

## Data and code files for

**Jakob Shida, "The Macroeconomic Determinants of House Prices and Rents", Journal of Economics and Statistics, forthcoming.**

File description:

- "Data.csv": raw data for 21 countries in quarterly frequency as described in the paper
- "Main.R": R-code that creates most of the output (to be run in RStudio, created with R-4.0.2).
- "PMG Functions.R": functions that are called by Main.R
- "EViews tests.prg": a script that runs the IPS, ADF and Pedroni tests in EViews (created in EViews 10)

Instructions:

- If necessary, install R packages listed in Main.R
- Run Main.R step by step
- Run "EViews tests.prg" on two data files that are created within Main.R

Note:

- Stata's "xtpmg" command provides a framework to run pooled mean group regressions. However, the optimization procedure is quite slow and frequently fails to converge. Therefore, I build functions in R which use the iteration procedure presented in Pesaran et al. 1999.

If you run into any problems please reach me at [jakob.shida@outlook.de](mailto:jakob.shida@outlook.de).