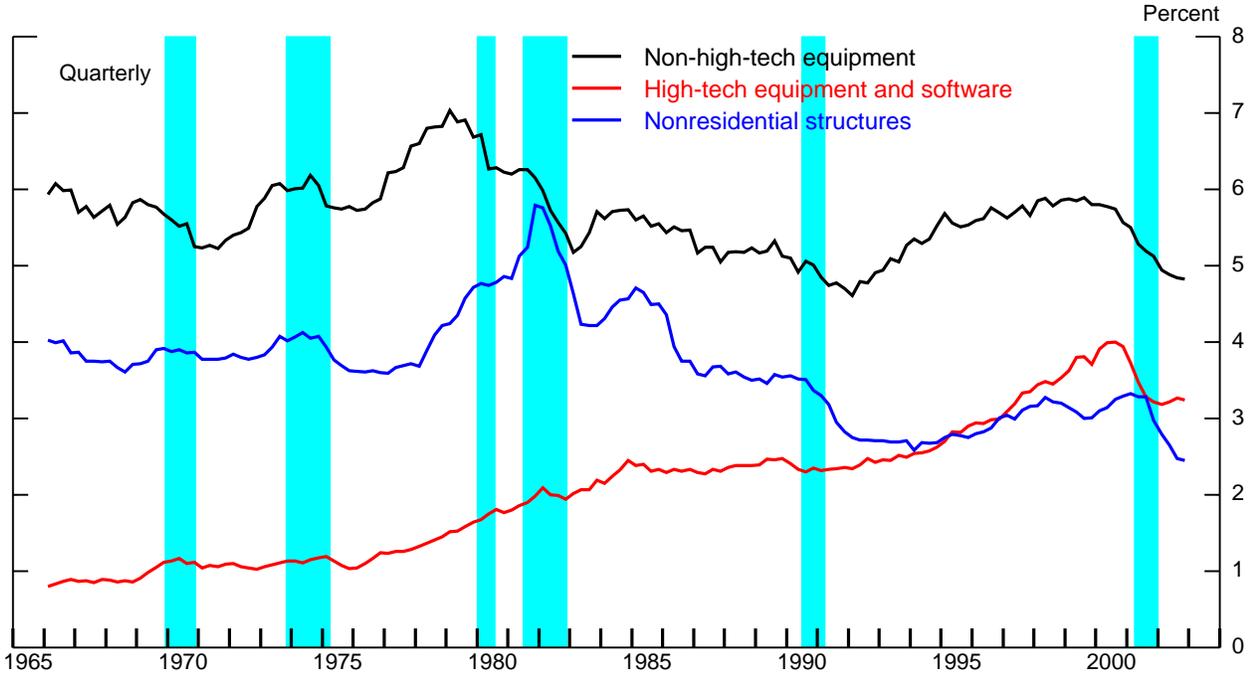
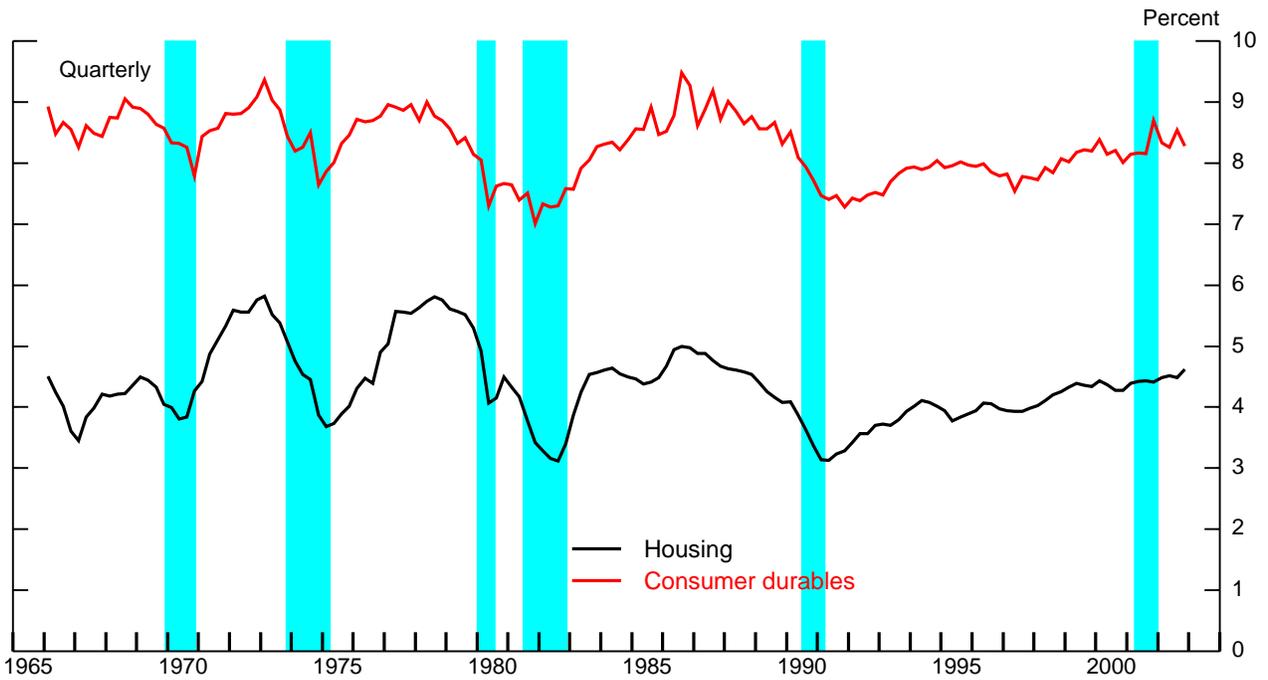


