China: 70-city average primary property price edged up sequentially in September

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Bottom line:

The National Bureau of Statistics' 70-city house price data suggest the weighted average property price in the primary market edged up by 0.3% mom annualized in September after seasonal adjustments, turning positive for the first time since April 2023. However, the improvement remained narrow based. Home prices in Tier-1 cities continued to rise sequentially, led by Guangzhou. Home prices in Tier-2 cities increased by 1.3% mom annualized, but the sequential decline in Tier-3 cities widened. We emphasize that the 70-city data are for primary market transactions (new home sales) only; secondary market data from NBS and some third-party platforms suggest price declines of 5-8% over the past year.

Key numbers:[1]

NBS's 70-city primary-market weighted average property price change in September: 0.3% mom annualized (seasonally adjusted by GS), -2.7% yoy. August: -0.5% mom annualized, -3.0% yoy.

NBS' 70-city secondary-market weighted average property price change in September: -1.7% mom annualized (seasonally adjusted by GS), -4.3% yoy. August: -1.5% mom annualized, -4.8% yoy.

Main points:

1. After seasonal adjustments, weighted average house prices in the primary market edged up by 0.3% mom annualized in September (vs. -0.5% in August; Exhibit 1). The number of cities that experienced sequentially higher property prices increased in both primary and secondary markets in September, although the improvement remained narrow based (Exhibit 2). The year-over-year decline in the national weighted average new home prices also narrowed in September (-2.7% in September vs. -3.0% in August), with Shanghai (2.8%), Hangzhou (1.8%), Shenyang (0.5%), and Hefei (0.4%) posting year-over-year price gains in each of the past three months. We emphasize that new home prices in China tend to have lower volatility due to local government price management. Weighted average house prices in the secondary market fell by 1.7% mom annualized in September (vs. -1.5% in August; Exhibit 3). Secondary market prices from NBS and some third-party platforms suggest price declines of 5-8% over the past year (Exhibit 4).

[1] Our estimates of 70-city weighted average property price changes are population-weighted, which can differ from simple averages. Sequential change numbers here are based on GS seasonal adjustments.

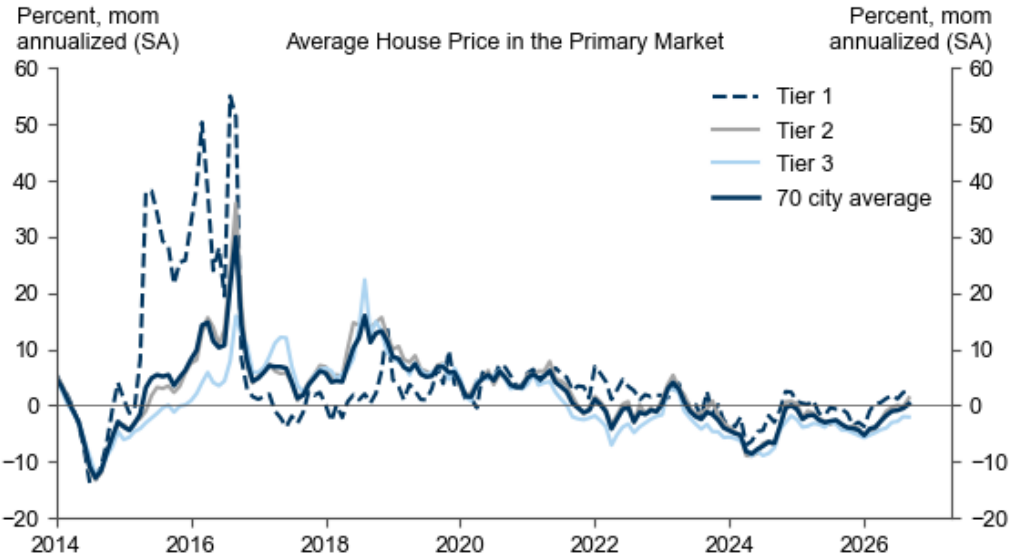
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2. By city tier[2], Tier-1 house prices rose 2.6% mom annualized in September, accelerating from 2.3% in August, with Guangzhou leading the gains among Tier-1 cities. In Tier-2 cities, home prices increased 1.3% mom annualized (vs. -0.2% in August). However, Tier-3 home prices continued to decline at the same pace as in August, falling 2.0% mom annualized. We continue to expect broad measures of Tier-1 and Tier-2 housing prices to stabilize within the next 1–2 years, likely led by Shenzhen and Shanghai.
3. Our high-frequency tracker suggests that 30-city new home transaction volume was below year-ago levels in early October, though the comparison was likely distorted by the slight timing difference of the National Day Golden Week holiday relative to last year. Major cities' inventory months (sellable gross floor area divided by 12-month rolling gross floor area sold) remained at 27.2 in September, as an increase in Tier-2 cities was offset by a decline in Tier-1 cities.

