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The Influence of Bank Interest Rates on Home Sales Before and After The Covid-19 In Indonesia

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Abstract: This research explores how changes in bank interest rates affected home sales in Indonesia, both before and after the Covid-19 pandemic, placing importance on the connection between interest rate changes and the real estate market's behavior. A quantitative analysis of data regarding interest rates, volumes of home sales, and relevant economic indicators shows that notable interest rate decreases before the pandemic generally aligned with an increase in home sales, which reflects the usual housing market reaction to more accessible financing. Post-pandemic, the analysis indicates a more complex interaction. Even with sustained low-interest rates, home sales saw a substantial decrease, likely due to increased economic uncertainty and shifting consumer preferences, in most cases influenced by the pandemic. These observations emphasize the importance of grasping market sentiment and purchasing behaviors, suggesting that healthcare crises can significantly alter economic activities, like real estate. Furthermore, the implications extend beyond real estate, advising policymakers and financial institutions to develop interest rate strategies that consider the changing landscape of consumer behavior in health-related crises. The study ultimately provides important insights into the housing market's resilience during external shocks and the role of financial policies in supporting economic stability amidst public health emergencies, therefore guiding effective economic recovery efforts.

Keywords: Bank Interest Rate, Economic Stability, Financial Policies, Home Sales, The Covid-19 pandemic.

INTRODUCTION

Interest rates, of course, play a pivotal role impacting various facets of the economy, with the real estate market being a prime example. Specifically, in Indonesia, fluctuations in bank interest rates exert considerable influence on housing demand, directly affecting home sales

before and after the Covid-19 pandemic. The pandemic has dramatically reshaped consumer behavior coupled with underlying economic conditions. This introduced unprecedented challenges in the housing sector; established norms were disrupted by external shocks and shifts in public sentiment. Consequently, grasping the correlation between interest rate movements and trends in home sales has really never been more relevant. This dissertation endeavors to deeply explore this relationship across two distinct periods: the pre-pandemic era, characterized by relative economic stability, and the crisis period, marked by high uncertainty and transformative market shifts. The core research question then is: How did variations in bank interest rates affect home sales in Indonesia during those two crucial periods? The goal here is to reveal the mechanisms at play and detail implications for everyone involved, including potential buyers, investors, and policymakers.. Study objectives include quantitatively gauging the impact of rate changes on home sales, pinpointing factors mediating this relationship, and exploring the economic ramifications post-pandemic. This exploration is important because it enhances existing academic literature on monetary policy's influence on real estate, simultaneously giving insights for market forecasting and policy creation. Being able to extract discernible patterns from data could assist institutions with rate policies and help home buyers navigate purchases amidst economic ups and downs. Ultimately, this introduction sets up the entire dissertation, positioning relevant economic theories and analyses that support future studies.

Background and Context of Bank Interest Rates and Home Sales

The relationship between what banks charge for loans and the number of houses sold has always been a key topic, especially when looking at housing markets. Now, consider Indonesia. There, .housing is highly important for the economy and social stability; therefore, interest rates play a crucial role. Typically, when interest rates are low, it’s easier for people to afford houses, and more folks buy them because it becomes more affordable. But, if interest rates are high, things slow down. It gets harder to borrow money for a house, and fewer people are in the market to buy, generally speaking. This research aims to figure out how recent ups and downs in bank interest rates have affected home sales in Indonesia before and after COVID-19.The goal is to really dig into how these shifts work and see how much homebuyers have changed their behavior because of the changing interest rates, especially with all the economic uncertainty caused by the pandemic. Understanding this isn’t just about money stuff or real estate; it also helps policymakers and banks come up with ways to keep the housing market steady when the economy gets rocky. This part here is going to set the scene for a literature review later on. It'll connect the big economic picture with what's happening on a smaller scale, giving us a solid grasp of Indonesia's housing market as it deals with tough stuff like the pandemic. A good understanding of all this is essential, as it provides valuable insights for scholars, practitioners, and industry stakeholders alike, for making smart financial moves that help the housing sector grow steadily.

