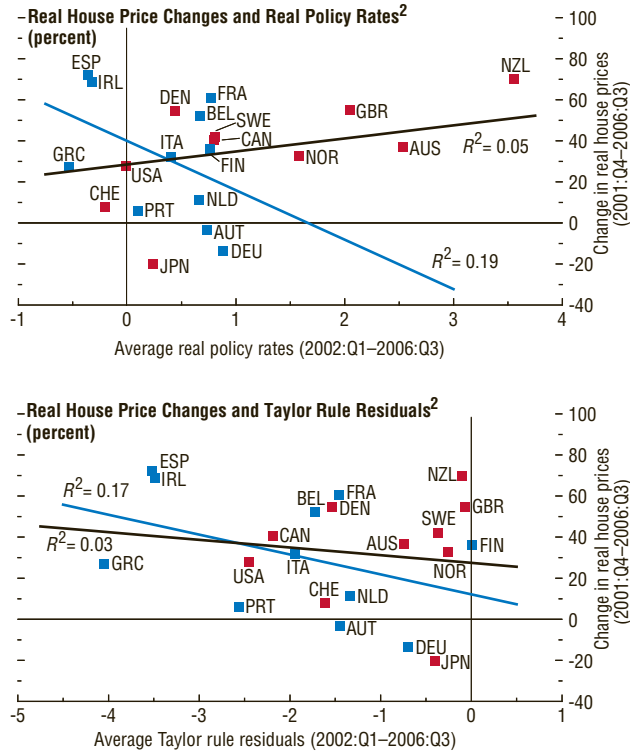


Figure 3.13. House Prices and Monetary Conditions¹

In economies with common nominal monetary policy rates, looser real monetary conditions in recent years were associated with larger rises in real house prices. Across advanced economies as a whole, there was little significant correlation in recent years between real monetary conditions and real house prices.



Sources: Bank for International Settlements; Bloomberg Financial Markets; Haver Analytics; national authorities; Organization for Economic Cooperation and Development; Thomson Datastream; and IMF staff calculations.

¹ See Figure 3.7 for country abbreviations.

² Euro area economies are designated by blue squares. Other advanced economies are designated by red squares. Blue lines are fitted to a subsample of euro area economies. Black lines are fitted to the whole sample of advanced economies.