Investment Shares of GDP

Business



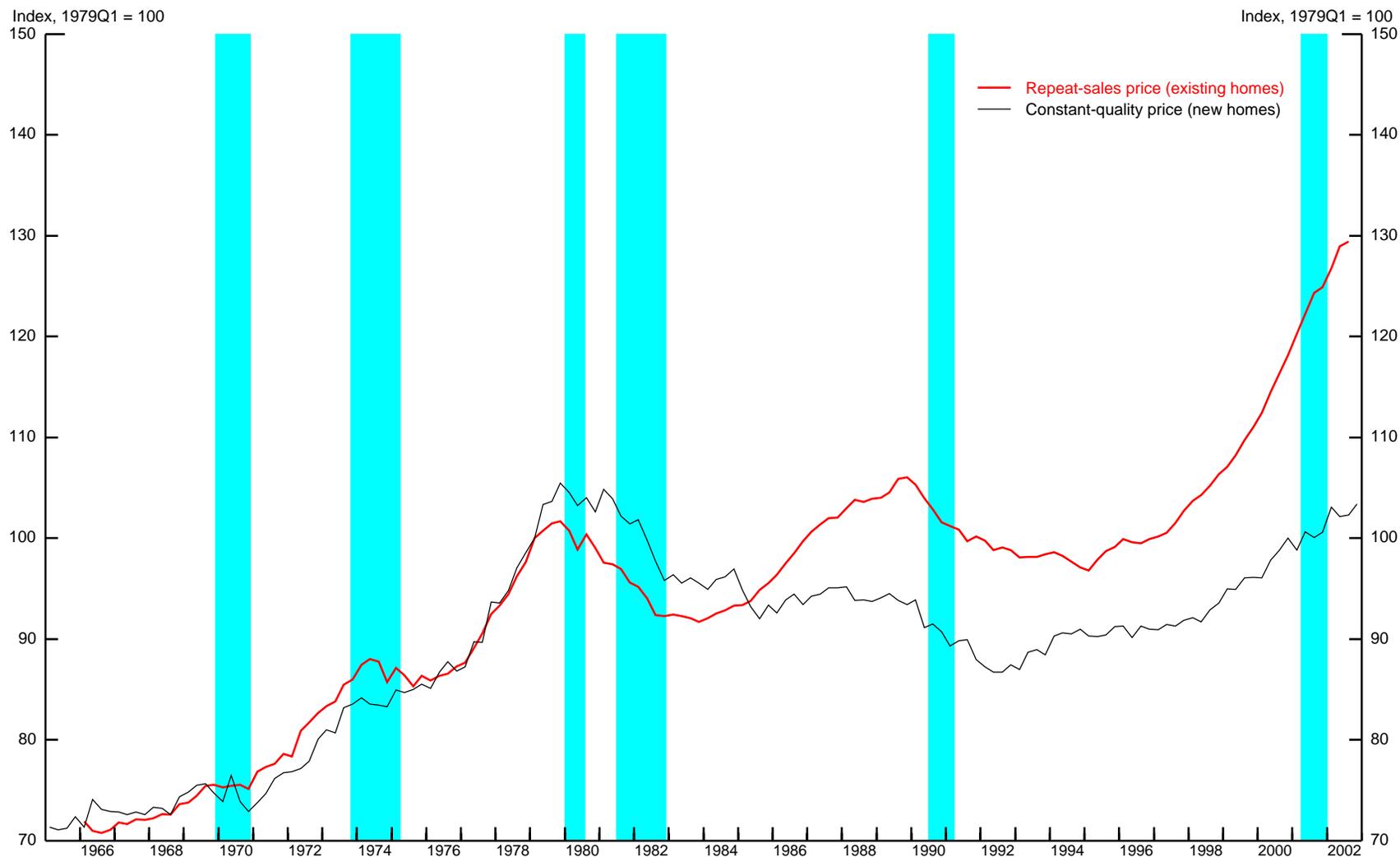
Household



Shaded regions indicate NBER recessions, except 2001:Q2-2001:Q4, where a trough has not yet been announced.

Source: Bureau of Economic Analysis. Shares are ratios of nominal quantities.

