

Accepted Manuscript

Bubbles in the Australian housing market

Dirk G. Baur, Richard Heaney

PII: S0927-538X(17)30026-4
DOI: doi: [10.1016/j.pacfin.2017.06.001](https://doi.org/10.1016/j.pacfin.2017.06.001)
Reference: PACFIN 937

To appear in: *Pacific-Basin Finance Journal*

Received date: 17 January 2017
Revised date: 28 April 2017
Accepted date: 3 June 2017



Please cite this article as: Dirk G. Baur, Richard Heaney , Bubbles in the Australian housing market, *Pacific-Basin Finance Journal* (2017), doi: [10.1016/j.pacfin.2017.06.001](https://doi.org/10.1016/j.pacfin.2017.06.001)

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Bubbles in the Australian Housing Market

Dirk G. Baur and Richard Heaney
University of Western Australia Business School

Author details:

Dirk G. Baur, UWA Business School, University of Western Australia, 35 Stirling Highway, Crawley WA 6009, Perth, Australia, Phone: +61 8 6488 5859, Email: Dirk.Baur@uwa.edu.au

Richard Heaney, UWA Business School, University of Western Australia, 35 Stirling Highway, Crawley WA 6009, Perth, Australia, Phone: +61 8 6488 2902, Email: Richard.Heaney@uwa.edu.au

April 2017

Abstract

This paper analyzes the evolution of Australian property prices, the relationships between cities, houses and units, the stock market and monetary policy. Using monthly house and unit prices for all eight capital cities we identify extended periods of explosive positive price changes followed by comparatively small corrections and no crashes. A comparison with Australian equity prices further reveals that the average risk and return are more favorable in the housing market emphasizing fundamental differences of the two markets such as liquidity and short-sale constraints. We also find evidence for financial contagion from the equity market to the housing market. A Vector Autoregression (VAR) shows that house price changes have a relatively strong effect on cash rate changes and thus monetary policy. The relative stability of Australian property prices over the last 20 years suggests that policy makers played a role by providing an accommodating environment.

Key words: Australian housing market; bubbles; crashes; contagion; diversification

JEL: C22; C58; E40; E58; G1; R3

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات