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As a large city in the westernmost part of Europe and a famous global city in Southern Europe, Lisbon, the capital of Portugal, has a total population of about 570,000 and a population density of about 6,700 ppl/km<sup>2</sup>, and is the nation's political, economic, financial, cultural and technological center. It is also an important port city that harbors a considerable number of higher education institutions. At the end of 2017, with its number of tourists having reached 6.18 million people, Lisbon was selected by the World Travel Awards as the winner of the World's Leading City Break Destination. In addition, according to the statistics on living standards conducted by *Expresso*, a Portuguese newspaper, Lisbon is also the most livable city in Portugal. In terms of industry, Lisbon has developed quite well, notably in shipbuilding, cement, steel, plastics, cork, textile, papermaking and food processing, making its per capita GDP much higher than the national figure and thus making it the most affluent region in Portugal. The Chinese population in Portugal, which is mainly dispersed across Lisbon and Porto, has not only grown in size in recent years but also increasingly integrated into the mainstream Portuguese society. In addition to engaging in traditional wholesale and retail business, catering and tourism, they also have become involved in areas such as immigration, real estate, and football.

With respect to real estate, housing prices in Portugal continued to soar as a consequence of a surge in demand and improved economic conditions. According to data released by the National Statistical Institute of Portugal (INE), real estate prices in Portugal increased by 6.09% y-o-y in 2018, reaching US\$1,395 per square meter (sq. m.). As regards the housing price performance in Q4 2018, it also increased by 1.24% from the previous quarter. The price of housing in 23 of the country's 24 metropolitan areas rose, among which Lisbon showed a moderate rise of about 2.4%. In 2018, the overall apartment price in Portugal increased by 7% y-o-y, to an average of US\$1,468 per square meter. Villa prices rose by 4.9% in 2018 to an average of US\$1,279 per square meter. It is expected that the Portuguese real estate market will remain buoyant this year. According to Moody's Investors Service, Portuguese housing prices will experience annual growth between 7% and 8% until 2020, and rental yields of apartments in Lisbon will perform well, ranging from 5.4% to 6.2%. Comparatively speaking, Lisbon's housing prices are among Europe's lowest: in the elite area, an 85-square-meter apartment costs about US\$220,000; a 120-square-meter apartment costs about US\$330,000; and a 250-square-meter apartment costs approximately US\$930,000.

After years of effort, the Lisbon city center draws enormous interest from overseas tourists, allowing properties to be let in most of the year for corresponding compensation. Lisbon's rental yields are among the highest in Europe. The Portuguese economy expanded by 2.2% y-o-y in 2018, after annual rises of 2.8% in 2017, 1.6% in 2016, 1.8% in 2015, and 0.9% in 2014, according to the European Commission. The economy is expected to grow by 1.8% this year and by another 1.7% in 2020. Portugal still faced a huge public debt burden of around 121.5% of GDP in 2018, albeit an improvement from 124.8% in 2017 and 129.9% in 2016, according to the European Commission. The country's public debt is expected to fall to around 119.2% of GDP in 2019 and to 116.8% of GDP in 2020. The country's fiscal deficit stood at 0.7% of GDP in 2018, which is expected to fall further to 0.2% of GDP in 2020. The overall Portuguese economy is expecting gradual improvement.