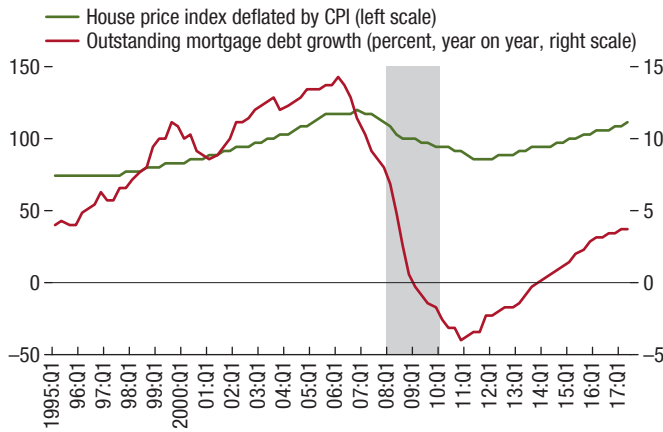


Figure 2.1. Developments in Housing, Credit, and Securitization

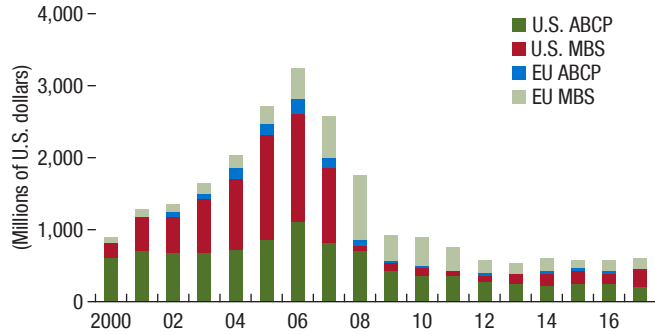
Before the crisis, as house prices reached historical highs, mortgages and household debt surged ...

1. House Price and Mortgage Growth in the United States



... as did securitization.

2. Private Label Securitization Issuance



Sources: Association for Financial Markets in Europe; CRE Finance Council; Fitch Ratings; Haver Analytics; IMF, Research Department house price data set; JPMorgan Chase & Co.; Merrill Lynch; and IMF staff calculations.

Note: The shaded area in panel 1 denotes the global financial crisis. CPI = consumer price index; EU ABCP = European Union asset-backed commercial paper; EU MBS = European Union mortgage-backed securities; U.S. ABCP = United States asset-backed commercial paper; U.S. MBS = United States mortgage-backed securities.