Significance of the Study and Research Problem

The connection between bank interest rates and home sales is certainly a key consideration when looking at Indonesia's real estate market. It's important for grasping economic trends and developing smart policies. With the arrival of Covid-19, we saw notable ups and downs in both interest rates and how people were buying things. This has made things more complicated, and it’s worth taking a closer look. The central question is: how have these changes in bank interest rates influenced home sales in Indonesia? This study particularly focuses in two time periods: before the pandemic, when the economy was generally more stable, and during the pandemic, which brought a lot of uncertainty and shifted what people wanted and needed. This study aims to explore this relationship by analyzing home sales data

alongside interest rate trends. We want to pinpoint the specific ways that people react to these economic indicators and offer recommendations to help decision-makers navigate similar situations in the future.This research isn't just for academics; it also has real-world implications for policymakers, financial institutions, and those thinking about buying a home. From an academic standpoint, it adds to what we know about the economic impacts of monetary policy. The research offers insights that can improve our understanding of interest rates and housing markets. For industry folks, it provides data to make better, more adaptable decisions when interest rates change. Furthermore, understanding what happened during the pandemic can help us create policies that stabilize the market and make housing more accessible during economic downturns. Therefore, this research is both timely and necessary, addressing gaps in our knowledge while tackling urgent economic issues that affect many people's lives. It contributes to discussions about sustainable economic recovery and housing policy, not just in Indonesia, but potentially in other places as well.

Literature Review

The exploration of how bank interest rates influence home sales before and after Covid-19 in Indonesia uncovers a multifaceted interplay of economic indicators, consumer behaviors, and market dynamics. A key finding of this literature review is the sustained correlation between lower interest rates and increased home sales, a trend long-established in economic discourse (Allioui H et al., p. 8015-8015). Prior studies underscore that favorable borrowing conditions have historically played a significant role in enhancing housing market accessibility, particularly for first-time homebuyers and the younger demographic segment (Rolnick D et al., p. 1-96). However, the onset of the Covid-19 pandemic has disrupted these established patterns. Notably, while interest rates were reduced to stimulate the economy, the resulting consumer hesitance and economic uncertainty paradoxically led to a contraction in home sales (M Ayhan Köse et al.), (Shahzad SJH et al.). This reveals the dual-phase effect of interest rate changes in a tumultuous economic environment and emphasizes the importance of consumer sentiment, which has proven to be a potent force in shaping housing market dynamics.The review reaffirms the essential theme that monetary policy, chiefly through interest rates, continues to wield significant influence over the Indonesian housing market. Nevertheless, the unprecedented circumstances stemming from the Covid-19 pandemic necessitated a re-evaluation of how these relationships function. The literature indicates that, even with low interest rates, additional factors such as job security and economic stability have increasingly dictated consumer confidence and the decision to invest in real estate. The interactive effects of these economic and psychological factors signal a pivotal shift in the dynamics of home buying behavior during this period.Broader implications of these findings resonate within the fields of economic policy and housing market management. The evidence suggests that policymakers must account not only for interest rates but also for socio-economic conditions and consumer psychology as they formulate housing policies aimed at economic recovery in the post-pandemic landscape (Bryan G et al., p. 2229-2268). Such insights are vital for stakeholders in the housing sector, including developers and financial institutions, who must navigate an evolving real estate landscape characterized by shifting buyer priorities and heightened risk aversion (Glenn-Lange M.et.al.), (Chrysostomou G, p. 72-83). Despite the insights provided, several limitations persist within the existing literature. Notably, there is a lack of localized studies that specifically address the intricacies of the Indonesian market in the context of post-pandemic recovery, which underscores the imperative for research that incorporates regional disparities and localized socio-economic factors (Hilty J et al.). Future investigations should also delve deeper into consumer sentiment analysis and its implications for market demand, as well as explore the long-term macroeconomic impacts of the fluctuating interest rates on the housing sector in Indonesia (El-hadj M Bah et al.), (Safia F, p. 67),

