

# Unpublished Appendix to ‘The Contractionary Short-Run Effects of Nominal Devaluation in Developing Countries: Some Neglected Nuances’

Table 1: Diagnostic Statistics for ADL (Dollar) Estimates: Developing and Industrial Countries

Country	Jarque-Bera (p-value)	Breusch-Godfrey (p-value)	ARCH (p-value)
Argentina	0.476	0.539	0.240
Brazil	0.796	0.348	0.649
Chile	0.820	0.055	0.547
China	0.353	0.224	0.658
Colombia	0.493	0.209	0.535
Hong Kong	0.626	0.839	0.156
Hungary	0.001	0.188	0.847
India	0.981	0.669	0.021
Jordan	0.963	0.090	0.829
Kenya	0.830	0.387	0.766
Korea	0.498	0.208	0.854
Sri Lanka	0.881	0.243	0.514
Mauritius	0.114	0.273	0.722
Mexico	0.273	0.155	0.570
Morocco	0.841	0.086	0.194
Pakistan	0.450	0.323	0.819
Poland	0.049	0.555	0.044
Singapore	0.025	0.059	0.919
South Africa	0.955	0.352	0.260
Syria	0.568	0.115	0.590
Taiwan	0.983	0.744	0.474
Thailand	0.454	0.146	0.804
Turkey	0.503	0.398	0.456
Venezuela	0.962	0.019	0.563
Australia	0.512	0.847	0.719
Belgium-Luxembourg	0.855	0.473	0.261
Canada	0.881	0.302	0.604
Denmark	0.719	0.085	0.564
Finland	0.001	0.596	0.853
Germany	0.195	0.548	0.410
Greece	0.630	0.607	0.936
Iceland	0.670	0.393	0.068
Ireland	0.632	0.331	0.549
Italy	0.132	0.615	0.379
Japan	0.849	0.088	0.722
Netherlands	0.779	0.531	0.341
New Zealand	0.917	0.042	0.553
Norway	0.525	0.815	0.464
Portugal	0.527	0.476	0.774
Spain	0.432	0.942	0.624
Sweden	0.819	0.551	0.444
UK	0.955	0.438	0.900

Table 2: Pass-Through Estimates for Developing Countries Using the Autoregressive Distributed Lag (ADL) Approach (SDRs, 1984-2003)

