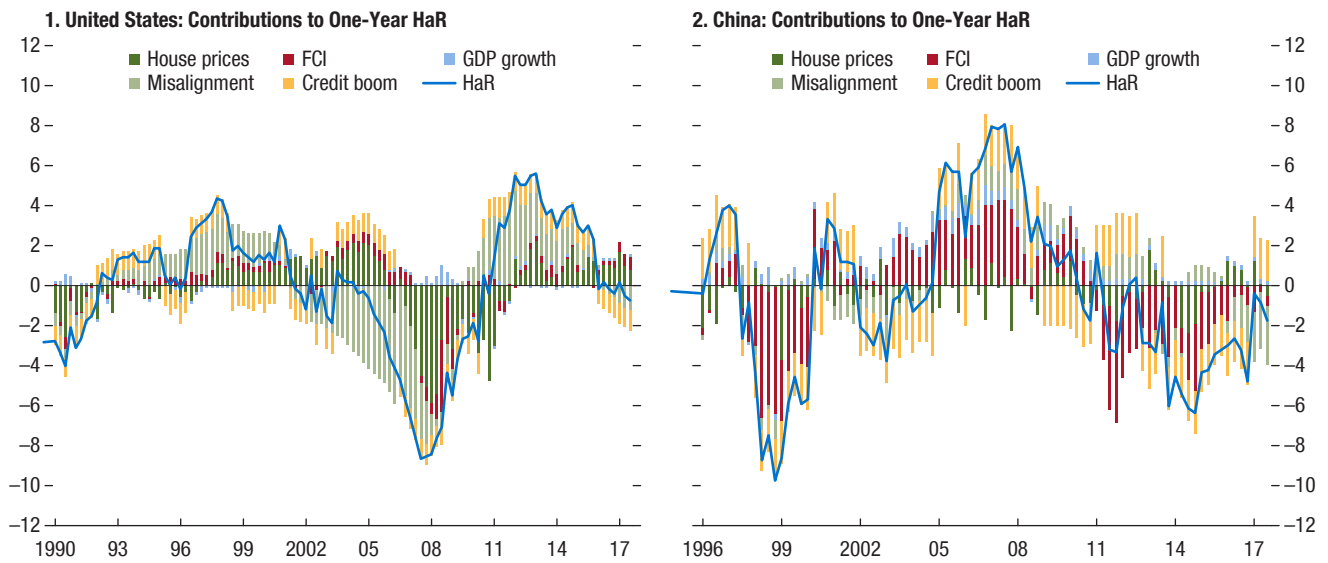


Figure 2.8. Factors Affecting House Prices at Risk in the United States and China
(Annual percent change)

Since late 2016, US HaR appears to have deteriorated gradually ...

... whereas HaR was more volatile in China and was driven mainly by financial conditions.



Source: IMF staff calculations.

Note: The figure shows the decomposition of the estimated one-year-ahead HaR at the 5th percentile into contributions of past house prices, financial conditions, real GDP growth, house price misalignment, and credit boom. The (negative) constant term is not shown. FCI = financial conditions index; HaR = house prices at risk.