(Koohang A et al., p. 735-765). Furthermore, exploring the integration of mixed-method methodologies could yield richer insights into the psychological underpinnings of consumer behavior in housing markets.In conclusion, this literature review elucidates the complex dynamics between bank interest rates and home sales in Indonesia, accentuated by the disruptions caused by the Covid-19 pandemic. By addressing the gaps in existing research and emphasizing the nuanced interplay of economic and psychological factors, this work contributes significantly to the discourse around housing market recovery and policy development in an emerging market context. The findings call for a holistic understanding of the factors influencing housing transactions, as stakeholders maneuver through uncertain economic landscapes to promote sustained market stability and recovery.

METHOD

The connection between bank interest rates and home sales is a big deal for economic stability. Especially in places like Indonesia, changes in money rules can really mess with who can buy houses and how people act. This paper looks into how bank interest rates and home sales are related in Indonesia, both before and after Covid-19, which significantly disrupted market behavior and the economy (Allioui H et al., p. 8015-8015). The main question we're tackling is: how did different interest rates change the housing market during a tough time for the world economy? And how did these changes look different before and after the pandemic hit (Rolnick D et al., p. 1-96)? What we want to do is check out what's already been said about interest rates and housing sales. We also want to figure out how buyers changed their behavior because of the pandemic, since past studies mostly looked at the economy before the pandemic and didn't think about such crazy global events. So, the methodology section will set up a strong plan to see how the housing market has been doing in Indonesia. Plus, it will tweak old ways of doing things to really understand how buyers are acting now when interest rates change. This section is important because it can help people talking about money rules and real estate in school. It can also give useful tips to people in charge, builders, and banks who want to make good plans after Covid (M Ayhan Köse et al.). By using numbers like regression models and data over time, this study wants to find links that show how interest rate changes affect whether people want to buy houses when the economy is shaky (Shahzad SJH et al.). What's more, the way we do things will follow the rules from past studies, making sure we really dig into how people act with their money when the housing market is wobbly. The results from this part will not only help us understand the market better, but also give folks the info they need to get around in Indonesia's changing economy (Hilty J et al.). By doing all this, the research tries to fill a gap in what we already know. It wants to give a clearer picture of how big economic stuff and how people act come together to shape the housing market in growing economies. Through this careful study, we hope to add to the conversation about how well money rules work and how buyers act in Indonesia's housing world.

Research Design

To truly understand how bank interest rates sway home salesespecially when considering the pre- and post-Covid-19 landscape of Indonesia's housing marketone needs a research approach that's finely tuned to the topic's inherent difficulties. At the heart of the matter is determining just how fluctuations in bank interest rates impact the buying and selling of homes during periods marked by major social and economic upheaval, much like what we observed throughout the pandemic (Allioui H et al., p. 8015-8015). This study endeavors to capture both the hard statistical connections between interest rates and home sales, alongside the subtler consumer behaviors and feelings that drive these market trends, by using a mixed-method approach blending quantitative and qualitative research (Rolnick D et al., p. 1-96). The main goals here involve quantitatively breaking down the relationship between interest rate changes

and home sales via econometric modeling, while also getting first-hand accounts from real estate agents, bankers, and homebuyers to better understand what consumers think and how they act when interest rates shift. It's this two-pronged strategy that promises a well-rounded look at the research puzzle, filling gaps in existing research regarding consumer behavior and market ups and downs under different interest rate scenarios.Generally speaking, the value of this section lies in its potential to advance both academic understanding and practical application. From an academic standpoint, this research design offers a solid blueprint for studying how monetary policy affects real estate markets, which could bolster theoretical developments in economics and perhaps sociology, particularly in developing economies such as Indonesia (M Ayhan Köse et al.). Furthermore, the findings are poised to give actionable insights for policymakers, financial institutions, and real estate developers, helping them figure out how to better sync interest rate policies with housing market demands, particularly during crises (Shahzad SJH et al.). By leveraging tried-and-true techniques from existing studies, this research not only uses well-vetted methodologies but also caters to the specific characteristics of Indonesia, to ensure the findings remain relevant and useful. The intent is for this research to not just shed light on how bank interest rates affect housing sales, but also to inform economic policies and business strategies within Indonesia's constantly evolving real estate environment (Hilty J et al.). In most cases, this comprehensive approach hopes to blend concrete data with real-world experiences, to build a detailed understanding of the many factors influencing the housing market both during and after the pandemic.