Country	Constant	$\Delta E_t$	$\Delta P_t^*$	$\Delta P_{M,t-1}$	Adj. $R^2$	St. Error
Argentina	-0.037 (-2.16)	1.030 (97.05)	0.261 (1.813)	-0.033 (-3.07)	0.999	0.035
Brazil	-0.109 (-2.34)	0.913 (23.57)	2.016 (3.518)	0.026 (0.739)	0.991	0.115
Chile	0.029 (0.926)	0.358 (2.807)	0.258 (1.634)	-0.176 (-1.41)	0.397	0.028
China	-0.084 (-1.58)	1.297 (5.912)	0.687 (1.651)	-0.087 (-0.68)	0.700	0.124
Colombia	0.025 (0.851)	0.364 (2.247)	0.186 (1.011)	0.252 (1.073)	0.585	0.043
Hong Kong	-0.015 (-1.38)	0.415 (3.890)	0.121 (1.293)	0.380 (1.984)	0.574	0.020
Hungary	0.003 (0.088)	0.860 (3.203)	0.078 (0.261)	0.062 (0.319)	0.492	0.072
India	0.018 (0.313)	0.064 (0.169)	0.460 (1.150)	-0.015 (-0.06)	-0.106	0.106
Jordan	-0.044 (-1.14)	0.893 (8.235)	0.406 (1.218)	0.007 (0.059)	0.804	0.095
Kenya	-0.027 (-1.03)	0.567 (6.318)	1.093 (4.607)	-0.567 (-4.59)	0.851	0.048
Korea	-0.044 (-1.07)	1.384 (7.204)	0.431 (1.357)	-0.085 (-0.67)	0.746	0.095
Sri Lanka	-0.080 (-0.87)	0.773 (1.415)	0.751 (1.707)	0.116 (0.358)	0.104	0.085
Mauritius	-0.011 (-0.34)	0.359 (0.798)	0.504 (2.071)	(0.151) (-0.64)	0.199	0.066
Mexico	-0.008 (-0.13)	0.746 (6.998)	0.303 (0.722)	0.074 (0.627)	0.825	0.112
Morocco	-0.074 (-2.57)	0.449 (-0.86)	0.815 (3.556)	(0.138) (-0.70)	0.385	0.059
Pakistan	0.080 (1.565)	-0.044 (-0.10)	0.457 (1.722)	-0.296 (-1.09)	0.013	0.072
Poland	0.046 (0.709)	0.416 (2.873)	0.527 (0.806)	-0.036 (-0.11)	0.625	0.161
South Africa	0.053 (1.447)	0.455 (3.870)	-0.096 (-0.68)	0.123 (0.661)	0.561	0.027
Singapore	0.021 (0.854)	-0.526 (-1.70)	-0.255 (-1.17)	-0.224 (-0.87)	0.002	0.044
Syria	0.061 (0.812)	0.177 (1.590)	-0.275 (-0.55)	-0.268 (-0.96)	0.127	0.113
Turkey	-0.068 (-1.31)	1.097 (9.693)	-0.263 (-0.73)	0.081 (1.073)	0.946	0.054
Taiwan	-0.033 (-1.37)	0.261 (1.207)	0.242 (1.257)	0.116 (0.445)	0.011	0.057
Thailand	-0.007 (-0.21)	0.743 (3.207)	0.439 (1.801)	-0.175 (-0.89)	0.346	0.073
Venezuela	0.030 (0.671)	0.772 (9.807)	-0.094 (-0.33)	0.147 (1.521)	0.850	0.082

Dependent variable:  $\Delta P_{M,t}$ . t-statistics in parentheses. All variables in logs.

Table 3: Pass-Through Estimates for Industrial Countries Using the Autoregressive Distributed Lag (ADL) Approach (SDRs, 1984-2003)

Country	Constant	$\Delta E_t$	$\Delta P_t^*$	$\Delta P_{M,t-1}$	Adj. $R^2$	St. Error
Australia	-0.009 (-0.94)	0.616 (9.932)	0.132 (1.957)	-0.022 (-0.25)	0.857	0.020
Belgium-Luxembourg	-0.030 (-0.83)	0.447 (1.993)	0.235 (0.980)	0.118 (0.451)	0.402	0.045
Canada	-0.024 (-2.34)	0.172 (1.663)	0.259 (3.290)	0.355 (1.379)	0.454	0.024
Denmark	-0.002 (-0.15)	0.421 (3.588)	0.036 (0.338)	0.246 (1.360)	0.460	0.030
Finland	-0.044 (-2.271)	0.342 (2.615)	0.450 (2.608)	-0.349 (-1.880)	0.520	0.044
Greece	0.012 (0.433)	0.171 (0.693)	0.112 (0.510)	0.468 (2.172)	0.294	0.060
Iceland	-0.017 (-0.57)	0.751 (4.956)	0.156 (0.917)	0.317 (2.376)	0.789	0.038
Ireland	-0.013 (-0.926)	0.695 (4.774)	0.159 (1.293)	0.109 (0.649)	0.720	0.030
Italy	-0.007 (-0.278)	0.551 (2.699)	0.182 (0.762)	-0.043 (-0.214)	0.414	0.059
New Zealand	-0.097 (-2.22)	2.159 (6.325)	0.620 (1.721)	-0.038 (-0.25)	0.758	0.107
Netherlands	-0.009 (-0.393)	0.726 (3.718)	-0.074 (0.402)	0.060 (0.344)	0.510	0.048
Norway	-0.008 (-0.69)	0.192 (1.290)	0.061 (0.578)	0.131 (0.549)	0.023	0.028
Portugal	-0.031 (-1.527)	0.368 (1.769)	0.322 (1.636)	-0.359 (-1.678)	0.392	0.047
Spain	-0.043 (-1.561)	0.386 (1.719)	0.307 (1.305)	-0.084 (-0.391)	0.244	0.063
Sweden	-0.007 (-0.42)	0.326 (2.669)	0.229 (1.557)	-0.037 (-0.17)	0.466	0.037

Dependent variable:  $\Delta P_{M,t}$ . t-statistics in parentheses. All variables in logs.

