Figure 3.2. *(concluded)*[1]

■ Correlations between real house prices and output gap[2]
■ Correlations between real residential investment and output gap[3]

Germany

0.6
0.0
-0.5

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

France

0.6
0.0
-0.2

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Italy

0.6
0.0
-0.5

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Netherlands

0.6
0.0

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Norway

0.5
0.0

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Finland

0.6
0.0
-0.2

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Ireland

0.4
0.0
-0.2

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Spain

0.7
0.0

-8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8

Quarters by which house prices and   Quarters by which house prices
investment lead output gap   and investment lag output gap
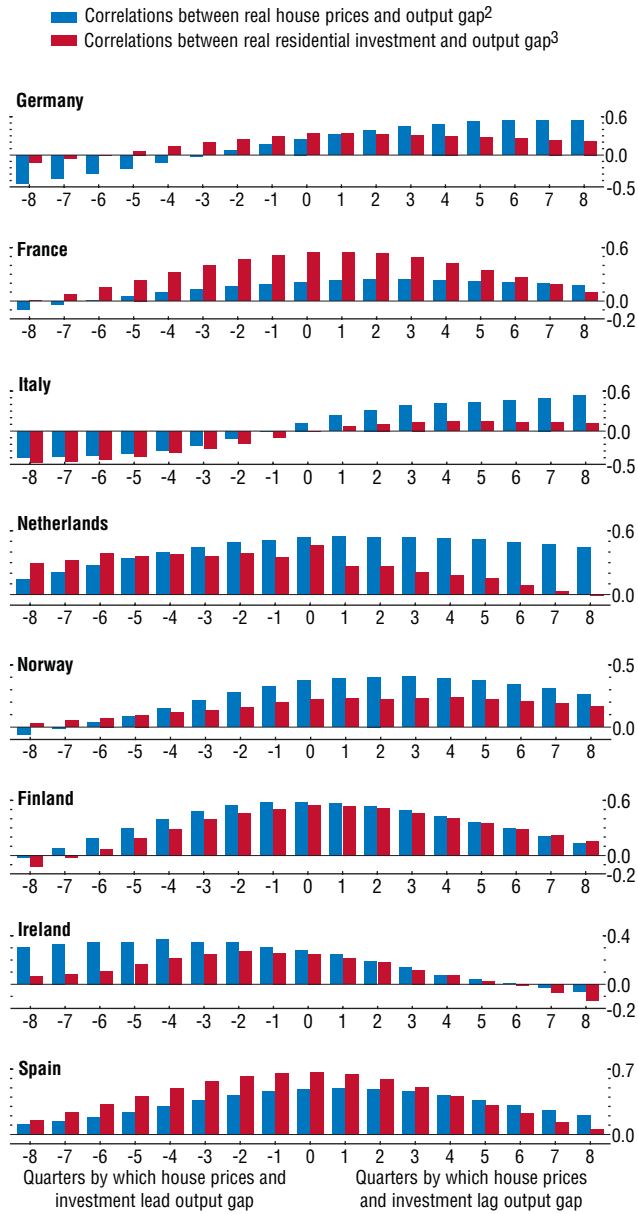
Source: IMF staff calculations.
[1]Real house prices and real residential investment are expressed as deviations from a log-linear trend.
[2]Correlations between output gap at $t = 0$ and real house prices at $t = -8...+8$. For example, a positive correlation at $t = 2$ means house prices lag output gap by two quarters.
[3]Correlations between output gap at $t = 0$ and real residential investment at $t = -8...+8$. For example, a positive correlation at $t = -2$ means residential investment leads output gap by two quarters.