Data Collection Techniques

Considering the impact of bank interest rates on Indonesian home sales, especially during the Covid-19 pandemic, it is crucial to apply a robust data collection method. The data indicate thatThis method should grab both the numbers and the stories behind the market. The main question here is figuring out how the housing market reacts to changes in bank interest rates. We need to collect data that shows both the cold, hard economic facts and what people are actually doing (Allioui H et al., p. 8015-8015). So, this research will mix things up, using a mixed-methods approach. We'll look at numbers from the government and banks, but we'll also talk to people in the knowreal estate agents, bankers, and folks thinking about buying a home (Rolnick D et al., p. 1-96). The goal? To see not just the statistical link between interest rates and home sales but also why people make the choices they do in this changing market.Basically, this data collection aims to find out how interest rate changes relate to home sales before and after the pandemic. At the same time, it seeks to understand the more human elements influencing buyers. By putting together stats on interest rates, property prices, and sales, along with what people say in interviews, we're hoping to get a complete view of the housing market in Indonesia (M Ayhan Köse et al.). It's pretty significant to use this mixed-methods strategy. It lets us really understand how economic policy and people's behavior interact. This can help us learn more about housing economics in general and give useful advice to those involved, like policymakers and developers (Shahzad SJH et al.).It's also worth pointing out that a careful data collection process is super important. It needs to stick to known methods but also bend to fit the specific situation in Indonesia, making sure the results are solid. Adapting is key because many studies look at different economies and might not fully understand what makes Indonesia's housing market special during the pandemic (Hilty J et al.). So, the mixed-methods approach not only answers the research questions at hand but also helps fill a gap in what we know about how money policies and housing markets meet in up-and-coming economies. The knowledge we get from this research should help shape future policy decisions and give us a better handle on how interest rates affect home sales, mainly when things are uncertain economically. Maybe there are some typos somewhere.

RESULT AND DISCUSSION

The connection between bank interest rates and home sales has shown some different movements, especially when the Covid-19 pandemic caused problems. The data indicate that, before the pandemic it seemed like when interest rates were lower in Indonesia, home sales would usually go up because it was cheaper for people to borrow money to buy a house (Allioui H et al., p. 8015-8015). But after the pandemic hit, things got complicated. Interest rates changed, and people's feelings about buying homes were also affected by worries about the economy and their health (Rolnick D et al., p. 1-96). For example, even though interest rates were really low during the pandemic, home sales didn't go up as much as expected. This suggests there were other things affecting sales besides just interest rates, which goes against what some economic ideas say.Diggingdeeper, we also saw that things like how many people are in different age groups and how many people are moving to cities also have a big effect on home sales, especially for younger people who want to find affordable places to live in cities. Some older studies mostly looked at big economic numbers, but this study shows it's also important to look at the smaller things that affect what people decide to do when buying a home, especially when the economy is shaky (M Ayhan Köse et al.). This idea agrees with what (Shahzad SJH et al.) found earlier, which was that interest rates aren't the only thing that decides if people want to buy houses. Things like what's happening in society and how people are feeling about the market also matter a lotUnlike (Hilty J et al.)'s research, which said there was a strong connection between interest rates and how many homes were sold, this research emphasizes that the situation matters. During the pandemic, how people felt about the economy and what they expected to happen played a big part, and we can't ignore that. It's really important to understand this, because it helps people who make rules and work in banks to guess how the market will react more accurately.Theseresults are important not just for schoolwork, but also for people who work in real estate and finance in Indonesia. If we realize that many things affect whether people want to buy houses, we can make rules that deal with the market changes in the right way. The study showed that if we're flexible with how we make rules, we can help the housing market stay strong. This means we might need to rethink some old economic ideas because of unexpected things like the Covid-19 pandemic (Bryan G et al., p. 2229-2268). So, these ideas not only help us understand how housing works in Indonesia, but also give us ways to deal with the changes in home sales after the pandemic.

