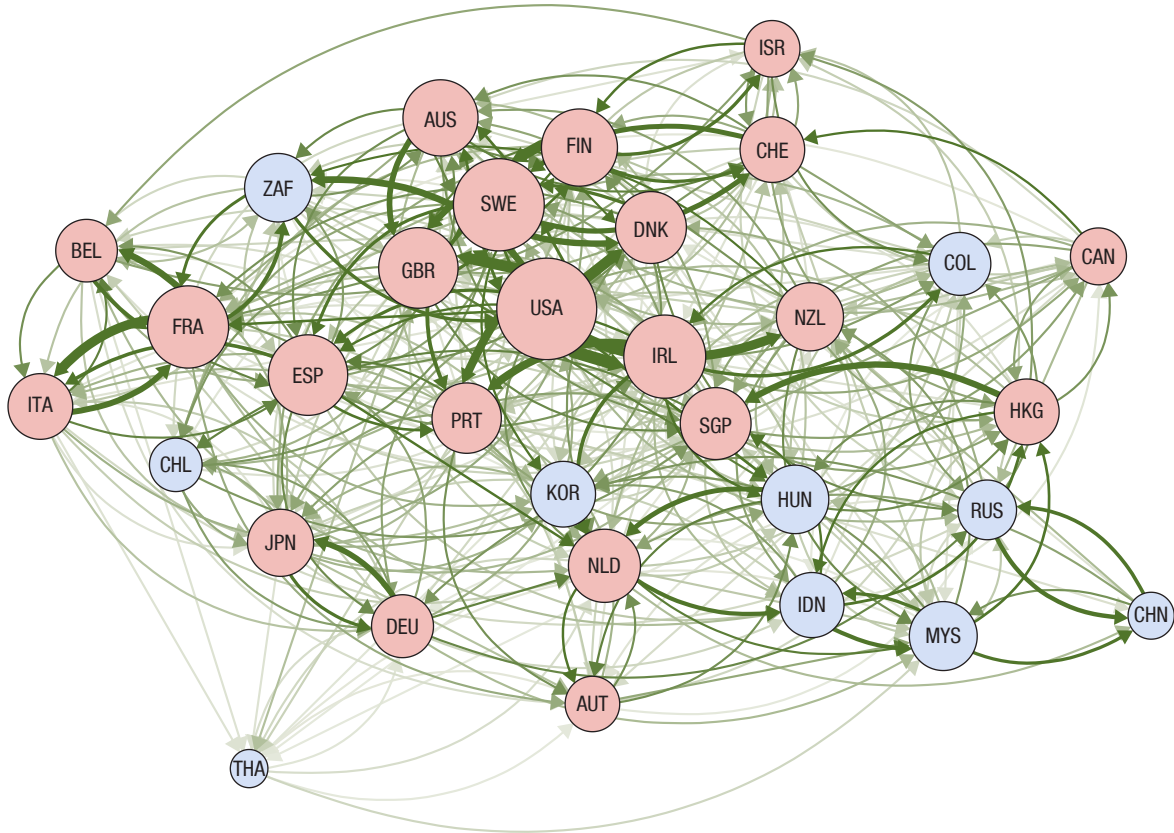


Figure 3.9. Economies Differ in Their House Price Interconnectedness



Source: IMF staff estimates.

Note: The figure is based on a vector autoregression of house price growth rates (quarter over quarter), controlling for global factors, from a sample covering 1990:Q1 to 2016:Q4. For methodology details, see Chapter 2 of the April 2016 *Global Financial Stability Report*. Node size is based on an economy'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 50th percentile are considered. The figure layout is based on the algorithm by Fruchterman and Reingold (1991) and plotted using the "qgraph" R package. Node labels used in the figure are International Organization for Standardization (ISO) codes. Following Morgan Stanley Capital International markets classification criteria and the IMF's *World Economic Outlook* country classification in 1990, the beginning of our sample, Korea is classified as an emerging market economy.