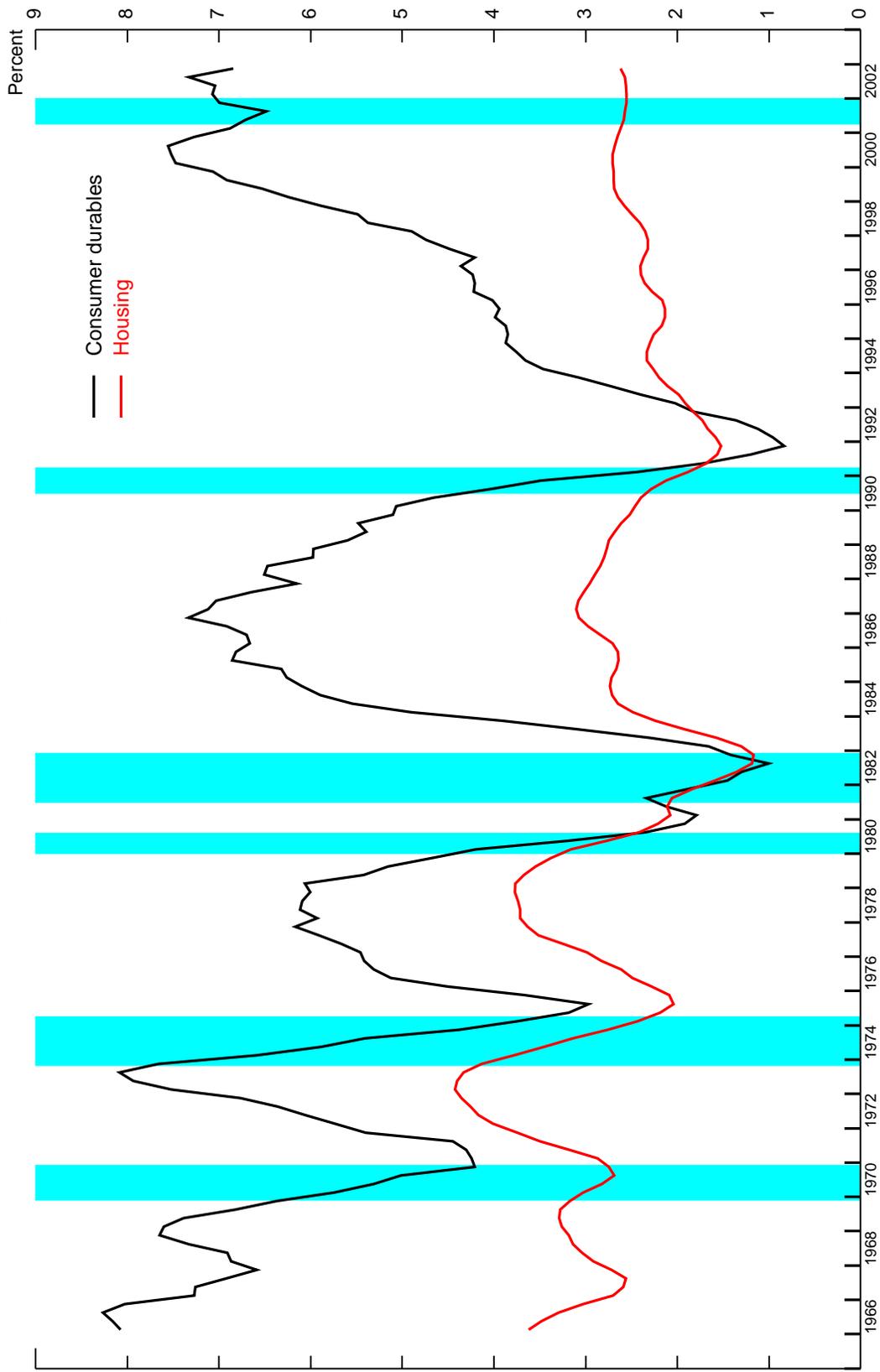
Chart 2
Real House Prices



Note. Repeat-sales price index is extended back prior to 1975 using the median sales price of existing homes. Prices are deflated using the price index for personal consumption expenditures other than food and energy.

