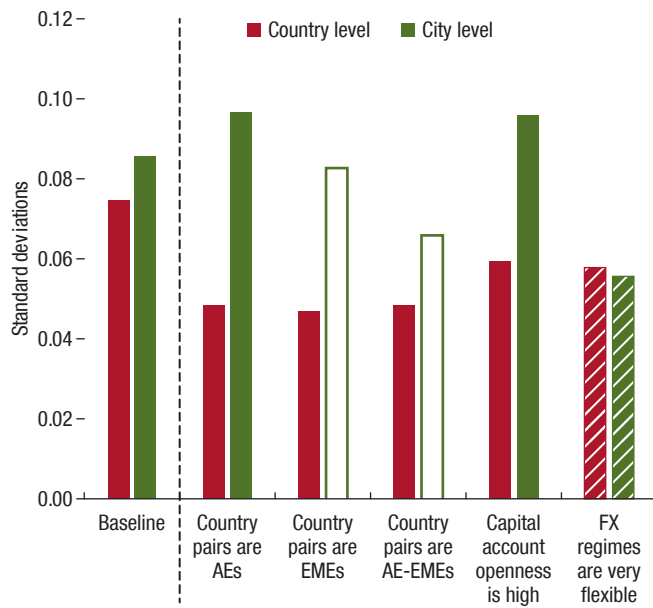


Figure 3.15. Global Financial Conditions, as Proxied by Global Liquidity, Have Different Associations with House Price Synchronization across Countries and Cities



Source: IMF staff estimates.

Note: Synchronicity is measured by the quasi correlation of gaps. Solid bars denote joint significance of the *F*-test at or above 90 percent. Patterned bars denote interaction terms that are statistically significant. Coefficients are standardized. For city level, 4th, 6th, and 8th bars correspond to city pairs that reside either in country pairs that are AEs, country pairs that are EMEs, or country pairs that are AE-EMEs, respectively. Standard deviation of the country-level dependent variable is approximately 0.85, and standard deviation of the city-level dependent variable is approximately 0.97. See Annex 3.2 for methodology and Annex Table 3.2.2 for detailed results. AEs = advanced economies; EMEs = emerging market economies; FX = foreign exchange rate.