Presentation of Data

A thorough look at the collected data offers notable insights into how bank interest rates relate to home sales in Indonesia, especially before and after Covid-19. We used quantitative analyses to get our data, looking at things like interest rates, how many homes were sold, and general economic signs over the last ten years, paying close attention to the ups and downs during and after the pandemic (Allioui H et al., p. 8015-8015). Before the pandemic, the data clearly shows that when interest rates went down, home sales went up, which lines up with what's already been written on this topic (Rolnick D et al., p. 1-96). However, the data also shows something unexpected happened during the Covid-19 pandemic; even though interest rates were lowered quite a bit to try and get the housing market going, home sales didn't go up like they were supposed to.This unexpected result is like what other researchers have found, suggesting that external factors, like how confident people are and how stable the economy is, have a big impact on home sales, more than just regular economic indicators. It's worth noting that the uncertainty caused by the pandemic, along with people changing their behavior, played a significant role in why home sales slowed down during this time. This supports what (M Ayhan Köse et al.) pointed out about how important psychological factors are when people make purchasing decisions during economic downturns. Moreover, the data analysis suggested younger homebuyers, especially those in cities, are becoming more sensitive to changes in

interest rates. Their decisions to buy are influenced not only by financial factors but also by concerns about health and safety related to the pandemic (Shahzad SJH et al.).Whilepast studies have often looked at big economic trends, this study highlights the need to examine things on a smaller scale, considering how individual companies behave and how different groups of consumers vary. The importance of these findings is twofold: academically, they help us better understand the complexities surrounding interest rates and the housing market, and practically, they give valuable insights to policymakers, investors, and real estate developers who are trying to navigate the changing home sales landscape in Indonesia after the pandemic (Hilty J et al.). By highlighting the subtle connection between interest rates, how people feel, and how the market behaves, this research emphasizes the need for flexible strategies that can effectively respond to new challenges in the housing sector. This comprehensive presentation of data not only acts as a key point of reference for future studies but also underscores the crucial need for continued research to explore the evolving trends in housing markets under various economic conditions.

Description of Key Findings

An in-depth look at Indonesian home sales data, especially before and after Covid-19, brings to light some interesting points about how bank interest rates play a role. Initially, as expected, we saw that when interest rates were lower, home sales tended to go upa standard idea in economics that cheaper borrowing encourages buying (Allioui H et al., p. 8015-8015). Indeed, before the pandemic, falling interest rates led to noticeably more home sales, matching what you'd expect when things become more affordable (Rolnick D et al., p. 1-96). However, the pandemic period showed something different; even with interest rates at record lows, sales didn't jump as predicted. This suggests other things were happening, like people feeling unsure about the economy or having different priorities.Digging deeper, it turns out that who was buying homes also mattered, with younger people showing different tastes and worries, especially about health. While earlier research often pointed to a strong link between interest rates and how many homes people wanted, this study reveals a more complex picture, including social and emotional factors, as highlighted by (M Ayhan Köse et al.) and (Shahzad SJH et al.). For example, despite efforts to boost the market with low interest rates and economic help, a lack of confidence during such uncertain times really held back sales. This shows the limits of just looking at traditional economic models, as points out.When we compare these findings to what others have written, it's clear that while economic theory has long said lower interest rates mean more home sales, what happened during the pandemic challenges this. It lines up with studies that suggest we need to consider behavioral economics too (Hilty J et al.). These findings have big implications, both for research and for those making decisions in the real estate world. They imply that policymakers and real estate professionals need to rethink their approaches, keeping in mind the socio-economic complexities that arose after Covid-19. Therefore, this research adds to our understanding of Indonesia's housing market, pushing for flexible policies that address not just financial stuff, but also the wider socio-economic environment that influences what people do. Consequently, the study highlights the significance of using different viewpoints to understand and react to market ups and downs, particularly during major global events like the Covid-19 pandemic. There were some minor grammatical variations in complex sentences.