Sources. OFHEO, Census Bureau, National Association of Realtors.

Growth in Household Stocks Four-quarter changes

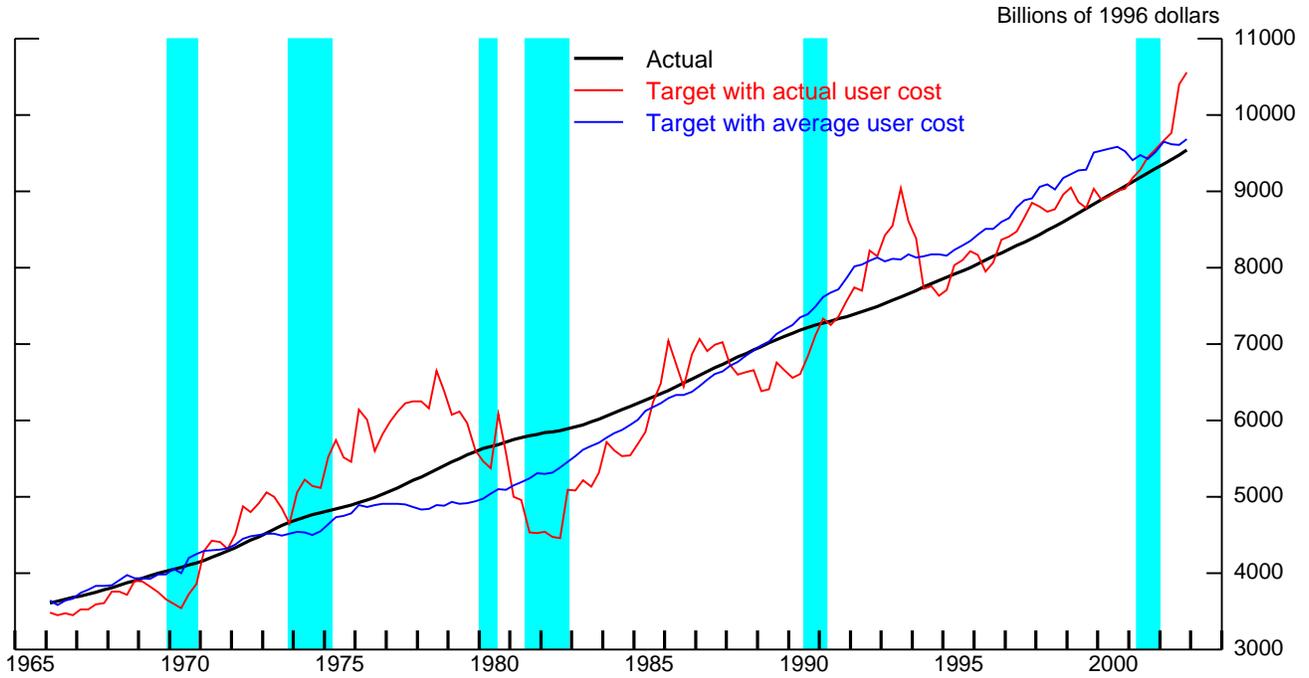


Shaded regions indicate NBER recessions, except 2001:Q2-2001:Q4, where a trough has not yet been announced.

