Online Appendix for **Global Drivers of Gross and Net Capital Flows**[*]

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Abstract

In this appendix we simply replicate all tables and figures from the main text using quarterly capital flow series. When using the quarterly series the number of counries in the sample falls from 58 to 50.

Table 1: Countries in the quarterly data sample.

Advanced	Emerging and Developing	
United States (5)	Argentina (3)	Thailand (2)
Singapore (2)	Armenia (1)	Ukraine (4)
Australia (2)		
Canada (5)	Bolivia (3)	Venezuela (3)
	Brazil (3)	South Africa (5)
Germany (1)	Chile (3)	Albania (4)
Denmark (1)		Czech Republic (4)
Spain (1)	Colombia (3)	Estonia (4)
Finland (1)		Croatia (4)
France (1)		Hungary (4)
United Kingdom (1)	Indonesia (2)	Lithuania (4)
Iceland (1)	India (2)	Latvia (4)
Israel (5)	Jordan (5)	
Italy (1)	Moldova (4)	Romania (4)
Japan (2)	Mexico (3)	Slovakia (4)
Korea (2)	Pakistan (2)	Slovenia (4)
The Netherlands (1)	Peru (3)	Turkey (4)
Norway (1)	Philippines (2)	Sri Lanka (2)
Portugal (1)		
Sweden (1)	Russia (4)	

Note: The numbers in parenthesis after each country name correspond to the 5 geographic regions that we consider in the multivariate regressions of the loadings. The regions are Western Europe (1), Asia-Pacific (2), Latin America (3), Eastern Europe (4) and Other (5).

Table 2: Capital Flow Moments - Levels and Standard Deviations. Calculated using quarterly data.

	Mean	Median	25th	75th
ADV				
Level of_i	1.88	1.81	1.57	2.10
Level if_i	1.85	1.72	1.49	1.91
$SD(of_i)$	2.17	1.93	1.63	2.61
$SD(if_i)$	2.23	2.01	1.70	2.62
$SD(gf_i)$	4.29	3.76	3.17	5.11
$SD(nf_i)$	0.88	0.63	0.39	0.80
$SD(nf_i^{gdp})$	5.79	4.63	2.89	5.89
$\frac{ExA\&L_i}{GDP_i}$	9.82	7.62	5.33	9.89
EME				
Level of_i	1.63	1.42	1.09	2.33
Level if_i	2.87	2.44	1.78	3.56
$SD(of_i)$	3.02	3.06	2.03	3.78
$SD(if_i)$	3.20	2.99	2.24	3.82
$SD(gf_i)$	5.62	5.45	4.09	6.46
$SD(nf_i)$	2.67	2.53	1.48	3.67
$SD(nf_i^{gdp})$	5.51	5.07	3.39	7.06
$\frac{ExA\&L_i}{GDP_i}$	2.95	2.44	2.01	3.22

Note: Capital flow variables $of_i, if_i, gf_i,$ and nf_i are the respective capital flows normalized by the stock of external assets plus liabilities. The variable nf^{gdp} is net flows normalized by GDP.

Table 3: Correlation of a country's capital flows with Global Flows. Calculated using quarterly data.

	Correlation with gf_w:					R^2 from regression on gf_w:			
	Mean	Median	25th	75th		Mean	Median	25th	75th
of_i	0.51	0.54	0.40	0.61	of_i	0.30	0.29	0.16	0.37
if_i	0.51	0.54	0.46	0.60	if_i	0.31	0.29	0.21	0.36
gf_i	0.52	0.53	0.46	0.62	gf_i	0.32	0.28	0.21	0.38
nf_i	0.02	0.04	-0.26	0.27	nf_i	0.08	0.07	0.03	0.12
nf_i^{gdp}	-0.01	-0.02	-0.17	0.16	nf_i^{gdp}	0.06	0.03	0.02	0.08