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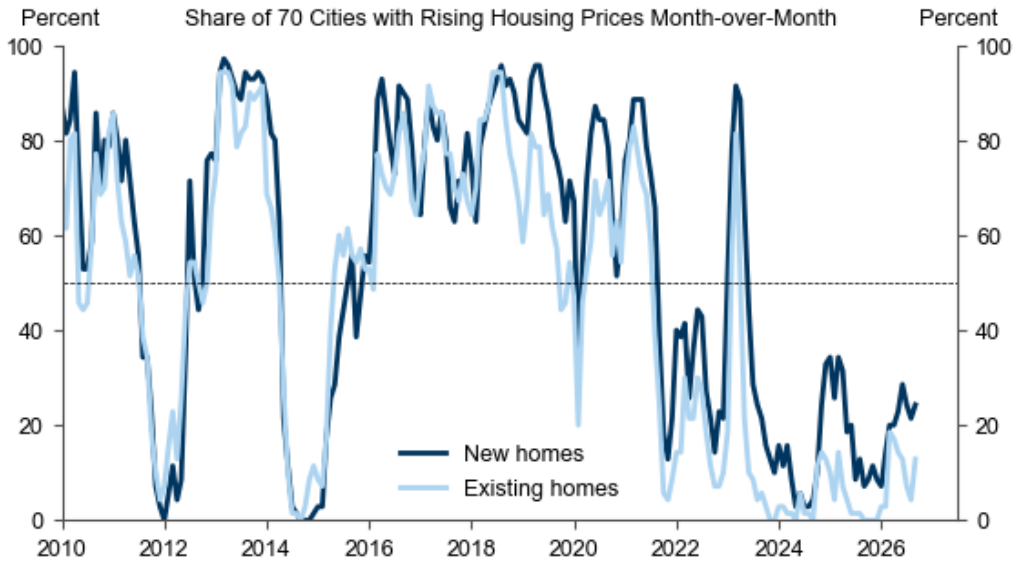
Exhibit 1: In the primary market, the 70-city weighted average property price increased slightly by 0.3% mom annualized in September