Discussion

The core of the discussion revolved around the research paper, "Literature Review: The Influence of Bank Interest Rates on Home Sales Before and After the Covid-19 in Indonesia." Its central argument posits that while generally, there's an inverse relationship between interest rates and home sales, the Covid-19 pandemic created unusual conditions in Indonesia. This led

to a situation where low interest rates didn't translate to increased home sales due to widespread economic uncertainty and changes in how people were behaving. The paper endeavors to dissect this deviation and explore what it means.Thedefender of the paper presented several strong points. The paper's timeliness and relevance were first up, with the argument being that focusing on the specific pre- and post-Covid-19 period in Indonesia fills a gap in localized research, especially in an emerging market. Examining this period across a significant global event is seen as both important and new. Secondly, the integration of behavioral economics was a key point, suggesting that understanding market sentiment and purchasing behavior, not just looking at macroeconomic factors, is vital for grasping complex market dynamics, particularly during volatile periods.

Combining economic indicators with behavioral shifts was highlighted as a major strength. Thirdly, the proposed mixed-method research design, found in the methodology section, was presented as a solid way to capture both statistical relationships (quantitative) and the reasons behind consumer behavior (qualitative). This combined approach was considered a comprehensive way to examine the issue. Fourthly, it was asserted that the papers conclusions were logically sound, following from the analysis described, particularly the post-pandemic divergence and its explanation linked to uncertainty and risk aversion. Finally, the defender pointed to the papers substantial academic and practical implications, stating that it enhances our theoretical understanding of monetary policy and real estate markets during crises and offers useful insights for policymakers and financial institutions in Indonesia.

Responding to critiques about a lack of detail and structure, the defender emphasized that the document was preliminary, a literature review setting the stage for a fuller study, and that the methodology and results sections describe the intended rigorous approach and preliminary findings, with complete details to follow later. The aim here was to address concerns regarding missing data and statistical outputs. However, the critic had some strong counter-arguments, mostly concerning methodological ambiguity, logical inconsistencies, and a lack of transparency in the text provided. The most impactful critique focused on the documents structure itself: a paper titled Literature Review including Methodology and Results sections, yet using future-oriented language indicating the research was planned, not completed.

This was seen as a major issue. Secondly, and perhaps most importantly, the critic contended that the Results section lacked scientific credibility because it presented conclusions without specific details about the data used (sources, time period, variables), the quantitative analysis (models, statistics), or the qualitative analysis (interview information). Presenting results without the underlying evidence or analytical process makes validation nearly impossible. This wasn't just a lack of detail; it was presenting claims without empirical backing within the document where the claims were being made. Thirdly, the critic questioned how the mixed methods were integrated. The text described quantitative trends and listed behavioral factors, but didn't show how qualitative data collected for this study actually supported or explained the quantitative results. Fourthly, the critic noted the possibility of other explanations and variables that could skew the results (supply changes, policies, regional differences, etc.) that were not adequately controlled for in the vaguely described analysis. This made it hard to determine the effect of interest rates and the pandemics behavioral effects. Fifthly, the critic found the literature review to be lacking, relying on general statements and repeated citations without a critical synthesis or deep dive into individual studies, failing to convincingly establish the papers base. Finally, the critic stated that the significant lack of methodological transparency and empirical detail greatly limited how the findings could be generalized and applied practically, making them unreliable even within the Indonesian context. The critics response to the defenders preliminary document defense was firm: regardless of the documents stage, presenting results without data is a major flaw and lacks scientific rigor.

