

Transaction volumes continue to stabilize in Q3

Hypoport has published Q3 transaction volumes which have continued to stabilize. The Europace transaction volume has declined by 15% yoy to EUR 16.8bn in Q3, but qoq the volume was up by 7%. On a daily basis the average volume was down by 2% which was due to the holiday season in Q3. The mortgage finance volume on Europace has declined by 13% yoy, but was up by 9% qoq. The consumer loan volume has increased by 4% yoy (0% qoq). Dr Klein (Retail Clients) reported a decline by 16% qoq (+6% qoq). The volume of properties valued by Value AG was down by 16% yoy (+5% qoq), the volume of properties sold via FIO declined by 4% yoy (+6% qoq) and the Dr. Klein WoWi transaction volume was down by 29% yoy (+19% qoq). In Q3 SMIT increased the volume of migrated policies by 9% yoy (+3% qoq) to EUR 4.1bn. Hypoport's CEO assumes that the company has won slight market shares in the mortgage financing market during Q3. The improvement qoq shows in our view that transaction volumes continue to stabilize which makes us confident that 1) Hypoport should be able to reach a positive EBIT again in Q3 and 2) that the situation will further improve in the next quarters. We stick to our Buy rating with a target price of EUR 215.

KPIs (EUR bn)	Q3 2023	Q3 2022	yoy	qoq
Transaction volume Europace	16.8	19.8	-15%	7%
of which mortgage finance	13.6	15.7	-13%	9%
Transaction vol. Dr. Klein Privatkunden	1.5	1.8	-16%	6%
Vol. of properties valued by VALUE AG	7.3	8.7	-16%	5%
Vol. of properties sold via FIO	2.6	2.7	-4%	6%
Transaction vol. Dr. Klein WoWi	0.25	0.35	-29%	19%
Volume of policies migrated to SMIT	4.1	3.8	9%	3%

Sources: Hypoport, Pareto Securities

Note, that Q3 2022 has been the first weak quarter after many years with growing mortgage financing transaction volumes. Therefore, the yoy comparison has improved in Q3 2023 compared to the previous quarters.

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