EME

	Correlation with gf_w:					R^2 from regression on gf_w:			
	Mean	Median	25th	75th		Mean	Median	25th	75th
of_i	0.21	0.22	0.08	0.34	of_i	0.08	0.05	0.02	0.12
if_i	0.24	0.25	0.07	0.39	if_i	0.11	0.06	0.02	0.16
gf_i	0.25	0.27	0.13	0.38	gf_i	0.10	0.07	0.03	0.15
nf_i	-0.09	-0.05	-0.27	0.10	nf_i	0.08	0.03	0.01	0.09
nf_i^{gdp}	0.06	0.09	-0.10	0.27	nf_i^{gdp}	0.08	0.06	0.01	0.13

Note: Capital flow variables $of_i, if_i, gf_i,$ and nf_i are the respective capital flows normalized by the stock of external assets plus liabilities. The variable nf^{gdp} is net flows normalized by GDP.

Table 4: Bai and Ng (2002) info criterion for determining the number of factors. Calculated using quarterly data.

k	R(k)	BIC(k)
0	9.20	9.20
1	6.96	7.91
2	6.03	7.91
3	5.32	8.13
4	4.70	8.42

Notes: The factors are computed using data over the period 1996-2015. When computing factors, capital flows are normalized by the stock of external assets plus liabilities.

Table 5: Average share of the variance of different capital flow variables that is explained by the first or second factor. Calculated using quarterly data.

	All	ADV	EME
Outflows			
1st Factor	0.15	0.21	0.12
2nd Factor	0.06	0.02	0.09
Residual	0.78	0.77	0.79
Inflows			
1st Factor	0.21	0.23	0.19
2nd Factor	0.07	0.03	0.09
Residual	0.73	0.74	0.72
Gross			
1st Factor	0.20	0.23	0.18
2nd Factor	0.06	0.02	0.08
Residual	0.74	0.75	0.74
Net			
1st Factor	0.12	0.11	0.12
2nd Factor	0.12	0.07	0.16
Residual	0.76	0.82	0.72

Notes: The goodness of fit statistics are calculated from a factor model using quarterly data over the period 1996-2015. Capital flows normalized by the stock of external assets plus liabilities.

Table 6: Advanced economy factor loadings. Loadings calculated using quarterly data.

	λ_1^{out}	λ_1^{in}	$\lambda_1^{out}+\lambda_1^{in}$	$\lambda_1^{out}-\lambda_1^{in}$	λ_2^{out}	λ_2^{in}	$\lambda_2^{out}+\lambda_2^{in}$	$\lambda_2^{out}-\lambda_2^{in}$
Germany	0.83***	1.00***	1.84***	-0.17***	-0.25	-0.47**	-0.73**	0.22***
Denmark	0.75***	0.93***	1.68***	-0.18***	-0.22	-0.46*	-0.68	0.24***
Spain	1.06***	1.23***	2.29***	-0.18***	-0.29*	0.00	-0.30	-0.29***
Finland	0.44	0.03	0.47	0.41***	-0.16	-0.07	-0.23	-0.09
France	1.02***	0.87***	1.89***	0.15***	0.36**	0.50***	0.86**	-0.15***
U.K.	1.49***	1.44***	2.93***	0.05	0.20	0.24	0.44	-0.04
Iceland	4.50***	5.64***	10.14***	-1.14***	1.79***	0.56	2.35***	1.23***
Italy	1.19***	1.02***	2.21***	0.17**	-0.38**	-0.17	-0.56*	-0.21***
Netherlands	0.52***	0.55***	1.07***	-0.03	-0.17	-0.15	-0.32	-0.02
Norway	1.12***	0.94***	2.07***	0.18	0.26	0.03	0.29	0.22*
Portugal	1.07***	1.32***	2.38***	-0.25***	-0.74***	-0.70***	-1.44***	-0.05
Sweden	0.49***	0.46***	0.96***	0.03	-0.11	-0.16	-0.27	0.06
Singapore	1.41***	1.26***	2.67***	0.14***	-0.54*	-0.44	-0.98*	-0.10***
Australia	0.12	0.26**	0.38*	-0.14***	0.09	0.06	0.15	0.03
Japan	0.78***	0.53**	1.31***	0.25***	0.14	0.22	0.36	-0.08
Korea	0.64**	1.39***	2.03***	-0.75***	0.58*	-0.08	0.50	0.66**
USA	0.50***	0.73***	1.23***	-0.23***	0.00	0.12	0.12	-0.11**
Canada	0.14**	-0.04	0.10	0.18***	-0.01	-0.12*	-0.13	0.10***
Israel	0.86***	1.02***	1.88***	-0.16	-0.18	-0.56***	-0.74***	0.37**

