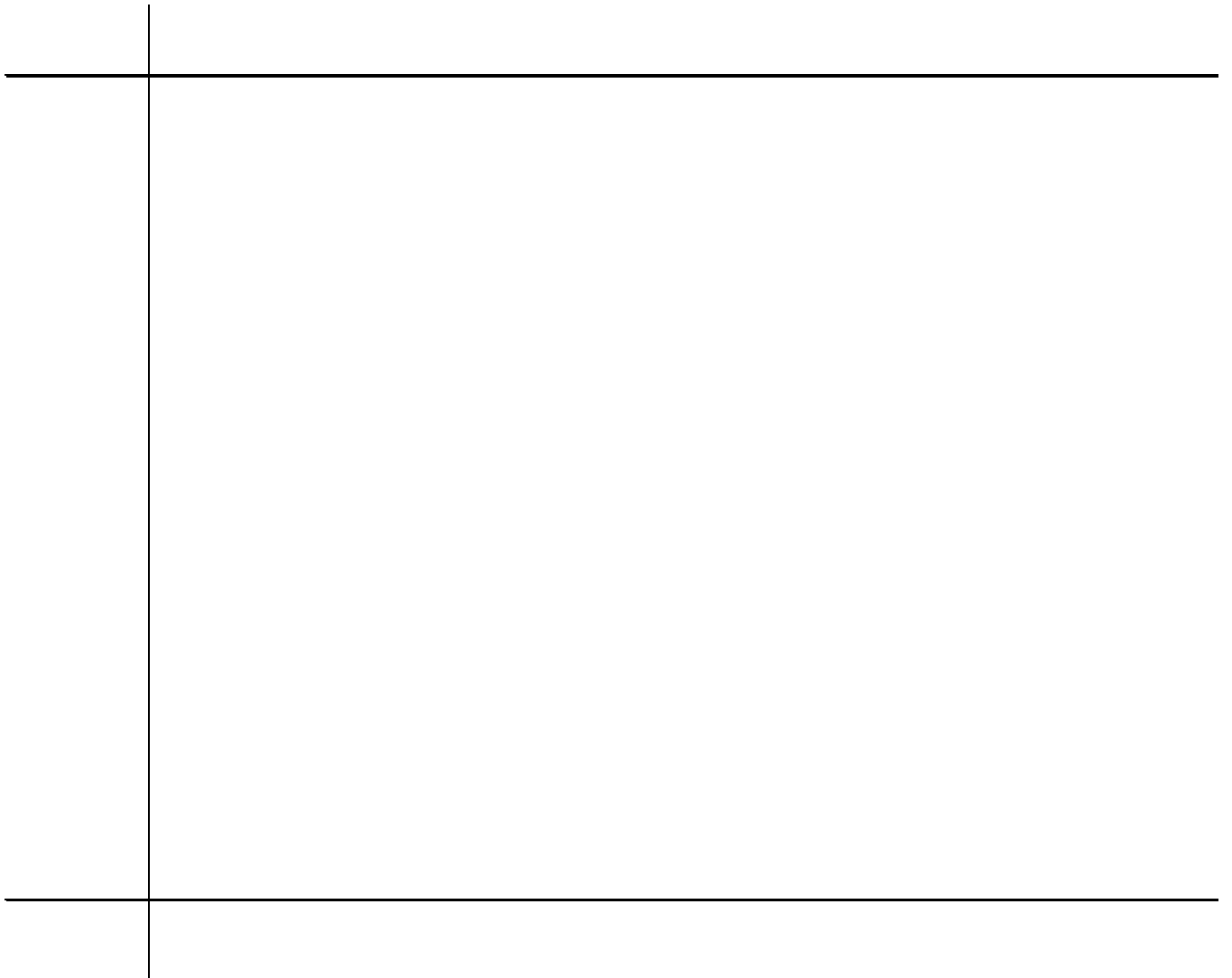




Department of
Economics and Finance



Macro News and Exchange Rates in the BRICS

Guglielmo Maria Caporale

1 Introduction

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2 The model

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fi

$$x_S = \quad + \quad x_{S-}$$

3 Empirical Analysis

$$\binom{31}{31} = -0.001$$

ff

$$\binom{31}{31} = -0.369$$

ff

$$\binom{31}{31} = 0.208$$

ff

4 Conclusions

ff

fi

Econometric Theory,

Biometrika

fi

Journal of Finance

| | | | | | | | | | | |
|----|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 1 | 0 151 (0N005) | 0 041 (0N583) | -0 001 (0N933) | 0 058 (0N037) | -0 018 (0N239) | 0 061 (0N64) | 0 018 (0N000) | -0 003 (0N898) | -0 054 (0N527) | -0 074 (0N869) |
| 2 | 0 471 (0N000) | 0 472 (0N000) | 0 472 (0N000) | 0 473 (0N000) | 0 464 (0N000) | 0 456 (0N000) | 0 431 (0N000) | 0 441 (0N000) | 0 468 (0N000) | 0 473 (0N000) |
| 3 | 0 457 (0N000) | 0 451 (0N000) | 0 446 (0N000) | 0 449 (0N000) | 0 459 (0N000) | 0 453 (0N000) | 0 451 (0N000) | 0 462 (0N000) | 0 443 (0N000) | 0 447 (0N000) |
| 11 | -0 051 (0N000) | -0 061 (0N000) | 0 083 (0N000) | 0 001 (0N949) | 0 035 (0N044) | -0 013 (0N95) | -0 153 (0N000) | -0 024 (0N99) | -0 005 (0N761) | 0 010 (0N649) |
| 12 | 0 153 (0N013) | | | 0 097 (0N041) | | | 0 008 (0N02) | | | |
| 12 | | | | | | 0 367 (0N001) | | | | |
| 13 | -0 232 (0N009) | | | -0 188 (0N000) | | | | | | |
| 13 | -0 211 (0N050) | | | | | -0 398 (0N001) | -0 135 (0N001) | | | -0 215 (0N021) |
| 11 | 0 131 (0N000) | 0 225 (0N000) | 0 024 (0N000) | 0 041 (0N000) | 0 029 (0N000) | 0 083 (0N000) | 0 000 (0N000) | 0 028 (0N001) | 0 156 (0N000) | 0 141 (0N000) |
| 22 | 0 006 (0N034) | 0 011 (0N007) | 0 009 (0N000) | 0 009 (0N000) | 0 009 (0N000) | 0 007 (0N000) | 0 002 (0N000) | 0 005 (0N000) | -0 001 (0N000) | -0 001 (0N000) |
