Taylor & Francis
Online

Applied Financial Economics ›
Volume 6, 1996 - Issue 4

51 Views | 12 CrossRef citations to date | 0 Altmetric

Original Articles

Financial deregulation, demand for narrow money and monetary policy in Australia

Asraul Hoque & Naief Al-Mutairi

Pages 301-305 | Published online: 06 Oct 2010

Cite this article https://doi.org/10.1080/096031096334097

Sample our
Economics, Finance,
Business & Industry Journals
>> Sign in here to start your access
to the latest two volumes for 14 days

References Citations Metrics Reprints & Permissions

Read this article Share

Abstract

This paper examines the long-run relationship between narrow money and output, interest rate, and price level in Australia for the period 1970–1993 with quarterly seasonally adjusted data using the concept of cointegration. The results suggest the presence of a long-run demand function, the absence of instability in the relationship in the face of deregulation/innovation in the Australia's financial system around 1980. The results also indicate the rejection of price homogeneity in the demand equation vindicating this specification in terms of nominal money balances. The underlying latent relationship is further promoted by a high speed of short-run adjustment evidenced from an analysis of short-run dynamics. All the estimated elasticities proved significant and were correctly signed.

Related Research Data

Why Financial Deregulation?
Source: Australian Economic Review
Forecasting and Testing in Co-integrated Systems*
Source: Unknown Repository
Financial Deregulation, the Demand for Money, and Monetary Policy in Australia
Source: International Monetary Fund Staff Papers
The Short-Run Demand for Transactions Balances in Australia
Source: Economica
Co-integration and Error Correction: Representation, Estimation, and Testing
Source: Unknown Repository
Serial Correlation as a Convenient Simplification, Not a Nuisance: A Comment on a Study of the Demand for Money by the Bank of England
Source: The Economic Journal
An application and test for a random coefficient model in Bangladesh agriculture
Source: Journal of Applied Econometrics

Related research

People also read | Recommended articles | Cited by 12

Information for

- Authors
- R&D professionals
- Editors
- Librarians
- Societies

Open access

- Overview
- Open journals
- Open Select
- Dove Medical Press
- F1000Research

Opportunities

- Reprints and e-prints
- Advertising solutions
- Accelerated publication
- Corporate access solutions

Help and information

- Help and contact
- Newsroom
- All journals
- Books

Keep up to date

Register to receive personalised research and resources by email

Sign me up

Copyright © 2026 Informa UK Limited Privacy policy

Cookies Terms & conditions Accessibility

Registered in England & Wales No. 01072954
5 Howick Place | London | SW1P 1WG