

1. Record Nr.	UNINA9910827080903321
Autore	Karasulu Meral
Titolo	Stress Testing Household Debt in Korea // Meral Karasulu
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
ISBN	1-4623-3459-8 1-4527-6320-8 1-4518-7113-9 9786612842061 1-282-84206-4
Edizione	[1st ed.]
Descrizione fisica	1 online resource (41 p.)
Collana	IMF Working Papers IMF working paper ; ; WP/08/255
Disciplina	332.7 332.7650947
Soggetti	Consumer credit - Korea Debt - Korea Finance - Korea Financial services industry - Korea Macroeconomics Real Estate Industries: Financial Services Aggregate Factor Income Distribution Personal Income, Wealth, and Their Distributions Macroeconomics: Consumption Saving Wealth Real Estate Markets, Spatial Production Analysis, and Firm Location: General Banks Depository Institutions Micro Finance Institutions Mortgages Property & real estate Finance Income Personal income Consumption Real estate prices Economics

Housing  
Prices  
Korea, Republic of

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Cover Page; Title Page; Copyright Page; Contents; I. Introduction; 1. International Comparison of Household Debt; II. What Explains Korean Households' Debt Levels?; III. Stress Tests; IV. Conclusions; 2. Comparison of Stress Tests; Appendix: Description of the Data; 1. Summary Statistics; 2. How Representative is KLIPS?; References; Footnotes
Sommario/riassunto	Korean household debt has reached 148 percent of disposable income, high by emerging market standards. Most of this debt remains at variable rates, shifting the interest rate risk from better diversified financial institutions to households and increasing their sensitivity to macroeconomic shocks. This paper examines the sources of, and risks from, household debt by employing stress tests on household level panel data. Results suggest that a 100-300 bps increase in interest rates could increase distressed household debt household debt by 8½? 17 percentage points (ppt). A drop in real estate prices by 10?30 percent could add another 4 ppt to distressed debt. Ongoing transition to amortizing mortgages in 2008?09 presents additional challenges as interest payments on debt are likely to increase further.