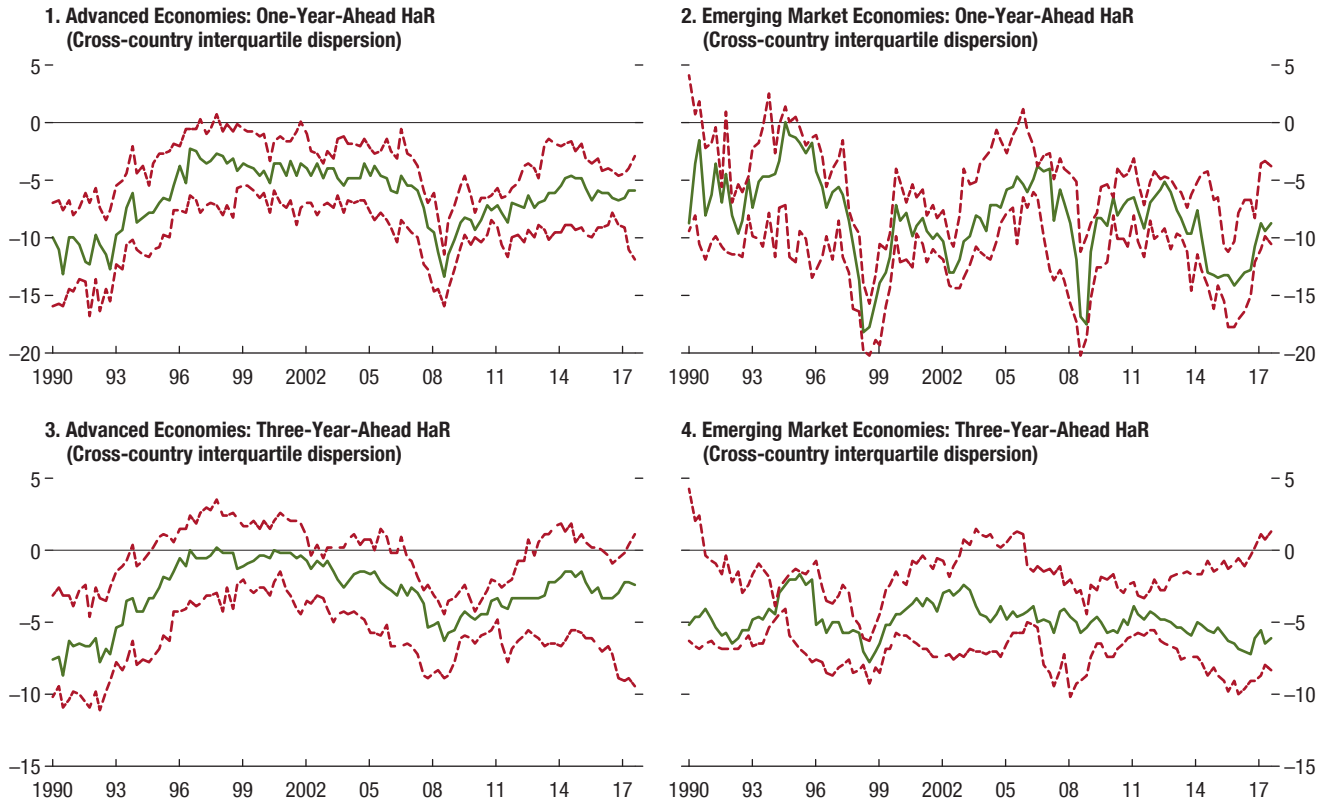
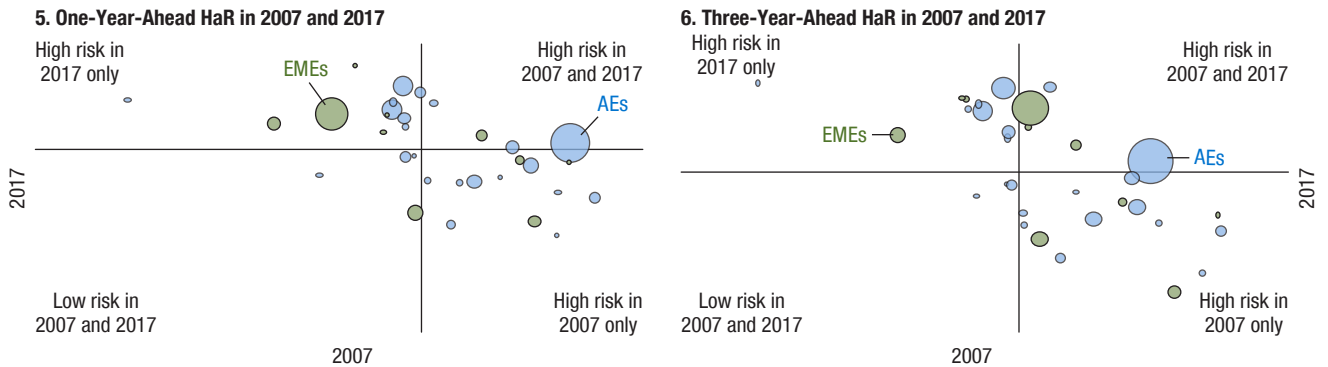


**Figure 2.6. Evolution of House Prices at Risk and Shifts in Riskiness**

House prices at risk fluctuate substantially over time and across countries and display cyclical short-term comovement.



Countries that were more at risk from house price decline in 2007 seemed less vulnerable in 2017, but some remained at relatively high risk at both periods.



Source: IMF staff calculations.

Note: Panels 1–4 depict the one- and three-year-ahead HaR distribution across advanced and emerging market economies. Panels 5 and 6 show the one- and three-year-ahead HaR levels in 2007:Q4 and 2017:Q4 for advanced and emerging market economies (blue and green, respectively) relative to the overall median HaR. Bubble size indicates the country's 2017 purchasing-power-parity-weighted GDP in US dollars. Estimates are based on the panel quantile regression model used in Figure 2.5. AEs = advanced economies; EMEs = emerging market economies; HaR = house prices at risk.