

Launch Event

IMF Asia and Pacific Department

Housing Market Stability and Affordability in the Asia-Pacific Region

By Praygan Deb, Harald Finger, Kenichiro Kashiwase, Yosuke Kido, Siddharth Kothari, and Evan Papageorgiou, with inputs from Henry Hoyle and Anne Oeking

OPENING REMARKS:

Bo Li, Deputy Managing Director, International Monetary Fund

PRESENTERS:

Praygan Deb, Senior Economist, Asia and Pacific Department, International Monetary Fund

Kenichiro Kashiwase, Senior Economist, Asia and Pacific Department, International Monetary Fund

Siddharth Kothari, Senior Economist, Asia and Pacific Department, International Monetary Fund

SUMMARY:

Krishna Srinivasan, Director, Asia and Pacific Department, International Monetary Fund

CLOSING REMARKS:

Alfred Schipke, Director, Singapore Regional Training Institute - International Monetary Fund

Thursday, December 15
10:30 AM – 11:30 AM
(Singapore time)

Wednesday, December 14
09:30PM – 10:30 PM
(Washington DC time)

The paper and presentation take stock of recent developments in Asian housing markets. In many advanced economies, low interest rates and large government support during the COVID era fueled fast housing price growth, which has increased housing price misalignment, reduced affordability, and raised the threat of a correction in housing prices going forward (house price-at-risk), especially as interest rates rise. By contrast, emerging Asia has experienced more limited price increases, though housing quality remains of concern in a number of Asian EMs. A multifaceted policy approach is needed to address these challenges. Asian countries have built a broad macroprudential toolkit, which can be effective in reducing housing market risks in Asia. Empirical analysis shows that demand-side measures, such as loan-to-value (LTV) ratio and debt-service-to-income (DSTI) ratio limits, have been more effective than capital-based tools, and the effect of policy tightening during upswings has been much stronger than stimulatory effects of policy loosening during downturns. While macroprudential measures have been effective at targeting household credit growth, they only have a limited effect on housing prices per se. As for affordability, structural supply side measures, targeted demand side measures, and innovative financing mechanisms can play a crucial role.

Following the presentation, there will be an opportunity for Q&As.

Register [now](#). Registration closes on December 13, 2022 (12 midnight, Singapore time). The webinar will be delivered via Webex.

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