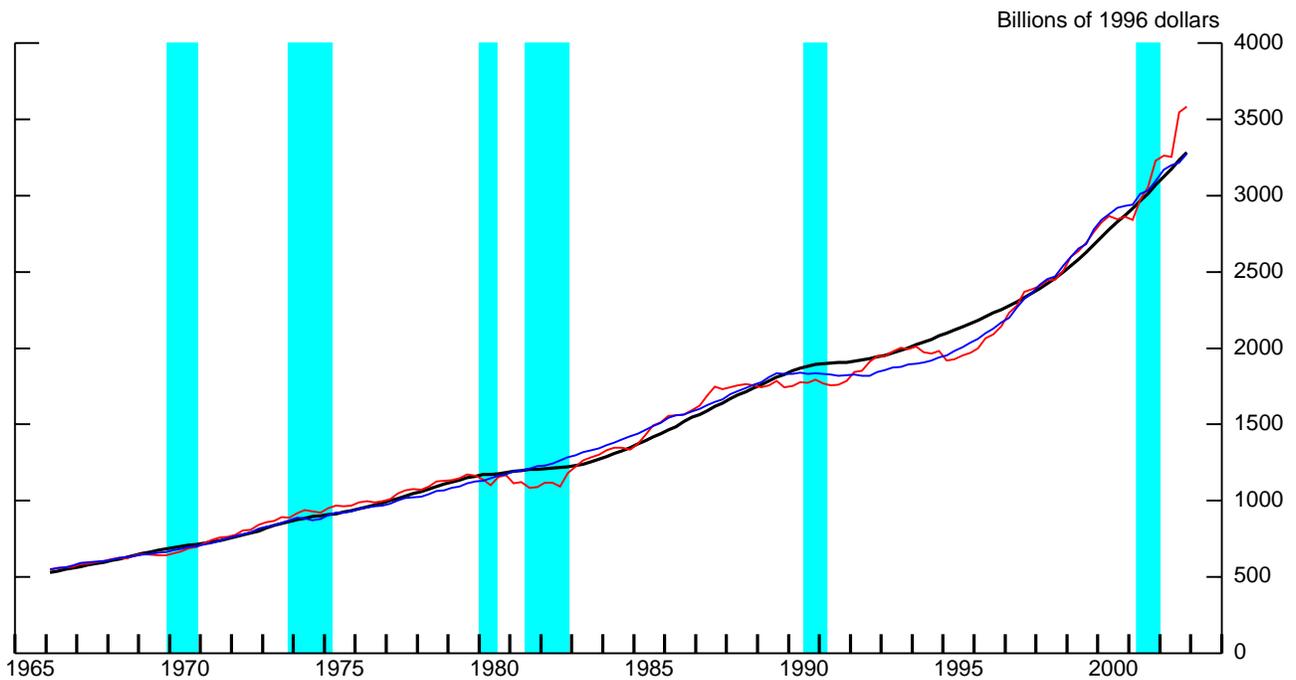
Source: Bureau of Economic Analysis

Actual and Target Household Stocks

Housing



Consumer Durables

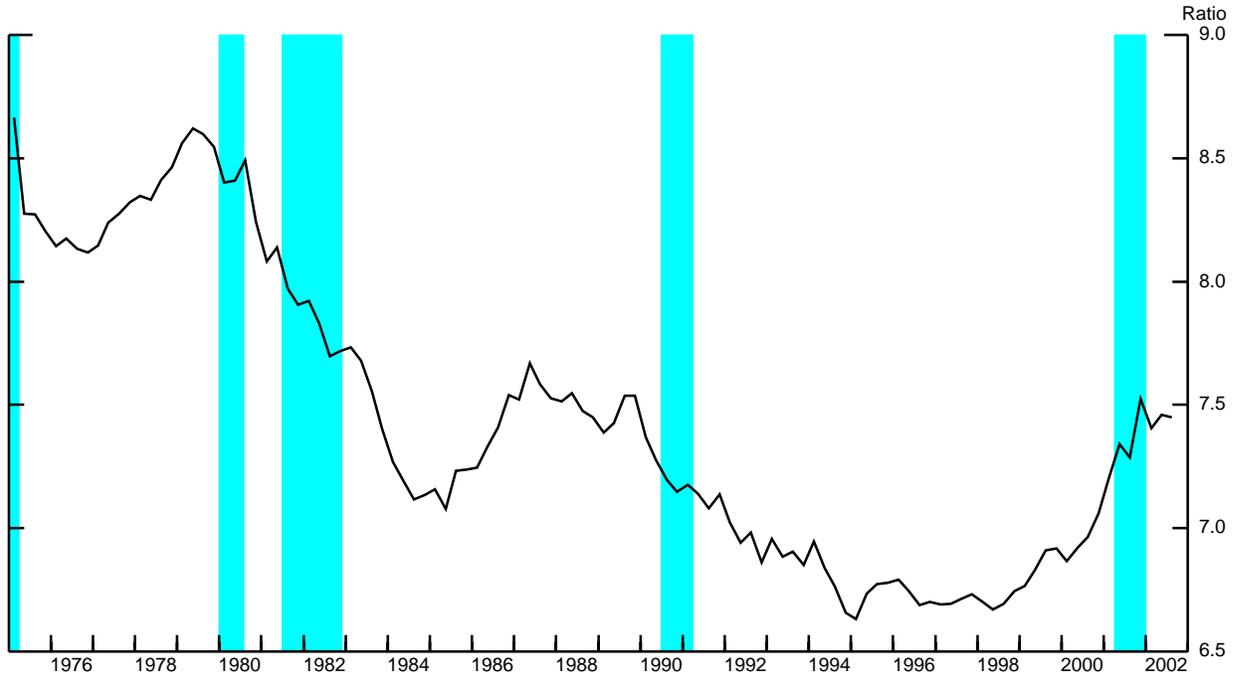


Shaded regions indicate NBER recessions, except 2001:Q2-2001:Q4, where a trough has not yet been announced.

Source: Bureau of Economic Analysis; Federal Reserve; author's calculations.

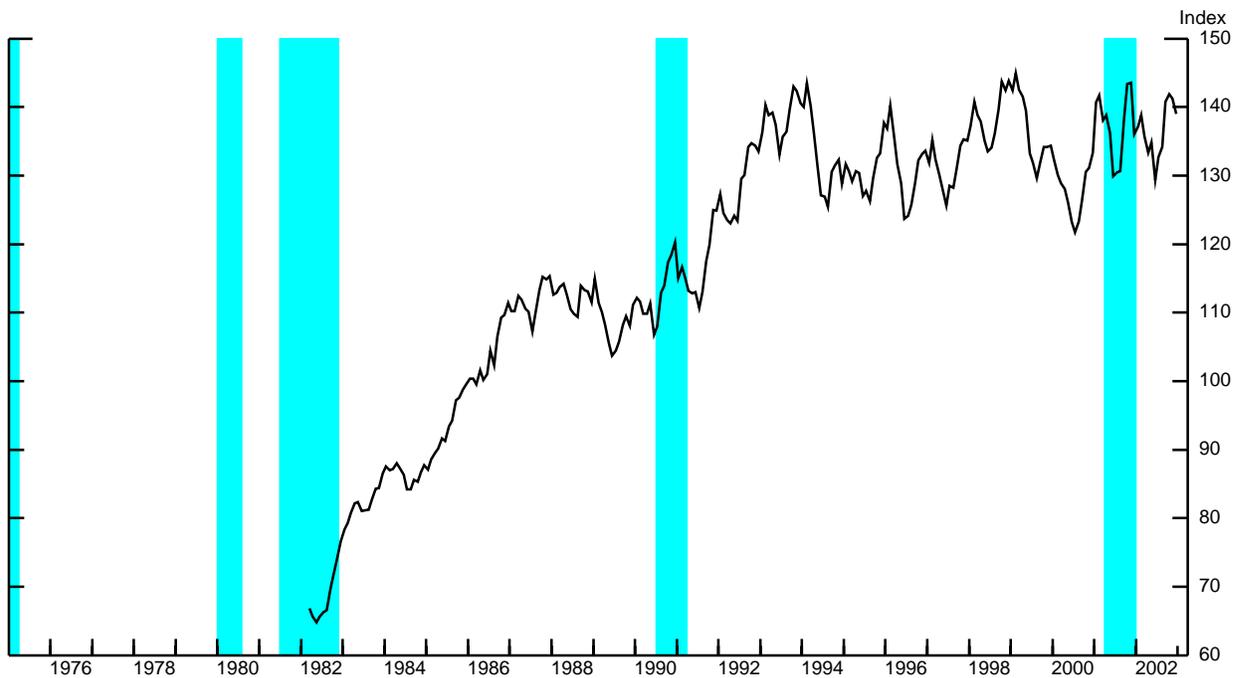
Chart 5

Ratio of House Prices to Per Capita Disposable Personal Income



Note. The ratio is the OFHEO existing home repeat sales index (1996=100) multiplied by the average sales price of existing homes in 1996 from the National Association of Realtors divided by per capita disposable personal income as reported by the BEA.

Affordability Index of Existing Homes



Note. A value of 100 indicates that the median family income is equal to the qualifying income for the median price of existing homes sold. Qualifying income is the income required to qualify for a conventional loan covering 80 percent of a median-priced existing single-family home. Values greater than 100 indicate that the median family income is greater than the qualifying income.
Source. National Association of Realtors.