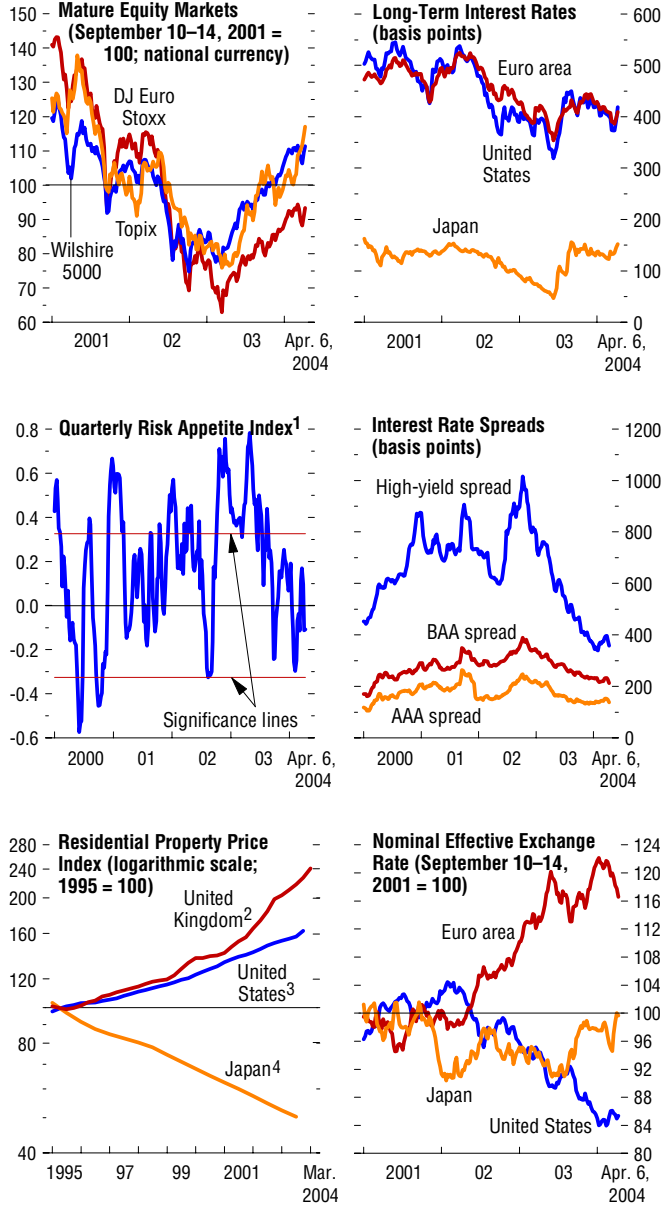


Figure 1.5. Developments in Mature Financial Markets

The rebound in mature financial markets has continued, accompanied by a further decline in credit spreads. Long-run interest rates have stabilized, and remain relatively low by historical standards.



Sources: Bloomberg Financial Markets, LP; State Street Bank; HBOS Plc.; Office of Federal Housing Enterprise Oversight; Japan Real Estate Institute; and IMF staff calculations.

¹IMF/State Street risk appetite indicators.

²Halifax housing index as measured by the value of all houses.

³House price index as measured by the value of single-family homes in the United States as a whole, in various regions of the country, and in the individual states and the District of Columbia.

⁴Urban land price index: average of all categories in six large city areas.