

August 2025 RICS/Ci Portuguese Housing Market Survey

Sales market activity remains broadly steady whilst expectations are cautiously optimistic

- **Buyer demand edged into negative territory but remains close to neutral**
- **House price growth rises noticeably**
- **Disparity between tenant supply and demand persists**

Summary:

The results to the August 2025 iteration of the RICS/Ci PHMS again signals a steady backdrop across the sales market whilst forward-looking indicators now reflect a more upbeat tone. Alongside this, the mismatch between supply and demand in the rental market persists for another month.

New buyer enquiries slipped marginally into negative territory in August, with a net balance of -8%. This marks a slight slowing in momentum compared to the run of positive readings that had generally persisted since late 2024. A regional breakdown of this figure uncovers that this movement has been driven by more downbeat feedback from Lisbon, where the net balance came down to -11%. Looking at the supply side, August's net balance of -18% for the new instruction series is largely in line with sentiment expressed in recent months and continues to reflect downward pressure on new properties coming to the market.

Moving over to agreed sales, the latest net balance remains in the neutral zone (-4%) with this reading reflecting steady conditions rather than an outright downturn in sales activity. Looking forward over the coming three months, sales expectations remain solid with the corresponding net balance firmly in positive territory at +14%.

Despite demand holding broadly flat, the shortage of properties coming onto the sales market appears to have pushed prices higher, with the latest net balance rising to +33%, noticeably above the levels recorded in the previous two months. This strengthened aggregate reading is supported by firmer feedback from both Lisbon (+40%) and Porto (+35%), while the Algarve remains in neutral territory (zero). Upward momentum in house prices is expected to persist over the next three months, with price expectations registering a firm +23%, underscoring the sustained confidence surrounding near-term pricing trends.

Concluding with the lettings market, the persistent gap between tenant demand and landlord instructions continues to put upward pressure on rents. Tenant demand was broadly unchanged from previous months, posting a net balance of +29%, while landlord instructions remained weak (-22% net balance) and continued to trend lower. As a result, achieved rents held broadly steady, with August's net balance of +23% closely aligned with recent readings. Rental expectations over the next three months remain positive at a net balance of +12%, although this is more moderate than the growth seen in achieved rents under current conditions.

Ricardo Guimarães, Director of Ci: "The number of housing transactions have been steady since the beginning of 2025. Nevertheless, prices are reaching new highs, with Confidencial Imobiliário's House Price Index posting a 21.6% yoy increase in August. Survey respondents note that the summer period typically sees lower activity and fewer deals; however, the primary factor constraining market liquidity remains the shortage of affordable housing - both for sale and for rent. The latest figures from the Bank of Portugal show that public guarantees for first-time buyer mortgages now account for 21% of total housing credit, indicating that, while insufficient on their own, these measures are helping some younger buyers enter the market."

Tarrant Parsons, Head of Market Analytics: "Growth projections for the Portuguese economy remain strong, with recent income tax cuts and supplementary payments to pensioners expected to further bolster already resilient domestic demand. Supported by a healthy labour market, solid income growth, and improving business and consumer sentiment, the Portuguese economy appears well positioned relative to its European peers. Nevertheless, uncertainty surrounding tariffs and forecasts of weaker tourism levels present notable downside risks."

Chart 1: Sales market indicators

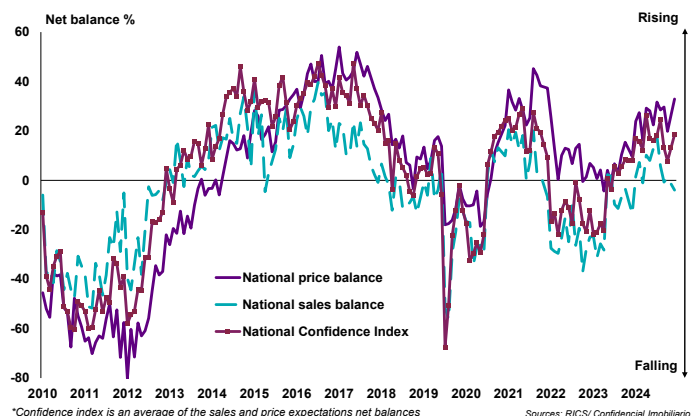
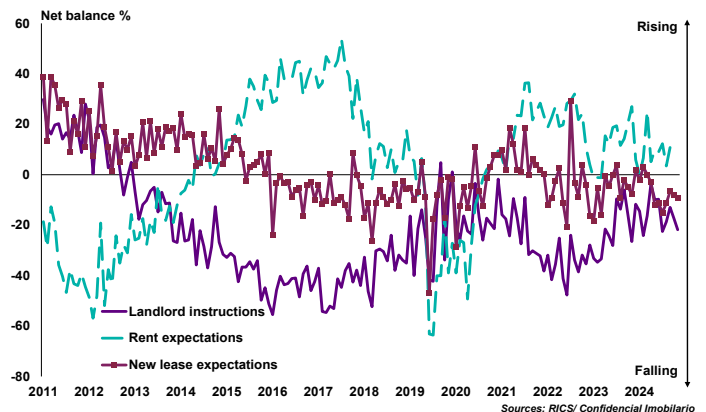