Table 4: Pass-Through Estimates for Developing Countries Using the Error Correction Approach (SDRs, 1984-2003)

Country	Constant	$\Delta E_t$	$\Delta P_t^*$	$E_{t-1}$	$P_{t-1}^*$	$\varepsilon_{t-1}$	Adj. $R^2$	St. Error
Argentina	2.354 (2.232)	1.011 (95.315)	0.657 (3.430)	-0.013 (-2.009)	-0.554 (-2.269)	-0.604 (-2.765)	0.999	0.030
Brazil	1.274 (1.511)	0.858 (21.230)	2.249 (4.013)	-0.009 (-0.477)	-0.317 (-1.588)	-0.637 (-3.234)	0.995	0.088
China	1.203 (0.942)	1.304 (5.087)	0.814 (1.535)	-0.174 (-1.062)	-0.199 (-0.647)	-0.427 (-1.362)	0.787	0.107
Chile	6.854 (3.451)	0.334 (1.503)	0.504 (2.447)	-0.646 (-4.928)	-0.626 (-2.167)	-0.951 (-2.808)	0.945	0.025
Colombia	1.272 (0.794)	0.393 (1.623)	0.209 (0.852)	-0.088 (-0.880)	-0.125 (-0.573)	-0.183 (-0.609)	0.648	0.043
Hong Kong	1.239 (1.484)	0.362 (3.152)	0.042 (0.378)	0.051 (0.489)	-0.320 (-2.148)	-0.296 (-1.914)	0.690	0.017
Hungary	3.581 (3.378)	0.654 (3.082)	-0.034 (-0.153)	-0.413 (-2.476)	-0.259 (-1.170)	-0.708 (-3.248)	0.724	0.052
India	3.829 (2.604)	0.576 (1.194)	1.310 (2.625)	-0.907 (-2.660)	-0.046 (-0.163)	-0.683 (-2.413)	0.305	0.089
Jordan	0.407 (0.596)	0.855 (9.831)	0.486 (1.631)	-0.097 (-1.108)	-0.094 (-0.597)	-0.223 (-1.539)	0.899	0.067
Kenya	5.262 (4.395)	0.480 (4.730)	0.750 (3.080)	-0.867 (-4.437)	-0.302 (-1.978)	-1.104 (-4.488)	0.848	0.047
Korea	-2.279 (-1.389)	1.622 (6.877)	0.759 (1.962)	0.454 (1.552)	-0.258 (-1.225)	-0.220 (-1.227)	0.812	0.079
Mauritius	1.047 (0.843)	0.673 (2.076)	0.517 (2.973)	0.259 (0.949)	-0.454 (-2.781)	-0.386 (-1.826)	0.577	0.047
Mexico	2.066 (1.615)	0.769 (4.225)	0.127 (0.201)	-0.096 (-0.997)	-0.459 (-1.707)	-0.596 (-1.820)	0.869	0.096
Morocco	3.227 (1.875)	-0.441 (-0.734)	0.902 (4.168)	-0.690 (-1.159)	-0.335 (-2.467)	-0.419 (-2.575)	0.531	0.052
Pakistan	1.608 (1.573)	0.493 (0.881)	0.161 (0.755)	0.217 (0.922)	-0.583 (-3.102)	-0.462 (-2.301)	0.318	0.059
Poland	4.837 (2.007)	0.746 (3.361)	0.722 (1.011)	-0.696 (-2.105)	-0.839 (-1.896)	-1.526 (-2.057)	0.731	0.132
Singapore	2.255 (2.190)	-0.051 (-0.172)	-0.023 (0.106)	-0.177 (-0.730)	-0.490 (-2.446)	-0.493 (-2.656)	0.391	0.033
South Africa	2.804 (2.670)	0.694 (7.559)	0.014 (0.141)	-0.006 (-0.116)	-0.640 (-2.715)	-0.641 (-2.574)	0.822	0.022
Sri Lanka	2.408 (1.889)	0.486 (0.930)	0.726 (1.670)	-0.038 (-0.144)	-0.541 (-2.577)	-0.608 (-2.421)	0.455	0.063
Syria	6.371 (3.453)	0.256 (2.883)	-0.756 (-1.527)	-0.760 (-2.859)	-0.989 (-3.499)	-1.042 (-3.475)	0.601	0.082
Taiwan	-0.545 (-0.560)	0.579 (2.161)	0.627 (2.220)	0.219 (0.842)	-0.381 (-1.871)	-0.384 (-2.088)	0.453	0.041
Thailand	1.625 (1.760)	0.991 (3.962)	0.462 (1.889)	0.057 (0.330)	-0.429 (-2.271)	-0.548 (-2.462)	0.514	0.061
Turkey	2.717 (1.652)	1.004 (6.954)	0.111 (0.184)	0.020 (0.366)	-0.692 (-1.542)	-0.613 (-1.789)	0.950	0.052
Venezuela	0.361 (0.451)	0.749 (10.052)	0.006 (0.015)	-0.115 (-1.439)	0.118 (0.446)	-0.202 (-1.326)	0.868	0.075

