

1. Record Nr.	UNINA9910812017203321
Autore	Tsounta Evridiki
Titolo	Is the Canadian Housing Market Overvalued? A Post-crisis Assessment / / Evridiki Tsounta
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2009
ISBN	1-4623-3961-1 1-4518-7382-4 1-282-84436-9 9786612844362 1-4527-2987-5
Edizione	[1st ed.]
Descrizione fisica	20 p. : ill
Collana	IMF Working Papers
Disciplina	301.5;301.540971
Soggetti	Housing - Canada - Econometric models Housing - Prices - Canada - Econometric models Financial Risk Management Inflation Infrastructure Real Estate Industries: Financial Services Housing Supply and Markets Economic Development: Urban, Rural, Regional, and Transportation Analysis Housing Banks Depository Institutions Micro Finance Institutions Mortgages Financial Crises Price Level Deflation Property & real estate Macroeconomics Finance Economic & financial crises & disasters Housing prices Asset bubbles Prices Saving and investment

Financial crises

Canada

Lingua di pubblicazione

Inglese

Formato

Materiale a stampa

Livello bibliografico

Monografia

Note generali

"October 2009."

Nota di contenuto

Intro -- Contents -- I. Introduction -- II. Recent Housing Market Developments -- A. The Run-up in House Prices and Construction -- B. Reversal in House Prices -- III. Macrofinancial Linkages from the Housing Market -- IV. Existing Literature -- V. Econometric Model and Results -- VI. Conclusions -- References -- Figures -- 1. Canada. Cumulative Increase in Resale House Prices -- 2. G-7. Price-to-income and price-to-rent ratios, 1970-2009 -- 3. Select Eastern Canadian Provinces: House Price Over/Undervaluation, 1993Q1-2009Q2 -- 4. Select Western Canadian Provinces: House Price Over/Undervaluation, 1993Q1-2009Q2 -- Tables -- 1. Real Prices of New Houses and Land, 1995-2009Q2 -- 2. Determinants of House Prices in Select Canadian Provinces.

Sommario/riassunto

Canadian house prices have increased significantly between 2003 and early 2008, with a marked downward trend since mid-2008, especially in the resource-rich western provinces. This paper estimates the evolution of equilibrium real home prices during this period in key provinces and finds that, following recent declines, home prices are now generally close to equilibrium throughout Canada. However, house prices in Alberta and British Columbia remain around 8 percent overvalued at the end of the sample (second quarter of 2009). Despite the limitations of econometric estimates of house-price dynamics, the measured small degree of overvaluation suggests that the Canadian housing market is essentially at equilibrium.