

Subject/Title	Do Gasoline Prices Rise Faster Than They Fall?
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Journal Title	Review of Social Sciences
Vol./Publishing Date	Vol.5 No.2 (2011/10)
Page(s)	59 - 81
Language	Chinese
Abstract	<p>This article investigates price asymmetry by using an ECM (Error Correction Model) to see whether gasoline prices respond faster to cost increases than they do to decreases. The data are obtained from the energy price dataset of the MOEA (Ministry of Economics Affairs, Taiwan). In contrast with the public opinion, the evidence shows that gasoline prices did not adjust more quickly to cost increases than to decreases. The fact might be owing to the government's low energy price policy and the intense competition following the entry of Formosa Petrochemical Co. into gasoline market.</p>
Keyword(s)	Price Asymmetry ; ECM ; Oligopolistic Market