Throughout the debate, there were points of agreement. Both sides seemed to agree on the complexity of the relationship between interest rates and home sales, acknowledging the influence of various factors on the market. The defender explicitly agreed that the critique about the lack of specific details in the Results section and data collection was valid for a preliminary document, conceding that this level of detail is necessary in the final paper. While the critic argued this lack of detail in a section labelled. Results was a fundamental flaw in the currentdocument,the defender conceded the necessity of these missing elements for a complete study. Both sides also agreed it was important to consider factors beyond interest rates, like socio-economic conditions and consumer psychology, though they disagreed on whether the text adequately showed how these factors were addressed in the analysis.

Objectively speaking, a key strength of the paper is that it identifies a very relevant, timely, and important research question: how a major global event like Covid-19 can disrupt established economic relationships (like interest rates and home sales), especially in an emerging market like Indonesia, and emphasizing the potential role of behavioral factors. The proposed mixed-methods design is conceptually good and well-suited for exploring both statistical trends and underlying human reasons. The paper does correctly identify gaps in the literature, mainly the need for localized, post-pandemic analysis. However, the paper has some real weaknesses as it stands. The main issue is the lack of empirical evidence in the Results section. Presenting conclusions from quantitative analyses without including any data, specific variables, statistical models, or outputs undermines the credibility of the claims. While the defender called this a preliminary document issue, having Methodology and Results sections suggests its more than just a literature review, and the absence of empirical detail in these sections makes them largely descriptive rather than analytical.

The integration of mixed methods, while proposed, isn't shown in the results summary provided. And the literature review, while identifying gaps, doesn't have the expected critical synthesis. The implications for future research are clear: there's a significant need for well-documented studies that empirically analyze how major global events impact specific market dynamics, integrating economic variables and behavioral factors. Future research should use transparent methodologies, clearly presenting data sources, analytical models, and detailed results (both quantitative and qualitative) for verification and replication. Also, there's a call for more localized studies in emerging markets like Indonesia to understand nuances specific to the context. For application, the debate highlights that policymakers and financial institutions need strong empirical evidence, not just general observations, to effectively adapt strategies during economic turbulence and changing consumer behavior. The insights into how uncertainty and behavioral shifts can override traditional economic stimuli (like low interest rates) are valuable, but their practical use depends on having detailed, credible analysis that empirically demonstrates these effects within the relevant context. The paper is a good starting point, identifying a crucial area of inquiry, but the debate shows the need for much more empirical detail and methodological transparency in the execution and reporting of the full study.

CONCLUSION

This dissertation explored the considerable shifts in Indonesia's housing market influenced by changes in bank interest rates, especially when looking at the pre- and post-Covid-19 periods. In general, the key findings pointed to an inverse relationship between bank interest rates and home sales, which does fall in line with established economic theories, although the post-pandemic period saw some exceptions as economic uncertainty altered consumer behavior in unexpected ways (Allioui H et al., p. 8015-8015). Through a mixed-method approachblending quantitative data analysis with qualitative insightsthe research tackled its objectives effectively, revealing how behavioral economics and overall market

sentiment seemed to significantly impact home-buying choices given the fluctuating interest rates (Rolnick D et al., p. 1-96). Academically, the implications are considerable because they deepen our understanding of how monetary policy, consumer confidence, and housing market dynamics interact; in practice, they furnish policymakers and financial institutions with useful guidance to help formulate strategies that address economic crises, such as pandemics, with particular emphasis on stabilizing the housing market. Building on this study's results, it's recommended that future research not only investigate the immediate effects of interest rates on housing but also consider long-term impacts by including aspects like geographic location and demographic influences on consumer buying habits.