Note: ***/**/* denotes significance at the 1/5/10% level.

Table 7: Emerging market factor loadings. Loadings calculated using quarterly data.

	λ_1^{out}	λ_1^{in}	$\lambda_1^{out}+\lambda_1^{in}$	$\lambda_1^{out}-\lambda_1^{in}$	λ_2^{out}	λ_2^{in}	$\lambda_2^{out}+\lambda_2^{in}$	$\lambda_2^{out}-\lambda_2^{in}$
Armenia	0.96*	3.10***	4.06***	-2.14***	0.54	-3.64***	-3.11***	4.18***
Moldova	0.16	0.83***	0.99*	-0.67*	2.13***	0.33	2.47***	1.80***
Russia	1.87***	1.46***	3.33***	0.41	0.78***	-0.11	0.67	0.89***
Ukraine	2.77***	2.49***	5.26***	0.28	4.33***	2.73***	7.06***	1.61***
Albania	1.50***	0.61**	2.11***	0.89**	-1.11**	-0.45	-1.56**	-0.66*
Czech Republic	0.76***	1.58***	2.33***	-0.82***	-0.15	-0.55***	-0.70*	0.40***
Estonia	1.26***	2.85***	4.11***	-1.59***	-0.23	-1.00***	-1.23***	0.77***
Croatia	1.11**	3.41***	4.52***	-2.29***	-0.48	-2.20***	-2.68***	1.72***
Hungary	0.93***	1.55***	2.48***	-0.62***	0.08	-0.01	0.07	0.09
Lithuania	1.28***	3.98***	5.26***	-2.70***	-0.66*	-2.06***	-2.72***	1.39***
Latvia	2.40***	4.36***	6.75***	-1.96***	0.61*	0.88***	1.49***	-0.26
Romania	1.37***	3.13***	4.50***	-1.76***	0.89***	0.65**	1.54***	0.24
Slovakia	1.12**	2.45***	3.56***	-1.33***	-0.18	-1.55***	-1.73*	1.37***
Slovenia	1.63***	1.95***	3.57***	-0.32**	0.40	0.79***	1.19**	-0.38***
Turkey	1.10***	1.03***	2.13***	0.08	0.39	1.24***	1.62**	-0.85***
Indonesia	-0.13	-0.36	-0.49	0.22	1.17***	0.96***	2.14***	0.21
India	0.58***	0.59***	1.17***	0.00	-0.06	-0.44**	-0.50	0.38**
Pakistan	-0.19	0.46	0.28	-0.65	1.16***	0.97**	2.13***	0.19
Philippeans	-0.32	0.72**	0.40	-1.05***	0.95***	-0.14	0.81	1.09***
Thailand	-0.80***	-0.42	-1.22**	-0.38	1.50***	1.50***	3.00***	0.00
Sri Lanka	0.51	0.06	0.57	0.45	-1.05***	-0.47	-1.52**	-0.59*
Argentina	0.58***	0.49**	1.07***	0.10	-0.13	-1.06***	-1.19***	0.94***
Bolivia	-0.32	-0.06	-0.38	-0.27	0.90***	-1.82***	-0.92	2.72***
Brazil	0.13	0.34	0.46	-0.21**	0.96***	-0.13	0.82**	1.09***
Chile	0.29*	0.43***	0.73***	-0.14	0.21	-0.44***	-0.24	0.65***
Colombia	0.65***	0.78***	1.44***	-0.13	0.26	-0.52**	-0.26	0.77***
Mexico	0.06	0.10	0.16	-0.04	0.11	-0.14	-0.04	0.25**
Peru	0.26	0.34	0.60	-0.07	0.77***	-0.35	0.42	1.12***
Venezuela	1.77***	0.10	1.87***	1.67***	1.15***	-0.42*	0.72*	1.57***
Jordan	0.66**	0.19	0.85*	0.47**	0.33	0.48**	0.82*	-0.15
South Africa	0.59***	0.64***	1.23***	-0.05	-0.39***	-0.46***	-0.85***	0.08

