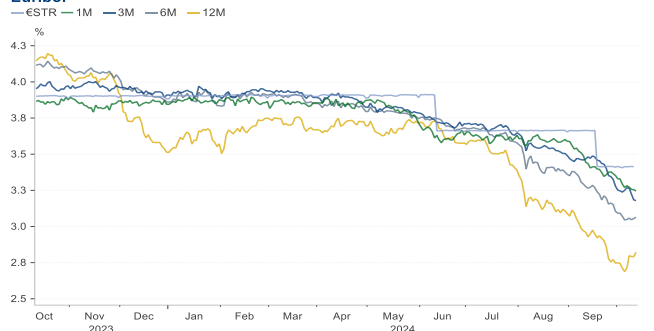


- The strengthening of expectations that the ECB will lower interest rates at this Thursday's meeting weakened the euro. The exchange rate closed the week at \$1.0938 per euro, down by 0.8% week-on-week.
- Euribor continued to fall, so 3M and 6M on Friday stood at 3.2 and 3.1%, respectively, down by 0.1 p.p., i.e. unchanged week-on-week.
- Crobex recovered, recording a 1.3% weekly growth to 2,979 points owing to the increase in all major sectoral indices (CROBEXindustry +0.8% to 2,235, CROBEXnutris +0.9% to 899, CROBEXtourist +0.1% to 4,193). Crobis jumped 0.4% to 97.7 points.

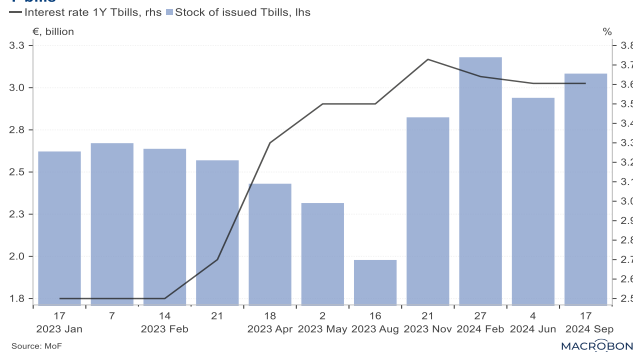
EUR/ USD



Euribor



T-bills



Crobex/Crobis



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