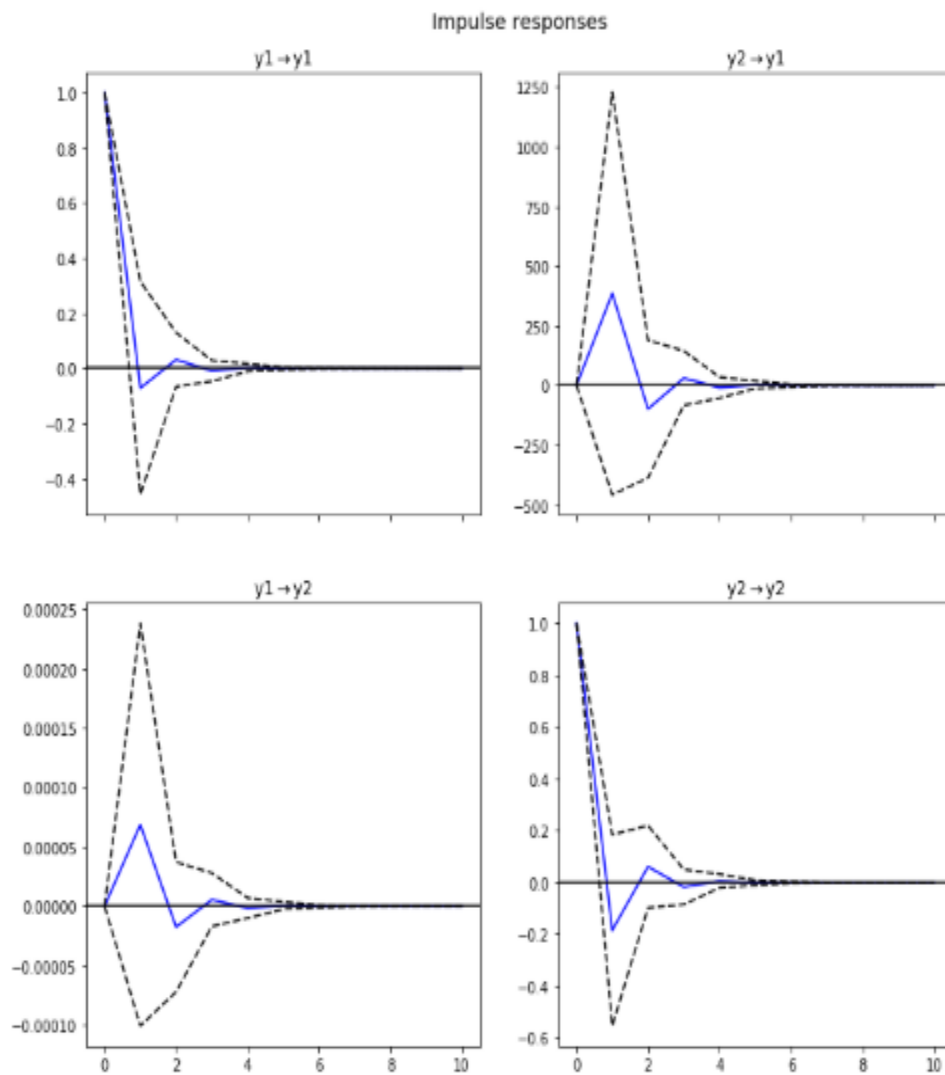


Impulse Response Function between GDP and House Return in District of Columbia



After applying Vector Autoregressive technique (VAR), we can see there is a positive reaction of GDP with variation of prices of the asset and it converges at the second period. The same logic applies with asset price reaction with a variation of GDP.