Dependent variable:  $\Delta P_{M,t}$ . t-statistics in parentheses. All variables in logs.

Table 5: Pass-Through Estimates for Industrial Countries Using the Error Correction Approach (SDRs, 1984-2003)

Country	Constant	$\Delta E_t$	$\Delta P_t^*$	$E_{t-1}$	$P_{t-1}^*$	$\varepsilon_{t-1}$	Adj. $R^2$	St. Error
Australia	4.401 (5.119)	0.645 (12.694)	0.245 (5.125)	-0.325 (-3.798)	-0.962 (-5.180)	-1.007 (-5.116)	0.963	0.012
Belgium-Luxembourg	2.973 (1.609)	0.438 (1.979)	0.264 (1.277)	-0.221 (-0.966)	-0.516 (-1.734)	-0.529 (-1.763)	0.491	0.040
Canada	-0.132 (-0.138)	0.322 (2.693)	0.346 (2.952)	0.050 (0.221)	0.019 (0.101)	0.008 (0.038)	0.503	0.022
Denmark	2.225 (1.681)	0.373 (3.077)	0.118 (0.946)	-0.146 (-0.951)	-0.432 (-1.832)	-0.450 (-1.895)	0.526	0.027
Finland	2.961 (2.891)	0.343 (2.671)	0.382 (2.687)	-0.341 (-2.318)	-0.529 (-2.721)	-0.568 (-2.912)	0.635	0.038
Greece	1.517 (1.972)	0.069 (0.268)	0.211 (0.906)	-0.017 (-0.094)	-0.317 (-1.404)	-0.273 (-1.468)	0.619	0.047
Iceland	2.051 (2.464)	0.643 (2.953)	0.322 (1.383)	0.066 (0.640)	-0.569 (-2.603)	-0.558 (-2.402)	0.867	0.322
Ireland	2.763 (2.812)	0.555 (4.192)	0.321 (3.274)	-0.200 (-1.007)	-0.638 (-2.819)	-0.681 (-2.786)	0.820	0.023
Italy	2.696 (1.052)	0.476 (2.460)	0.231 (1.081)	-0.113 (-0.496)	-0.417 (-1.613)	-0.463 (-1.648)	0.545	0.051
Netherlands	2.952 (2.590)	0.571 (3.072)	0.246 (1.206)	-0.170 (-1.047)	-0.640 (-2.637)	-0.638 (-2.702)	0.652	0.040
New Zealand	-0.284 (-0.425)	2.120 (7.970)	0.920 (2.386)	-0.252 (-0.829)	0.109 (0.535)	-0.019 (-0.121)	0.881	0.076
Norway	2.748 (2.403)	0.118 (0.950)	0.231 (2.296)	-0.352 (-1.479)	-0.440 (-3.054)	-0.425 (-2.734)	0.581	0.020
Portugal	4.963 (2.314)	0.254 (1.081)	0.603 (2.600)	-0.451 (-1.437)	-0.580 (-3.120)	-0.599 (-3.059)	0.560	0.040
Spain	2.333 (1.642)	0.380 (2.183)	0.410 (1.944)	-0.039 (-0.247)	-0.493 (-2.311)	-0.468 (-2.482)	0.588	0.045
Sweden	3.191 (2.475)	0.286 (2.755)	0.328 (3.115)	-0.275 (-1.400)	-0.580 (-2.899)	-0.658 (-2.791)	0.704	0.027

