

## Table of Contents

	Page
Acknowledgements	iii
Abstract(Thai)	iv
Abstract(English)	vi
Table of Contents	viii
List of Tables	x
List of Figures	xi
Chapter 1 Introduction	1
1.1 Background of Rationale	1
1.2 Significance of the Study	4
1.3 Objectives of Study	5
1.4 Scope of the Study	5
1.5 Outline of the Chapters	6
Chapter 2 Literature Review	7
2.1 House Price Theory	7
2.2 Real Estate Price Bubble	11
2.3 Real Estate Macro-control	14
2.4 Highlights of the Study	15
Chapter 3 Methodology	17
3.1 Research Design	17
3.2 Overview of Data Sources	18
3.3 Econometric Methods	20
3.3.1 Panel Unit Root Tests	20
3.3.2 Panel Cointegration Tests	26
3.3.3 Hausman Test	28
3.3.4 Estimating Panel Cointegration Model	29
3.4 Characterizing House Price Dynamics	31
3.5 The Real Estate Bubble Theory	37

3.5.1 The Definition of a Real Estate Bubble	37
3.6 Detecting Housing Bubbles	38
Chapter 4 Empirical Results	41
4.1 Characterizing House Price Factors Influencing	41
4.1.1 The Result of Panel Unit Root Tests	41
4.1.2 The Result of Panel Cointegration Tests	42
4.1.3 The Result of Hausman Test	43
4.1.4 The Result of Estimating Panel Cointegration Model	47
4.2 Detecting Housing Bubble	49
4.3 The Cause of Bubble in Urban Real Estate Market	51
Chapter 5 Corresponding Housing Policy	53
5.1 The Transformation of China's Public Housing System	53
5.2 China's Current Housing Policy Framework	54
5.2.1 Economical and Comfortable Housing(ECH)	54
5.2.2 Housing Provident Funds (HPF)	55
5.2.3 Cheap Rental Housing (CRH)	55
5.3 Recent Regulate the Housing Finance Sector	56
Chapter 6 Conclusion and Recommendation	57
6.1 Conclusion of Research	57
6.2 Policy Recommendation	58
References	61
Appendix	67
Appendix A	68
Appendix B	80
Curriculum Vitae	83

## List of Tables

<b>Table</b>	<b>Page</b>
3.1 Variable Definitions and Data Source	19
3.2 4 Standard Method Tests of Panel Data of Variable	34
3.3 Panel Cointegration Test Based on Kao Test and Pedronic Test	35
4.1 Results of Panel Unit Root Test Based on 4 Method Tests for Variables	44
4.2 Result of Panel Unit Root Tests for the Variable of Interest Rate	45
4.3 Pedroni Panel Cointegration Test of House Price and Economic Fundamental	46
4.4 Result of Panel Cointegration Test of the House Price and Economic Fundamentals Base on ADF Statistic	46
4.5 The Result of Hausman Test	47
4.6 The Results of the Long-run Relationship of House Price and Economic Fundamental	48
4.7 The IPS Panel Unit Roots Test for Bubbles Variables	50
4.8 Pedroni Panel Cointegration Test for the Bubble Variables of the Sale House Price and Rent House Price	50

**List of Figures**

<b>Figure</b>	<b>Page</b>
1.1 The First-tire Cities Average House Price	1
1.2 The Whole Nation Amount of Real Estate Investment	2
3.1 Panel Cointegration Framework	36
4.1 The Log R	45