REIDIN DUBAI Housing Markets Professional Sentiment Index
Q4, 2014
Contents:

- Definition
- Index Coverage & Data Collection
- Calculation & Methodology
- Outputs and Dissemination
- Results
**Definition:**

- REIDIN Dubai Housing Markets Professional Sentiment Index is developed by REIDIN Data & Research Teams.

- The quarterly structured questionnaire survey is conducted among housing market players such as Agents, Developers, Bankers and Consultants.

- Index measures the perceptions and expectations of market conditions in Dubai and comprises a future sentiment index, tracking changes in sentiments over the next 3 months respectively.

- A net balance percentage approach is adopted to derive the scores for key determinants of the housing market sentiment.
**Index Coverage & Data Collection:**

The sampling frame is derived from;

- Agents,
- Developers,
- Financial Institutions/Banks,
- Consultants

A standardized format questionnaire is directed to randomly selected 3000 business professionals in total, via a web-based survey system. Sentiment level is measured around below topics:

- Total Sales Volume
- Total Leasing Volume
- Supply/Project Launches
- Price Appreciations
- Financing Availability
- Economic Outlook
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DUBAI Housing Markets Professional Sentiment Index

Calculation & Methodology:

- REIDIN Dubai Housing Markets Professional Sentiment Index is calculated using the "Balance Method" and is evaluated within the range of 0-200.

- In this method, numerical difference of percentage distribution of positive and negative answers (according to the result of the survey) is being calculated. 100 point is being added to the difference, and for each subsection an index value (with the range of 0-200) is calculated. The average of those indices set the result.

- It indicates an optimistic outlook when the index is above 100, but it indicates a pessimistic outlook when it is below 100.

- For reliable comments, index scores were divided sub groups as “Highly Negative”, “Negative”, “Moderately Negative”, “Nearly Neutral”, “Neutral”, “Moderately Positive”, “Positive” and “Highly Positive”.
Sentiment Index Score Ranges:

- [0, 40) – “Highly Negative”
- [40, 69) – “Negative”
- [69, 98) – “Moderately Negative”
- [98, 100) – “Nearly Neutral”
- 100 – “Neutral”
- (100, 102] – “Nearly Neutral”
- (102, 131] – “Moderately Positive”
- (131, 160] – “Positive”
- (160, 200] – “Highly Positive”
**Outputs and Dissemination:**

- **Publication:** The Dubai Housing Markets Professional Sentiment Index report is produced on a quarterly basis and disseminated in between 10:00-11:00 AM on the last work day of each following reference quarter.

- **Index Revisions:** The Dubai Housing Markets Professional Sentiment Index is published as “final” and is not subject to revision unless an error or mistake is found. Major changes in methodology are announced in advance, while information on minor methodological changes is provided in methodological explanations in the reports.
**Results:**

- Overall REIDIN Dubai Housing Markets Professional Sentiment Index is measured as

  ![Image showing the index result](image)

  - [0,40) – “Highly Negative”
  - [40, 69) – “Negative”
  - [69,98) – “Moderately Negative”
  - [98, 100) – “Nearly Neutral”
  - 100 – “Neutral”
  - (100, 102] – “Nearly Neutral”
  - (102, 131] – “Moderately Positive”
  - (131, 160] – “Positive”
  - (160, 200] – “Highly Positive”

- Index result shows that Housing Markets Professional Sentiment in Dubai for the next 3 months is *Moderately Negative*. 
• REIDIN Dubai Housing Markets Professional Sentiment Index for “Agents” is measured as

70

- [0, 40) – “Highly Negative”
- [40, 69) – “Negative”
- [69, 98) – “Moderately Negative”
- [98, 100) – “Nearly Neutral”
- 100 – “Neutral”
- (100, 102] – “Nearly Neutral”
- (102, 131] – “Moderately Positive”
- (131, 160] – “Positive”
- (160, 200] – “Highly Positive”

• Index result shows that Sentiment of “Agents” in Dubai for the next 3 months is *Moderately Negative*
• REIDIN Dubai Housing Markets Professional Sentiment Index for “Consultants” is measured as

- [0,40) – “Highly Negative”
- [40,69) – “Negative”
- [69,98) – “Moderately Negative”
- [98,100) – “Nearly Neutral”
- 100 – “Neutral”
- (100,102] – “Nearly Neutral”
- (102,131] – “Moderately Positive”
- (131,160] – “Positive”
- (160,200] – “Highly Positive”

• Index result shows that Sentiment of “Consultants” in Dubai for the next 3 months is *Moderately Negative*. 

