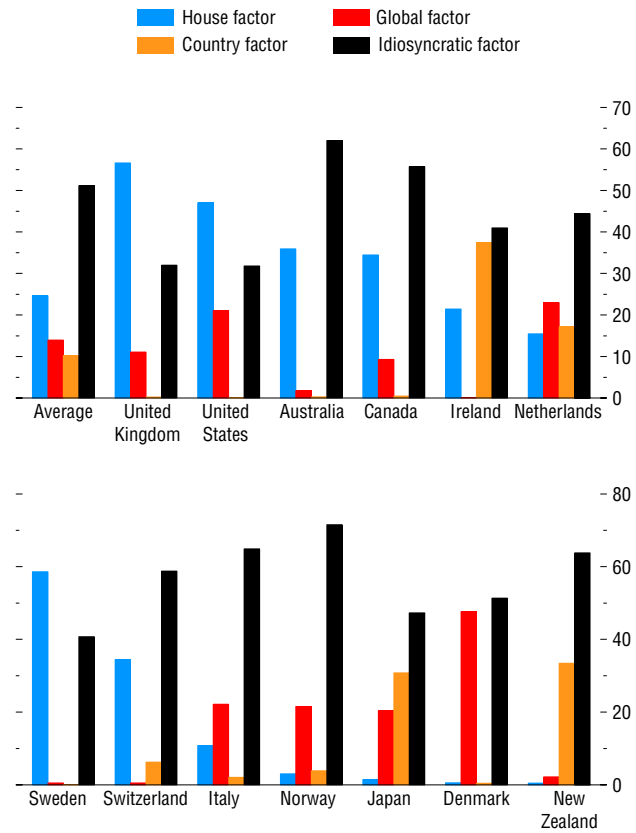


Figure 2.5. Variance Decomposition of House Prices

(Percent change; constant prices)

Global developments explain 40 percent of real house price movements, reflecting the importance of international linkages in the housing markets.



Sources: Haver Analytics; IMF, *International Financial Statistics*; national sources; OECD; and IMF staff calculations.