| 33 | 0 008 (0N001) | 0 003 (0N001) | 0 002 (0N000) | 0 004 (0N000) | 0 001 (0N000) | 0 004 (0N000) | 0 006 (0N000) | -0 005 (0N000) | 0 006 (0N002) | 0 007 (0N003) |
| 11 | 0 929 (0N000) | 0 901 (0N000) | -0 951 (0N000) | 0 957 (0N000) | -0 943 (0N000) | -0 968 (0N000) | 0 831 (0N000) | 0 985 (0N000) | 0 951 (0N000) | -0 954 (0N000) |
| 21 | | | | | | | 0 004 (0N000) | | | |
| 21 | | | | | | | | | | |
| 22 | 0 986 (0N000) | 0 985 (0N000) | 0 990 (0N000) | 0 990 (0N000) | 0 987 (0N000) | 0 985 (0N000) | 0 991 (0N000) | 0 989 (0N000) | 0 994 (0N000) | -0 994 (0N000) |
| 31 | | | -0 088 (0N047) | | | | 0 001 (0N029) | | | |
| 31 | | | | | | | | | | 0 911 (0N013) |
| 33 | 0 995 (0N000) | 0 991 (0N000) | 0 995 (0N000) | 0 992 (0N000) | 0 995 (0N000) | 0 991 (0N000) | 0 995 (0N000) | 0 992 (0N000) | 0 995 (0N000) | 0 991 (0N000) |
| 11 | 0 346 (0N000) | 0 348 (0N000) | 0 306 (0N000) | 0 285 (0N000) | 0 341 (0N000) | 0 206 (0N000) | 0 333 (0N000) | 0 161 (0N000) | 0 274 (0N000) | 0 259 (0N000) |
| 21 | | 0 313 (0N037) | 0 051 (0N038) | -0 101 (0N044) | | 0 143 (0N009) | 0 001 (0N007) | | | |
| 21 | | | -0 369 (0N000) | | | | | | | |
| 22 | 0 154 (0N000) | 0 155 (0N000) | 0 127 (0N000) | 0 126 (0N000) | 0 151 (0N000) | 0 161 (0N000) | -0 121 (0N000) | 0 134 (0N000) | 0 097 (0N000) | 0 099 (0N000) |
| 31 | | -0 375 (0N008) | | | | 0 125 (0N001) | -0 001 (0N000) | | | 0 234 (0N044) |
| 31 | | -0 401 (0N046) | | | 0 208 (0N000) | | | | | |

| | | | | | | | |
|----|----|-----------|-----------|-----------|-----------|----|----|
| | | | 2 | | fi | | fi |
| | | | | | | 12 | 13 |
| 21 | 31 | ff | | ff | ff | | ff |
| | | (12+ 12) | (13+ 13) | (21+ 21) | (31+ 31) | | |
| | | | | | fi | | |
| | | 11 | 11+ 11 | 11 | | | |