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Title	House prices, macroprudential policies and rising Chinese outward direct investment
Abstract	<p>This paper investigates the effectiveness of the loan-to-value (LTV) and total-debt-service (TDS) limits amid rising outward direct investment from China into the real estate market in Canada and other advanced countries that use LTV and TDS limits as macroprudential policy tools and have experienced rising Chinese investment in the real sector. Database of housing prices, GDP, bank crises, policy rates, Chinese outward investment and macroprudential policy measures at quarterly frequency from 2003 to 2016 will be used in the analysis. The purpose is to measure empirically the effect of outward foreign direct investment (OFDI) on the housing markets and to assess the need for measures that can mitigate foreign influences on the domestic housing market in an economy that uses the LTV and TDS limits as macroprudential policy tools. Endogeneity issues that arise because of the correlations between unobserved cross-country heterogeneity and the observed variables will be addressed empirically by using panel data econometric techniques with interactive fixed effects.</p>
Primary Area	Monetary Economics, Central Banking
Secondary Area	Macroeconomics, Business Cycles
Methodology	Primarily Empirical