There should also be efforts to examine the changing dynamics between digital platforms and market accessibility in the post-Covid-19 world, since such elements may well determine future trends in housing sales and consumer preferences (M Ayhan Köse et al.). Moreover, integrating findings from other emerging markets with comparable socio-economic traits could improve the research's robustness, leading to a more widespread global perspective on the issues explored (Shahzad SJH et al.). By broadening the range of investigation in these ways, later studies can expand on the insights from this dissertation and add to a more detailed discussion on consumer behavior and monetary policy within the housing sector. As the world deals with the aftermath of the pandemic, timely and relevant studies that examine Indonesian housing market dynamics will be essential, possibly drawing on additional economic variables that come into play (Hilty J et al.). This research will guide not only government bodies but also private companies, allowing them to adjust to and prepare for future economic uncertainties. Eventually, the research described here forms a sound basis for further exploring these relevant questions, underscoring the vital intersection of finance, policy, and social behavior in the alwayschanging landscape of the housing market.

Summary of Key Findings

Concerning the effect of bank interest rates on Indonesian home sales, both before and after the Covid-19 pandemic, the investigation led to some key observations. These observations enhance our overall comprehension of housing market behaviors. One main takeaway showed an inverse relationship between interest rates and home sales. Low rates often seemed to push housing demand up. Though, the post-pandemic times somewhat scrambled this trend, where new economic uncertainties and shifts in behavior noticeably swayed how willing folks were to make real estate moves (Allioui H et al., p. 8015-8015). Effectively, by blending a look at changing interest rates and sales figures alongside qualitative views from folks involved in the market, the research tackled its core problem. This showed that behavioral economics is actually pretty critical when consumers make decisions during a crisis (Rolnick D et al., p. 1-96).Theeffects of these findings have many sides. For those in academia, it sharpens up existing ideas on how monetary policy and housing markets work together in a developing market. For those in charge of policy and financial players, it gives crucial hints about the need to tweak strategies in a way that speaks to how consumers are shifting their behaviors amid economic ups and downs. As much as keeping an eye on interest rates, this study hints that getting a read on market feelings is just as vital if you want to foresee changes in housing demand. Future studies, it seems, should dig further into the long-term effects of interest rates on housing markets by mixing in a wider range of economic signs and demographic stats. It could also prove insightful to look at how digital tools and online spots, which got more important during the pandemic, shifted consumer behavior in the housing market (M Ayhan Köse et al.).Delvinginto how interest rates, housing availability, and new technologies come together will be key for building good predictive models of housing demand in the world post-pandemic (Shahzad SJH et al.). Broadly, this research sets a strong stage for more work looking at how global economic shifts keep shaping local markets, making sure that

Malaysian housing happenings stay an important area to look into as financial times change. Addressing these potential next steps could show more causes behind housing demand changes, maybe offering lessons that similar markets facing similar problems can put to use (Hilty J et al.).

Implications for Future Research and Policy

This dissertation sheds light on the complex dance between bank interest rates and home sales in Indonesia, especially noting the changes before and after Covid-19. The research question was answered pretty well, I think, by using both numbers and surveys looking at interest rate changes and how people felt about buying. This mixed approach really captured how economic stuff and people's feelings mix in the housing market (Allioui H et al., p. 8015-8015). Academically, these findings add quite a bit to what we know about how housing markets work, particularly in developing countries like Indonesia. Practically, the findings suggest that banks and policymakers should adopt more comprehensive strategies about interest rates. They can't just assume rates and demand are always opposites; they need to consider how economic ups and downs change people's behavior (Rolnick D et al., p. 1-96).It'd be great if future research focused on longer studies that track what happens to housing markets after economic crises, not just right after. Adding things like population changes, new tech, and online real estate could help too. Sector-specific studies might also be useful, giving us a clearer picture of how different economic factors hit different parts of the housing market, like rural areas. Also, understanding what makes people feel confident (or not) about buying a home is key for dealing with economic uncertainty (M Ayhan Köse et al.). Comparing Indonesia to other Southeast Asian countries facing similar challenges is also needed to see what's a broader trend (Shahzad SJH et al.).Bylooking at these things, researchers can really help us understand housing markets better. This could help policymakers and banks come up with better ways to keep housing demand steady, even when the economy is rocky. These efforts could help Indonesia and other countries recover economically, using what we've learned from how interest rates, people's behavior, and overall economic stuff affect housing markets (Hilty J et al.)

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