Dependent variable:  $\Delta P_{M,t}$ . t-statistics in parentheses. All variables in logs.

Table 6: Panel Data Pass-Through Estimates for Industrial and Developing Countries Using the Autoregressive Distributed Lag (ADL) Approach with Cross-Sectional and Time-Varying Effects (1984-2003 and Sub-Periods)

Column (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Included obs.	18	17	18	18	8	8	8	8	8	8	10	9	10	10
Cross-sections included	14	16	12	18	112	112	128	128	144	144	140	16	120	18
Total pool obs.	252	272	216	306					144	144	140	144	120	162
Variable	1984-2003				1984-1993				1994-2003					
	US Dollars Industrial	Developing	SDR Industrial	Developing	US Dollars Industrial	Developing	SDR Industrial	Developing	US Dollars Industrial	Developing	SDR Industrial	Developing	Industrial	Developing
Constant	-0.0008 (-0.413)	-0.025 (-1.490)	0.003 (0.297)	-0.090 (-1.642)	0.090 (1.961)	0.084 (0.935)	-0.013 (-0.894)	-0.060 (-1.807)	-0.022 (-1.457)	-0.053 (-3.491)	-0.007 (-0.348)	-0.018 (-0.962)		
$\Delta E_t$	0.580 (6.116)	0.864 (17.100)	0.560 (12.432)	0.863 (36.170)	0.648 (4.751)	0.788 (7.208)	0.540 (10.291)	0.802 (17.342)	0.436 (8.516)	0.952 (39.944)	0.438 (5.722)	0.966 (36.130)		
$\Delta P_t^*$	0.272 (1.761)	0.095 (0.587)	0.224 (2.218)	0.603 (4.305)	0.182 (1.827)	0.011 (0.033)	0.422 (4.401)	0.830 (4.245)	-0.095 (-0.691)	-0.040 (-0.431)	0.011 (0.048)	0.427 (2.318)		
$\Delta E_{t-1}$	-0.013 (-0.025)	0.067 (0.765)	0.066 (1.066)	0.052 (0.952)	-0.031 (-0.725)	0.126 (1.031)	0.075 (0.769)	0.098 (1.183)	0.094 (1.025)	0.160 (1.502)	0.088 (1.081)	0.219 (2.689)		
$\Delta P_{t-1}^*$	-0.100 (-0.421)	0.167 (0.718)	-0.220 (-1.956)	-0.320 (-2.141)	-0.619 (-2.626)	-0.340 (-1.342)	-0.328 (-3.206)	-0.395 (-1.883)	0.366 (1.521)	0.587 (4.108)	0.126 (0.596)	-0.079 (-0.426)		
$\Delta PM_{t-1}$	0.123 (1.519)	0.025 (0.222)	0.070 (0.973)	0.028 (0.489)	0.081 (1.127)	-0.068 (-0.379)	0.042 (0.363)	-0.055 (-0.576)	-0.072 (-1.002)	-0.138 (-0.636)	-0.186 (-1.867)	-0.136 (-1.777)		
$R^2$	0.590	0.948	0.569	0.941	0.773	0.955	0.792	0.951	0.403	0.959	0.361	0.954		
Adjusted $R^2$	0.559	0.944	0.535	0.937	0.729	0.947	0.750	0.942	0.314	0.952	0.262	0.947		
St. err. of reg.	0.039	0.104	0.034	0.106	0.039	0.065	0.032	0.128	0.034	0.065	0.033	0.064		
Sum sq. of res.	0.358	2.696	0.236	3.153	0.144	1.738	0.078	1.991	0.143	0.521	0.112	0.577		
Durbin-Watson stat.	1.787	2.018	1.918	2.038	1.482	2.176	1.636	2.199	2.075	2.085	2.151	1.963		
St. dev. of dep. var.	0.059	0.436	0.050	0.419	0.076	0.552	0.063	0.532	0.042	0.298	0.038	0.281		
F-stat (prob.)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000		
Long-run														
$\Delta E$	0.647	0.955	0.673	0.941	0.671	0.856	0.642	0.853	0.466	1.037	0.444	1.043		
$\Delta P^*$	0.196	0.269	0.004	0.291	-0.476	-0.308	0.098	0.412	0.238	0.510	0.116	0.306		

