URN etd-0407109-183723-1954
Author LEE CHI JEAN
Author's Email Address No Public.
Statistics This thesis had been viewed 50 times. Download 0 times.
Department
Year 2004
Semester 1
Degree Master
Type of Document Master's Thesis
Language zh-TW.Big5 Chinese
Title The Study of Speculative Bubbles and Risk Premiums in Taiwan Foreign Exchange Market－An Application of Kalman Filter
Date of Defense 0000-00-00
Page Count 49

Keyword
state space model
Kalman Filter
bubbles
risk premiums

Abstract
According to Meese’s exchange rate model in 1986, in this paper, we modified Meese’s (1986) model and suppose the Interest Rate Parity (IRP) is untenable, the risk premium factor and real exchange rate parameter are considered, and the Purchasing Power parity (PPP) doesn’t follow random walk, we derive our modified equilibrium model. Base on the State Space Model, we try to estimate bubbles and risk premium which are unobservable variables by Kalman Filter to test which one is or both are the main factors that to cause the real assets price biased from the market fundamental price.

We test the bubbles of exchange rates between NT dollar to US dollar, NT dollar to Japan yen and NT dollar to British pound during 1986/1 to 2003/12. The results indicated that whatever the above exchange rates, the main factor to cause the real assets price biased from the market fundamental price is bubble but not risk premium.
Advisory Committee - advisor

Files No Any Full Text File.
Date of Submission 2005-01-01