ABSTRACTS

The raison d'être for using econometric model for construction demand is to gain some quantitative understanding on the economic relationships and phenomena of the construction industry.

Such a forecasting can draw complex relationships of dependent variables with the movements of the causal variables in a form of a simultaneous equation system. In general, the economic data generated by the structural model are stochastic, dynamic and simultaneous. This is to reflect the real economic behaviour as in reality.

This study seeks to use econometric analysis to gain knowledge on the complex market behaviour of the construction demand in Singapore. In this study, a system of three simultaneous equations with a total of eight economic indicators is used to forecast the construction demand. In developing the forecasting model, the quantitative relationships between the construction demand and its exogenous variables are studied and analysed.

Key words:
Econometric model
Construction Demand
Complex relationships and phenomena
Simultaneous equation system
Econometric analysis
Quantitative relationships