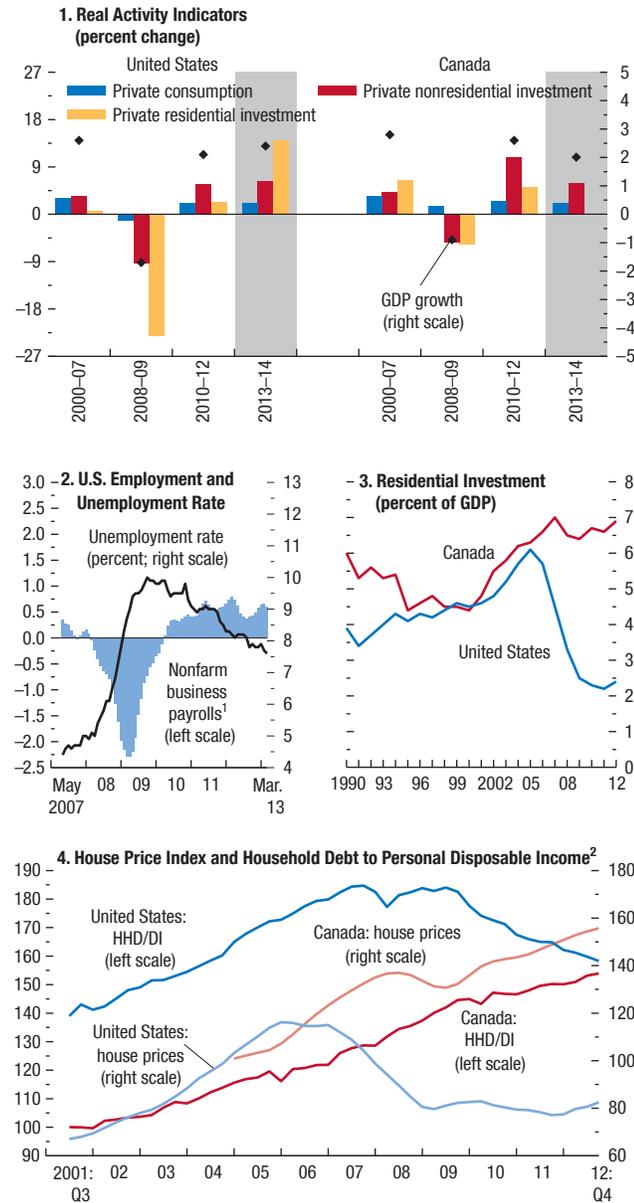


Figure 2.5. United States and Canada: Slow but Steady Recovery

Recovery is proceeding in the United States; the housing market is recovering and the threat of the “fiscal cliff” was largely averted, but durable solutions to remaining fiscal concerns are still needed. In Canada, the U.S. recovery will support growth, but high household debt and moderation in the housing sector are likely to weigh on private consumption and residential construction.



Sources: Haver Analytics; and IMF staff estimates.

¹Moving quarterly absolute change; millions.

²HHD/DI = household debt to disposable income (percent)—for Canada includes only market liabilities; house prices: Case-Shiller Index (January 2005 = 100) for the United States; CREA House Price Index (2005 = 100, composite) for Canada.