For my final project I want to forecast housing prices based on a variety of economic data. The area I am interested in most is Colorado. I found data which I think may be useful on Kaggle.com which I linked below. I think that rental affordability experiencing a downward trend may influence a high percentage desire to be a single-family homeowner. This increased demand should drive prices higher. Any mean reversion in the median home price over a long trend would likely be dampened by this demand. If an area is desirable, but unaffordable from a rental perspective this would make the aforementioned case more likely. Evidence of this can be found by looking at negative equity trends in the housing markets and examining the effects of the 2008 housing market crisis. An area which is deemed highly desirable would have experienced a less pronounced effect following the crisis. If an individual deems an area desirable, but unaffordable they will do everything they can to stay in that area. The most affordable option from a long-term perspective would be to obtain equity in your housing.

<https://www.kaggle.com/datasets/robikscube/zillow-home-value-index>

<https://www.kaggle.com/datasets/thedevastator/rental-affordability-analysis-based-on-median-in>

<https://www.kaggle.com/datasets/thedevastator/negative-equity-trends-in-us-housing-markets-201>

Econometric models, explore how these questions

Confront economic decision-making questions (0 or 1 investment project?)

Maximum likelihood algorithms vs. r-squared.

Interested in marginal effects in economics. Login and probit. Do not use r-squared.

The question is most important. Approaching the world in terms of ends and means. Efficient use of means to obtain ends. We talk a lot about marginal things.

Wants 2 separate data sources and for us to combine them, for me due Sunday  
Overall project, notebook with a model which processes and generates data. Complete a 4000 word article around this model. 5 academic sources. The proposal is a gateway to the final project. I.E. the 1000 words are your introduction, the model, data, and methods \*this topic of interest\*.

Building an optimal portfolio of stocks and bonds in the current market. The traditional relationship between stocks and bonds have been.

Look at optimal allocation of stocks and bonds over different time periods. What does this represent in the market at large? Why are we starting to get certain volatilities. What is the effect of volatility in the bond market, why is it occurring? How do stocks integrate inflation, how do bonds integrate inflation.

Historical look:

From 2010 to the start of covid, we had this relationship.

Starting in 2021, markets seemed to be going under a restructuring.

Interest rates above 1 since like 2008.

Why has the portfolio optimization changed since 2008 2021.

When market go through structural breaks, the assumptions we have above those markets,

Returns on holding the s&p, vs bonds. The correlation of these returns over time. The MA 50 & 100 could be useful for the overview.

Take the breaks in the correlations as periods to be investigated and how that effects

Look at P/E ratios. Fama french’s work value/growth stocks.

Just build a model which is somewhat helpful.

Concerned with me just keeping up-to-dat