Dependent variable:  $\Delta PM_t$ .  $t$ -statistics (based on White cross-section standard errors) in parentheses. All variables in logs. New Zealand, China, and Hong Kong excluded for dollar estimates. US, UK, Germany, New Zealand, and Japan excluded for SDR estimates. In addition, Iceland, Belgium-Luxembourg, Argentina, Chile, Sri Lanka, Kenya, and Turkey excluded to balance the respective panels for inclusion of time effects. Fixed and time effects coefficients available from author on request.

Table 7: Panel Data Pass-Through Estimates for Industrial and Developing Countries Using the Error Correction Approach with with Cross-Sectional and Time-Varying Effects (1984-2003 and Sub-Periods)

Column (1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	
Included obs.	18	17	18	17	17	8	8	9	9	10	10	9	10	9	
Cross-sections included	14	17	12	18	306	14	17	18	18	14	14	17	12	18	
Total pool obs.	252	289	216	306		112	136	162	162	140	140	153	120	162	
Variable	1984-2003			US Dollars			1984-1993			US Dollars			1994-2003		
	Industrial	Developing	SDR	Industrial	Developing	SDR	Industrial	Developing	SDR	Industrial	Developing	Industrial	Developing	SDR	
<i>Constant</i>	1.463 (4.431)	0.654 (1.810)	1.247 (3.845)	0.560 (1.486)	1.956 (3.743)	1.961 (4.803)	0.671 (1.823)	0.608 (1.764)	0.210 (0.198)	1.069 (1.446)	2.041 (2.344)	1.325 (3.668)	2.041 (2.344)	1.325 (3.668)	
$\Delta E_t$	0.544 (7.497)	0.889 (18.614)	0.490 (8.826)	0.884 (18.052)	0.578 (7.056)	0.527 (6.488)	0.828 (8.977)	0.833 (8.645)	0.446 (7.135)	0.936 (16.835)	0.432 (4.663)	0.925 (17.753)	0.432 (4.663)	0.925 (17.753)	
$\Delta P^*_t$	0.282 (1.804)	0.187 (1.154)	0.262 (2.758)	0.520 (2.912)	0.522 (3.229)	0.510 (9.163)	0.266 (1.042)	0.772 (3.763)	0.745 (2.403)	0.147 (0.504)	-0.064 (-0.417)	0.372 (1.148)	-0.064 (-0.417)	0.372 (1.148)	
$\Delta E_{t-1}$	0.003 (0.085)	0.050 (2.711)	0.003 (0.114)	0.057 (3.006)	-0.055 (-0.836)	0.045 (0.700)	0.003 (0.044)	0.007 (0.141)	-0.005 (-0.095)	0.028 (1.415)	-0.004 (-0.080)	0.035 (2.099)	-0.004 (-0.080)	0.035 (2.099)	
$\Delta P^*_{t-1}$	0.067 (0.335)	0.190 (0.894)	-0.104 (-0.848)	-0.276 (-1.935)	-0.158 (-1.624)	-0.031 (-0.532)	-0.111 (-0.494)	-0.276 (-2.692)	0.698 (6.176)	0.683 (7.124)	0.047 (0.283)	0.085 (-0.319)	0.047 (0.283)	0.085 (-0.319)	