Note: ***/**/* denotes significance at the 1/5/10% level.

Table 8: Results from regressions of the GFC factor loadings on macroeconomic variables. Loadings calcuated using quarterly data.

	λ_1^{out}	λ_1^{out}	λ_1^{in}	λ_1^{in}	$\lambda_1^{out}+\lambda_1^{in}$	$\lambda_1^{out}+\lambda_1^{in}$	$\lambda_1^{out}-\lambda_1^{in}$	$\lambda_1^{out}-\lambda_1^{in}$
$A+L$	0.03*		0.02		0.05		0.01	
	(0.02)		(0.02)		(0.04)		(0.02)	
$A+L\,(+)$		0.02		0.01		0.03		0.01
		(0.01)		(0.02)		(0.03)		(0.02)
$A+L\,(-)$		0.04*		0.01		0.05		0.03
		(0.02)		(0.03)		(0.05)		(0.02)
$A-L$	-0.15**		-0.29***		-0.45***		0.14**	
	(0.06)		(0.09)		(0.14)		(0.06)	
$A-L\,(+)$		0.37**		0.22		0.59*		0.15
		(0.15)		(0.21)		(0.33)		(0.16)
$A-L\,(-)$		-0.29***		-0.49***		-0.78***		0.20**
		(0.08)		(0.12)		(0.18)		(0.09)
CapControls	-0.65	-0.79*	-0.12	-0.24	-0.77	-1.03	-0.53	-0.55
	(0.51)	(0.44)	(0.69)	(0.64)	(1.11)	(0.99)	(0.48)	(0.49)
Inflation	0.03*	0.02	-0.01	-0.03	0.02	-0.01	0.04**	0.04**
	(0.02)	(0.02)	(0.02)	(0.02)	(0.04)	(0.04)	(0.02)	(0.02)
Peg	0.13	0.51*	-0.11	0.31	0.02	0.81	0.24	0.20
	(0.28)	(0.26)	(0.38)	(0.38)	(0.61)	(0.59)	(0.27)	(0.29)
$X+M$	-0.02	-0.22**	0.05	-0.16	0.03	-0.38*	-0.07	-0.06
	(0.09)	(0.09)	(0.12)	(0.13)	(0.19)	(0.20)	(0.08)	(0.10)
$X-M$	0.07	0.26	0.38	0.56	0.44	0.82	-0.31	-0.30
	(0.43)	(0.37)	(0.58)	(0.54)	(0.93)	(0.83)	(0.40)	(0.41)
GDPpc	0.34**	0.27**	0.22	0.17	0.56*	0.44	0.12	0.10
	(0.15)	(0.13)	(0.20)	(0.20)	(0.33)	(0.30)	(0.14)	(0.15)
EastEurope	0.73**	1.08***	1.67***	2.02***	2.39***	3.10***	-0.94***	-0.93***
	(0.32)	(0.29)	(0.44)	(0.43)	(0.70)	(0.66)	(0.31)	(0.33)
LatAm	-0.06	-0.07	-0.06	-0.09	-0.12	-0.17	-0.01	0.02
	(0.31)	(0.27)	(0.42)	(0.39)	(0.68)	(0.61)	(0.30)	(0.30)
Adj. R2	0.36	0.52	0.46	0.54	0.44	0.56	0.38	0.36

