



Graduate Seminar

Department of
Economics and Finance

College of Business
and Economics

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MA Candidate

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Second Reader: Thanasis Stengos



Empirical Evidence of Housing Bubbles in the Ontario Housing Market.

This paper analyzes the Ontario Housing Market situation and uses several empirical methods to detect the bubble in the market. The theoretical review provides the psychological side explanation of the unusually high housing price. The empirical analysis includes the user cost model to identify whether the housing price is overvalued, the ratio measures to calculate the housing affordability, the cointegration test to find the cointegrated relationships between fundamentals and the housing price in order to detect the bubble, and the regression model (OLS) to explore the explanatory power of fundamentals to the housing price. All the empirical methods provide some evidence of the bubble existence in the Ontario Housing Market. Some policy recommendations are also provided to restrict the housing bubble.

Date: Tuesday August 15h 2017

Time: 2:00am

Room: Mackinnon 720