Chart 2: Lettings market indicators



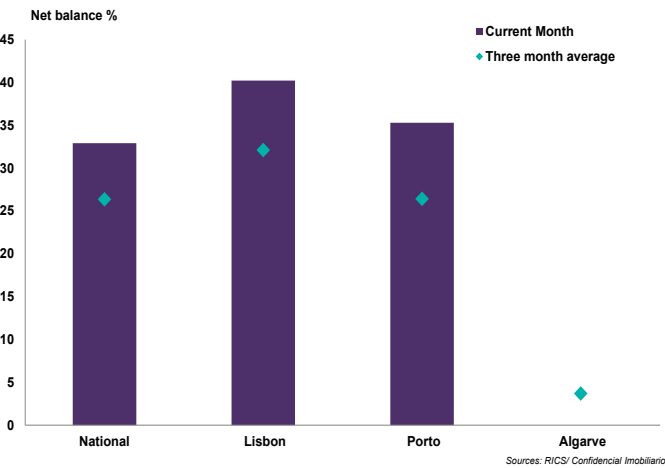
The RICS/Ci Portuguese Housing Market Survey (PHMS) provides a qualitative monthly assessment of the sales and lettings sectors based on around 100 regular responses. The PHMS contains a regional breakdown covering Lisbon, Porto and the Algarve.

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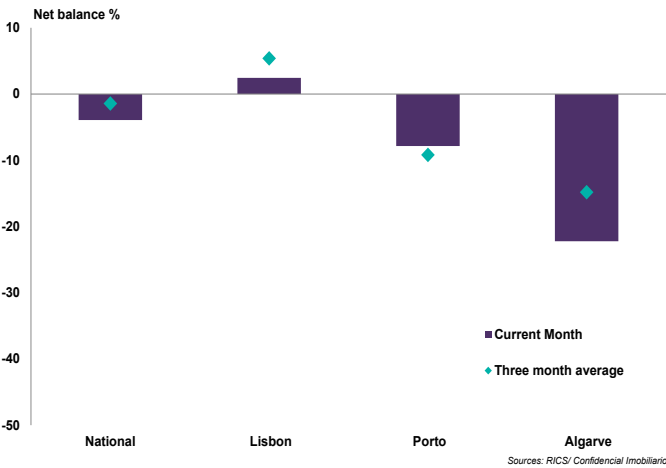
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Sales Market Charts

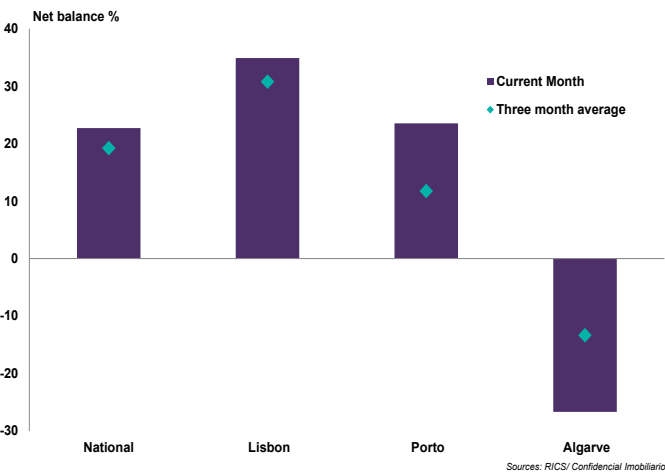
Prices (last three months) by Region



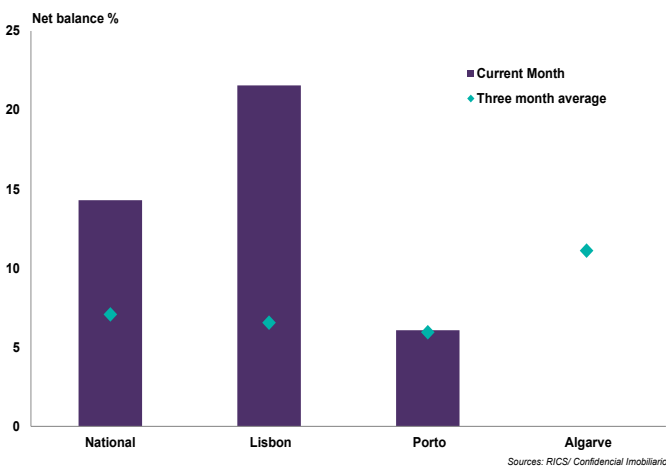
Promised Sales (past month) by Region



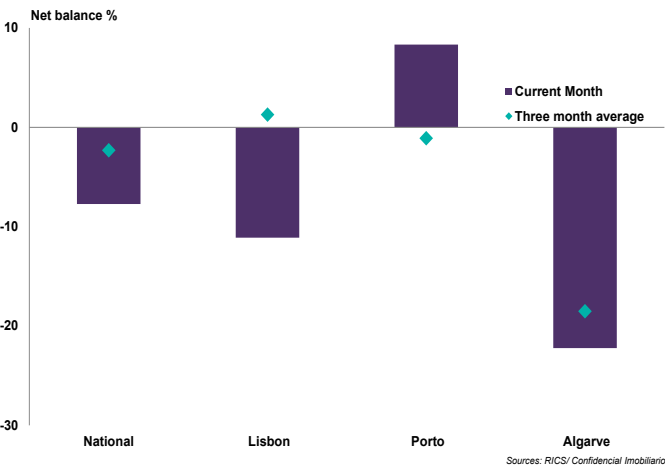
Price Expectations (next three months) by Region



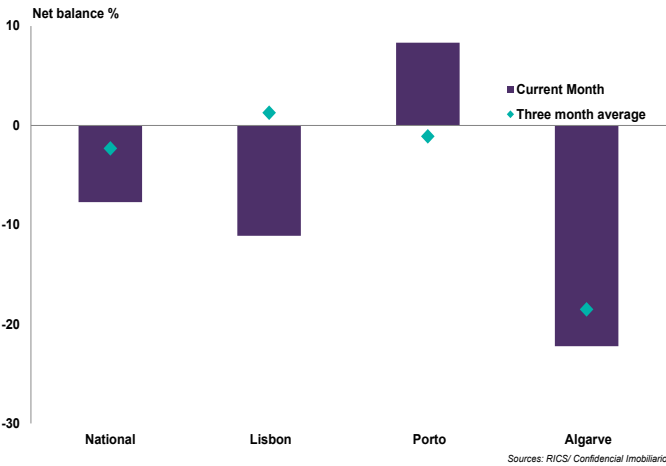
Sales Expectations (next three months) by Region



New Buyer Enquiries (past month) by Region



New Instructions to Sell (past month) by Region



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Survey sponsors

Both RICS and Ci are grateful to BPI, IMPIC and Millennium bcp for supporting the survey.

About RICS

RICS is a global professional body. We promote and enforce the highest professional qualification and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve. The work of our professionals creates a safer world: we are proud of our profession's reputation and we guard it fiercely.

About Ci

Ci - Confidencial Imobiliário is an independent company dedicated to supplying real estate market professionals with the statistical information required for their investment and strategic decision making. Ci specializes in producing market intelligence indicators, indices and exclusive databases on the housing market, covering both supply and transactions, typically in high geographical detail. One of its main products is the Index Ci, which is the most referred to house price index in Portugal. Given its credibility and independence, the Index Ci is used by entities like the European Central Bank, the Bank of Portugal and the Portuguese Government.

Notes to editors

About:

- The RICS/Ci Portuguese Housing Market Survey is a monthly sentiment survey of estate agents and developers who operate in the Portuguese residential sales market.

Regions:

- Three regions make up the national (headline) readings: Lisbon Metropolitan Area, Oporto Metropolitan Area and the Algarve. The data is regionally weighted and operator (agent/developer) weighted.

Questions asked:

1. How have house prices have changed over the **last three months**? – Net balance
2. Over the **last month** how did the number of 'promised' sales change? – Net balance
3. Over the **last month** how have the number of new enquiries changed? – Net balance
4. Over the last month how has the number of new instructions changed? – Net balance
5. Over the **next three months** how do you expect house price levels to change? – Net balance
6. Over the **next three months** how do you expect the number of agreed sales to change? – Net balance
7. Over the **next twelve months** how do you expect house price levels to change – Point estimate
8. Over the **next five years** how do you expect house price levels to change (average per year) – Point estimate
9. Over the **last month** how has tenant demand for rented accommodation changed? – Net balance
10. Over the **last month** how have new instructions to let rented accommodation changed? – Net balance
11. Over the **last month** how have residential rents changed? Net balance
12. Over the **next three months** how do you expect residential rents to change? – Net balance
13. Over the **next three months** how do you expect residential rental transactions to change? – Net balance

Net balance data:

- **Net balance = Proportion of surveyors reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the net balance will be 25%).**
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading

implies that no respondents are seeing decreases (or no change).

- In the case of the RICS/Ci price balance, a reading of +10 should not be interpreted as RICS/Ci are saying that house prices are going up by 10%, but that 10% more surveyors reported increases rather than decreases in prices (over the last three months).
- A change from +30 to +60 does not mean that the variable grew by 30% in one period and by 60% in the next period, but it does indicate that twice as many surveyors reported an increase compared to a decrease than in the previous period.
- Likewise, if we get a reading dropping from +90 to +5, this still means that more respondents are reporting increases than decreases overall, but the breadth of those reporting increases has fallen dramatically; meanwhile, a shift in the reading from -90 to -5 still means that more respondents are reporting decreases than increases overall, but the breadth of those reporting decreases has fallen dramatically.

Seasonal adjustments:

- The RICS/Ci Portuguese Housing Market Survey data is not seasonally adjusted.

RICS/ Ci Confidence Index:

- The RICS/ Ci Confidence Index is an average of the Sales Expectations net balance and Price Expectations net balance.
- This is intended as a summary measure of confidence overall.

Third party distributors:

- The RICS/ Ci PHMS national data set is available to users of Macrobond.

Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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