Source: NBS, Goldman Sachs Global Investment Research

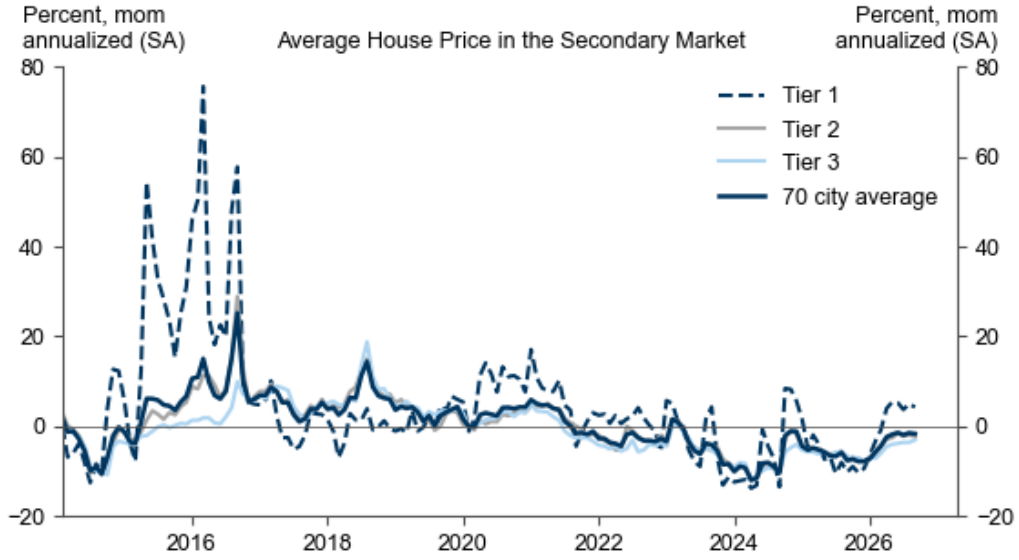
[2] We classify the 70 cities into different tiers following the NBS definition.

Exhibit 2: The share of cities that experienced sequentially higher property prices increased in both primary and secondary markets in September



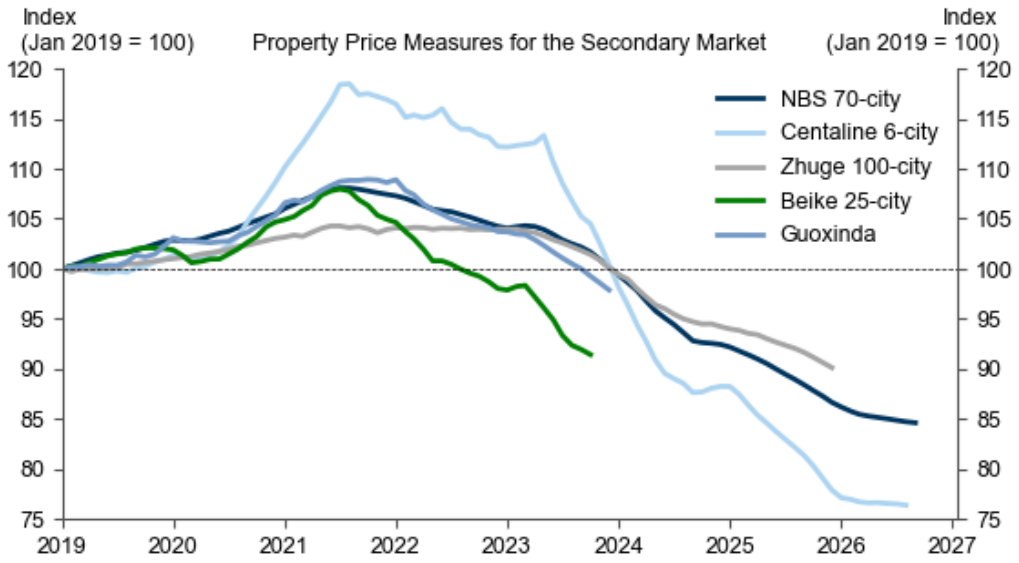
Source: NBS, Goldman Sachs Global Investment Research

Exhibit 3: In the secondary market, the sequential decline in the 70-city weighted average property price widened to 1.7% mom annualized in September



Source: NBS, Goldman Sachs Global Investment Research

Exhibit 4: NBS 70-city secondary home prices continued to edge down in September



Beike suspended the release of secondary home price data in October 2023, Guoxinda suspended its price series in December 2023, and Zhuge suspended its 100-city property price series in December 2025. The latest data for Centaline 6-city property prices are as of August 2026.

Source: NBS, Centaline, Beike, Zhuge, Wind, Data compiled by Goldman Sachs Global Investment Research

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