



פרופסור אפרים בנמלך

פרופ' למימון ע"ש הרולד סטיוארט
ביה"ס קלוג לניהול
אוניברסיטת נורת'ווסטרן, אילינוי, ארה"ב

Professor Efraim Benmelech

Harold L. Stuart Professor of Finance
Kellogg School of Management
Northwestern University, Illinois, USA

הרצאה | Lecture

MAKING THE HOUSE A HOME: THE STIMULATIVE EFFECT OF HOME PURCHASES ON CONSUMPTION AND INVESTMENT

Abstract

We introduce and quantify a new channel through which the housing market affects household spending: the home purchase channel. Using an event-study design with data from the Consumer Expenditure Survey, we show that households spend on average \$3,700 more in the months before and the first year following a home purchase. This spending is concentrated in the home-related durables and home improvements sectors, which are complementary to the purchase of the house. Expenditures on nondurables and durables unrelated to the home remain unchanged or decrease modestly. We estimate that the home purchase channel played a substantial role in the Great Recession, accounting for one-third of the decline in home-related durables spending and a fifth of the decline in home maintenance and investment spending from 2005 to 2010, together totaling \$14.3 billion annually.

The Lecture will be held on Tuesday,
11 December 2018, at 11:00,
Room 408, Recanati Business Administration Building
Tel Aviv University, Ramat-Aviv

ההרצאה תתקיים ביום שלישי,
11 בדצמבר 2018, בשעה 11:00,
חדר 408, בניין רקנאטי למנהל עסקים,
אוניברסיטת תל-אביב, רמת-אביב

כיבוד קל יוגש לפני ההרצאה | Light refreshments will be served before the lecture