$E_{t-1}$	-0.104 (-2.770)	0.000 (-0.025)	-0.072 (-2.237)	0.000 (0.041)	-0.203 (-5.424)	-0.065 (-1.433)	0.014 (0.746)	0.017 (1.160)	-0.173 (-1.723)	-0.016 (-0.427)	-0.200 (-1.241)	-0.014 (-0.406)	-0.200 (-1.241)	-0.014 (-0.406)	
$P^*_{t-1}$	-0.258 (-4.912)	-0.156 (-1.952)	-0.237 (-3.837)	-0.138 (-1.574)	-0.326 (-3.279)	-0.431 (-5.126)	-0.169 (-1.876)	-0.187 (-2.142)	0.045 (0.250)	-0.248 (-1.429)	0.045 (0.250)	-0.315 (-3.399)	0.045 (0.250)	-0.315 (-3.399)	
$ECM_{t-1}$	-0.281 (-4.030)	-0.175 (-2.106)	-0.249 (-3.716)	-0.174 (-2.046)	-0.309 (-2.589)	-0.388 (-5.400)	-0.127 (-1.523)	-0.128 (-1.650)	-0.286 (-2.505)	-0.362 (-3.997)	-0.313 (-2.448)	-0.363 (-4.095)	-0.313 (-2.448)	-0.363 (-4.095)	
$R^2$	0.693	0.949	0.648	0.950	0.873	0.882	0.952	0.958	0.541	0.966	0.458	0.963	0.458	0.963	
Adjusted $R^2$	0.666	0.944	0.616	0.946	0.845	0.854	0.942	0.951	0.464	0.960	0.362	0.957	0.362	0.957	
St. err. of reg.	0.034	0.102	0.033	0.098	0.033	0.027	0.131	0.124	0.032	0.059	0.031	0.059	0.031	0.059	
Sum sq. of reg.	0.273	2.749	0.217	2.675	0.101	0.058	1.936	2.110	0.123	0.452	0.097	0.477	0.097	0.477	
Durbin-Watson stat.	1.505	1.944	1.668	1.992	1.589	1.825	2.115	2.204	2.141	1.851	2.186	1.836	2.186	1.836	
St. dev. of dep. var.	0.059	0.431	0.054	0.420	0.084	0.072	0.545	0.560	0.044	0.296	0.039	0.283	0.039	0.283	
F-stat (prob.)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Summed coefficients	0.547	0.939	0.493	0.941	0.523	0.572	0.831	0.840	0.441	0.964	0.428	0.960	0.428	0.960	
$\Delta E^*$	0.349	0.377	0.158	0.244	0.364	0.479	0.155	0.496	1.443	0.830	-0.017	0.287	-0.017	0.287	

Dependent variable:  $\Delta P^*_{M,t}$ .  $t$ -statistics (based on White cross-section standard errors) in parentheses. All variables in logs.

New Zealand, China, and Hong Kong excluded for dollar estimates. US, UK, Germany, New Zealand, and Japan excluded for SDR estimates. In addition, Iceland, Belgium-Luxembourg, Argentina, Chile, Sri Lanka, Kenya, Syria, and Turkey excluded to balance the respective panels for inclusion of time effects. Fixed and time effects coefficients available from author on request.