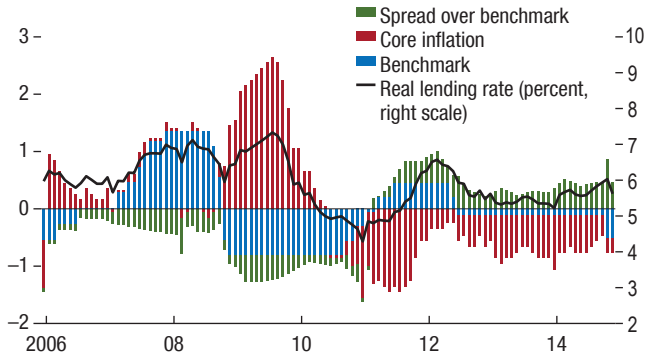


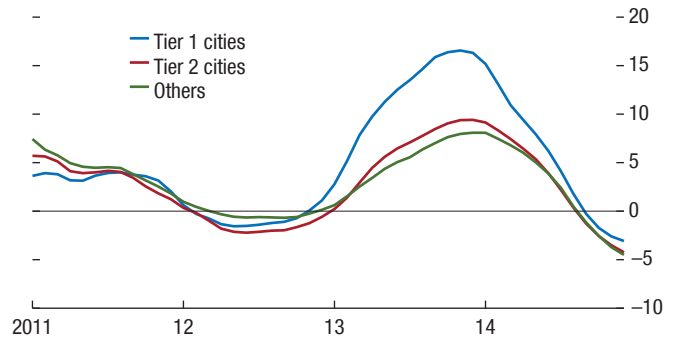
**Figure 1.22. China: Real Estate and Interest Rate Developments**

**1. Effective Real Bank Lending Interest Rate  
(Contribution to deviation from average; percentage points)**



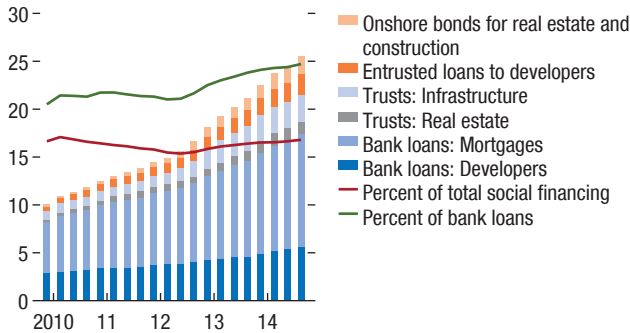
Sources: CEIC; and IMF staff calculations.  
 Note: Percentage point contribution to deviation of weighted average lending rate from the 2005–15 average. Weighted average interpolated from quarterly data and estimated from a linear model using benchmark rates and new loan relative pricing before 2009.

**2. New Home Price Growth  
(Percent, year over year)**



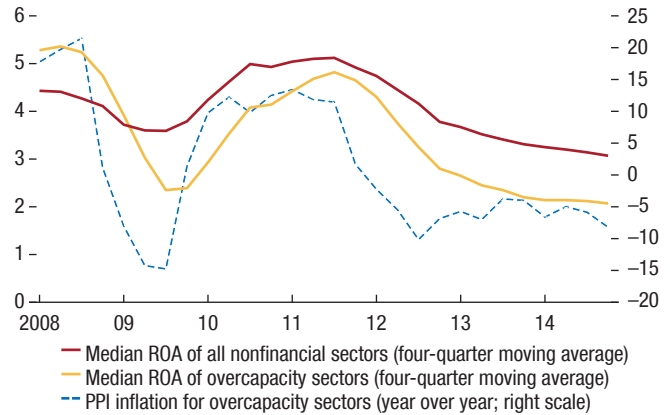
Sources: CEIC; National Bureau of Statistics (NBS); and IMF staff calculations.  
 Note: New home price growth is the simple average of year-over-year change of NBS-compiled property price indices for newly constructed residential buildings in 70 medium and large cities grouped by different tiers. Tier 1 cities include Beijing, Guangzhou, Shanghai, Shenzhen, and Tianjin.

**3. Lending to Real Estate Sector  
(Trillions of renminbi, unless otherwise noted)**



Sources: CEIC; China Trust Association; People's Bank of China; and IMF staff calculations.  
 Note: Assumed 20 percent of entrusted loans are to the real estate sector. The entrusted loans to developers and onshore bonds for real estate and construction are captured by the total social financing (TSF).

**4. Listed Firms' ROA and Inflation  
(Percent)**



Sources: CEIC; WIND Information Co.; and IMF staff calculations.  
 Note: Overcapacity sectors include building materials, chemicals, and mining. PPI = producer price index; ROA = return on assets.