39th Forum Financial Market Regulation of 14 December 2017

The Effect of Foreign Investors on Local Housing Markets: Evidence from the UK

The presenter uses newly-released administrative data on properties owned by overseas companies to study the effect of foreign investment on the housing market in England and Wales. To estimate the causal effect, she constructs an instrument for foreign investment based on economic shocks abroad. Foreign investment is found to have a positive effect on house price growth. This effect is present at different percentiles of the distribution of house prices and is stronger in local authorities where housing supply is less elastic. Foreign investment is also found to reduce the rate of home ownership.

Agenda

12:15 p.m.    Welcome
              Prof. Dr. Mathias Hoffmann

12:20 p.m.    Presentation
              Dr. Filipa Sa (School of Management & Business, King’s College London)

01:30 p.m.    End of the event

This special seminar is held jointly with the Department of Economics at the University of Zurich and the Swiss Economic Institute at the ETH Zurich.