72.4
• REIDIN Dubai Housing Markets Professional Sentiment Index for “Financial Institutions/Banks” is measured as

- [0,40) – “Highly Negative”
- [40,69) – “Negative”
- [69,98) – “Moderately Negative”
- [98,100) – “Nearly Neutral”
- 100 – “Neutral”
- (100,102] – “Nearly Neutral”
- (102,131] – “Moderately Positive”
- (131,160] – “Positive”
- (160,200] – “Highly Positive”

• Index result shows that Sentiment of “Financial Institutions/Banks” in Dubai for the next 3 months is **Moderately Negative**.
REIDIN Dubai Housing Markets Professional Sentiment Index for “Developers” is measured as

67.9

- [0,40) – “Highly Negative”
- [40, 69) – “Negative”
- [69,98) – “Moderately Negative”
- [98, 100) – “Nearly Neutral”
- 100 – “Neutral”
- (100, 102] – “Nearly Neutral”
- (102, 131] – “Moderately Positive”
- (131, 160] – “Positive”
- (160, 200] – “Highly Positive”

Index result shows that Sentiment of “Developers” in Dubai for the next 3 months is **Negative**.
## REIDIN Dubai Housing Markets Professional Sentiment Index Comparison By Sectors

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Value</th>
<th>Sentiment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agent</td>
<td>70</td>
<td>Highly Negative</td>
</tr>
<tr>
<td>Consultant</td>
<td>72.4</td>
<td>Negative</td>
</tr>
<tr>
<td>Developer</td>
<td>67.9</td>
<td>Moderately Negative</td>
</tr>
<tr>
<td>Financial Institution/Bank</td>
<td>87.9</td>
<td>Nearly Neutral</td>
</tr>
<tr>
<td>Dubai Overall</td>
<td>73.7</td>
<td>Nearly Neutral</td>
</tr>
</tbody>
</table>

- [0,40) – “Highly Negative”
- [40, 69) – “Negative”
- [69, 98) – “Moderately Negative”
- [98, 100) – “Nearly Neutral”
- **100** – “Neutral”
- (100, 102] – “Nearly Neutral”
- (102, 131] – “Moderately Positive”
- (131, 160] – “Positive”
- (160, 200] – “Highly Positive”
• REIDIN Dubai Housing Markets Professional Sentiment Index for “Sales Market” are measured as

Index result shows that sentiment of “Sales Price” in Dubai for the next 3 months is negative also “Sales Volume” in Dubai for the next 3 months is negative.
• REIDIN Dubai Housing Markets Professional Sentiment Index for “Rental Market” are measured as

Index result shows that Sentiment of “Rental Price” in Dubai for the next 3 months is *moderately negative* while “Rental Volume” in Dubai for the next 3 months is *moderately positive*. 
- REIDIN Dubai Housing Markets Professional Sentiment Index for “Economic Outlook” is measured as

- Index result shows that Sentiment of “Economic Outlook” in Dubai for the next 3 months is neutral.
SALES MARKET SENTIMENT COMPARISON By Sectors

• REIDIN Dubai Housing Markets Professional Sentiment Index comparison for “Sales Market”

- [0, 40) – “Highly Negative”
- [40, 69) – “Negative”
- [69, 98) – “Moderately Negative”
- [98, 100) – “Nearly Neutral”
- 100 – “Neutral”
- (100, 102] – “Nearly Neutral”
- (102, 131] – “Moderately Positive”
- (131, 160] – “Positive”
- (160, 200] – “Highly Positive”
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