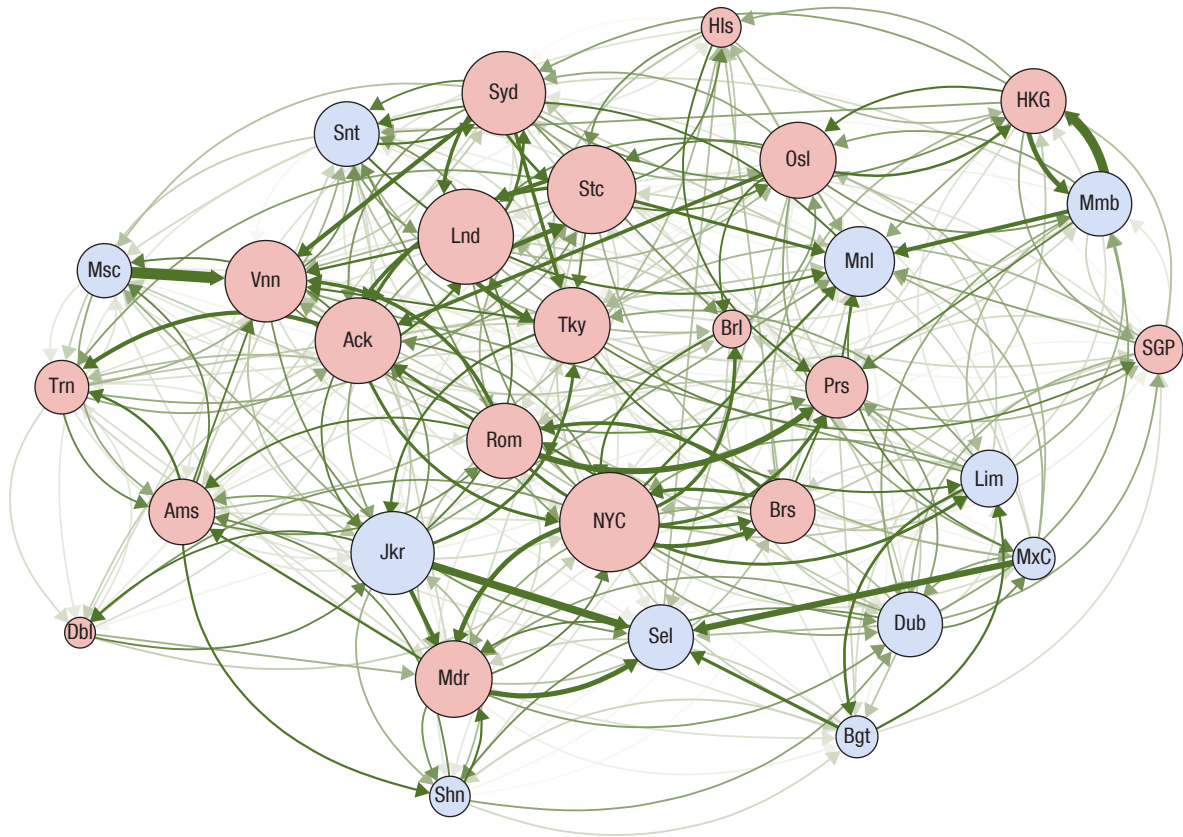


Figure 3.10. Interconnectedness among Cities' House Prices Varies



Source: IMF staff estimates.

Note: The figure is based on a vector autoregression of city-level house price growth rates (quarter over quarter), controlling for global factors, spanning 2004:Q1 to 2017:Q2. For methodology details, see Chapter 2 of the April 2016 *Global Financial Stability Report*. See Annex Table 3.1.2, note 1, for city selection criteria, conditional on data availability. Node size is based on the city's total outward spillovers. Pink nodes represent advanced economies, and blue nodes represent emerging market economies. Arrow thickness is based on link distribution. Only links above the 66th percentile are considered. The figure layout is based on the algorithm by Fruchterman and Reingold (1991) and plotted using the "qgraph" R package. Ack = Auckland; Ams = Amsterdam; Bgt = Bogotá; Brl = Berlin; Brs = Brussels; Dbl = Dublin; Dub = Dubai; HKG = Hong Kong SAR; Hls = Helsinki; Jkr = Jakarta; Lim = Lima; Lnd = London; Mdr = Madrid; Mmb = Mumbai; Mnl = Manila; Msc = Moscow; MxC = Mexico City; NYC = New York City; Osl = Oslo; Prs = Paris; Rom = Rome; Sel = Seoul; SGP = Singapore; Shn = Shanghai; Snt = Santiago; Stc = Stockholm; Syd = Sydney; Tky = Tokyo; Trn = Toronto; Vnn = Vienna. Following Morgan Stanley Capital International markets classification criteria and the IMF's *World Economic Outlook* country classification in 1990, Korea (and thus Seoul) is classified as an emerging market economy.