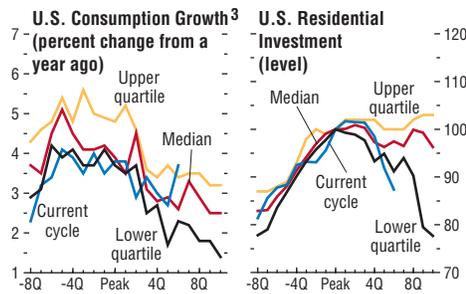
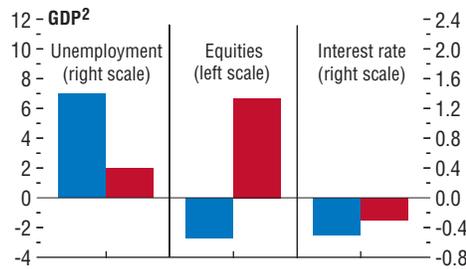
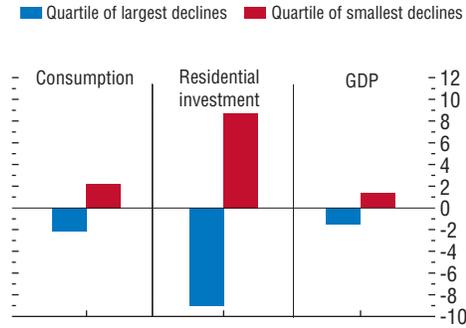


Housing Market Downturns

Cross-Country Housing Markets¹
(change in average annual rate of growth)



Sources: Bank for International Settlements; Haver Analytics; and IMF staff calculations.

¹The change in average annual rate of growth of consumption, residential investment, and GDP between the six quarters before and after the house price peak.

²Periods of falling house prices with the largest and smallest declines in GDP growth by quartile, for the six quarters before and after the peak. The average change in unemployment (percentage point), the average percent increase in real equity prices, and the change in short-term interest rate (percentage point) during the period of falling house prices.

³Median profile shows median response for a particular quarter across seven U.S. housing cycles (periods when real house prices fell) since 1969. Lower and upper quartile profiles are also shown.