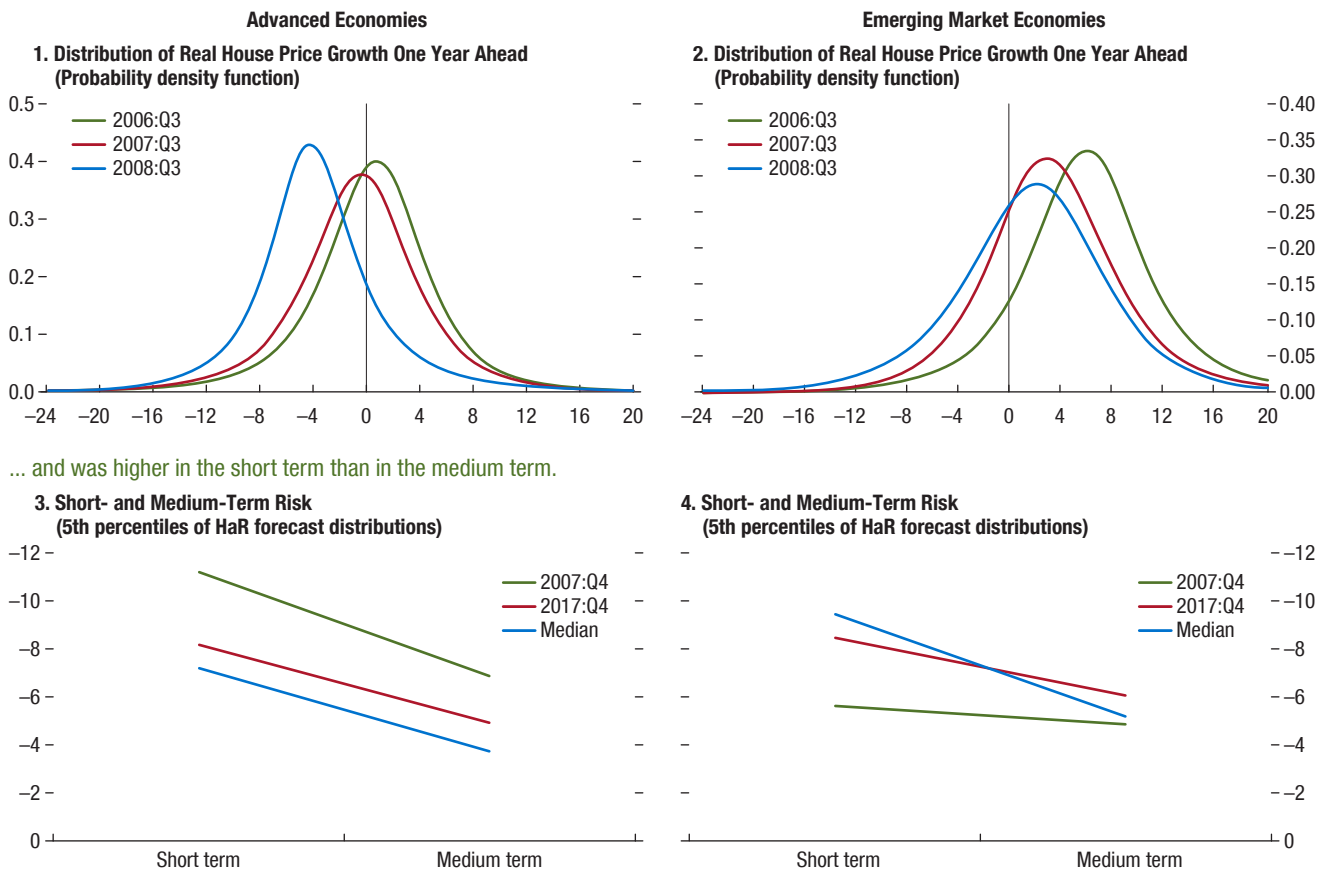


Figure 2.7. Predictive Distributions of House Price Risks

House price risk increased before the global financial crisis ...



Source: IMF staff calculations.

Note: Panels 1 and 2 show skewed-*t* predictive distributions of the one-year-ahead real house price growth before the global financial crisis of 2008 (2006:Q3 until 2007:Q3 and 2008:Q3). Panels 3 and 4 show point estimates of HaR in the short term (one year ahead) and medium term (three years ahead) for 2007:Q4, 2017:Q4, and across the entire sample, based on the panel quantile regression model used in Figure 2.5, weighted by 2017 GDP in purchasing-power-parity terms. HaR = house prices at risk.