Notes: Each regression has 50 observations. The factors are computed using data over the period 1996-2015. The variables A and L are the stocks of external assets and liabilities normalized by GDP. When a gross or net asset position is followed by a (+) all country observations where the net position is negative are replaced by zeros. When followed by a (-) all country observations that are positive are replaced by zeros. X and M are exports and imports divided by GDP. GDPpc is the log of per capita GDP, Inflation is the average annualized inflation rate over the period, EastEurope and LatAm are dummies if the country is in Eastern Europe or Latin America (see Table 1). Peg is the fraction of time over the 20 year period when the country had a pegged exchange rate, as defined by Shambaugh. CapControls is the Chinn-Ito capital account openness index. ***/**/* denote significance at the 1/5/10% levels.

Table 9: Results from regressions of the GFC factor loadings on macroeconomic variables. Loadings calcuated using quarterly data.

	λ_1^{out}	λ_1^{out}	λ_1^{in}	λ_1^{in}	$\lambda_1^{out}+\lambda_1^{in}$	$\lambda_1^{out}+\lambda_1^{in}$	$\lambda_1^{out}-\lambda_1^{in}$	$\lambda_1^{out}-\lambda_1^{in}$
$A^{debt}+L^{debt}$	0.13***		0.13***		0.26***		0.00	
	(0.03)		(0.04)		(0.06)		(0.04)	
$A^{debt}+L^{debt}\,(+)$		0.08		0.09		0.18		-0.01
		(0.06)		(0.08)		(0.12)		(0.07)
$A^{debt}+L^{debt}\,(-)$		0.12***		0.11*		0.22***		0.01
		(0.04)		(0.06)		(0.08)		(0.05)
$A^{PE}+L^{PE}$	-0.26	-0.23	-0.41*	-0.35	-0.66*	-0.58	0.15	0.12
	(0.16)	(0.18)	(0.23)	(0.27)	(0.34)	(0.39)	(0.21)	(0.24)
$A^{FDI}+L^{FDI}$	-0.04	-0.04	-0.07	-0.08	-0.12	-0.12	0.03	0.03
	(0.04)	(0.04)	(0.06)	(0.06)	(0.08)	(0.08)	(0.05)	(0.05)
$A^{debt}-L^{debt}$	-0.15***		-0.29***		-0.45***		0.14**	
	(0.05)		(0.08)		(0.11)		(0.07)	
$A^{debt}-L^{debt}\,(+)$		0.10		-0.09		0.01		0.19
		(0.25)		(0.37)		(0.54)		(0.33)
$A^{debt}-L^{debt}\,(-)$		-0.18**		-0.34***		-0.53***		0.16
		(0.09)		(0.13)		(0.19)		(0.12)
$A^{PE}-L^{PE}$	0.22	0.22	0.28	0.25	0.50	0.47	-0.06	-0.02
	(0.17)	(0.20)	(0.25)	(0.29)	(0.37)	(0.42)	(0.23)	(0.26)
$A^{FDI}-L^{FDI}$	-0.08	-0.07	0.08	0.10	-0.01	0.03	-0.16	-0.16
	(0.18)	(0.19)	(0.27)	(0.28)	(0.39)	(0.40)	(0.24)	(0.25)
CapControls	-0.52	-0.47	0.27	0.32	-0.25	-0.15	-0.78	-0.79
	(0.41)	(0.41)	(0.60)	(0.61)	(0.87)	(0.89)	(0.53)	(0.55)
Inflation	0.02	0.02	-0.02	-0.03	0.00	-0.01	0.04**	0.04**
	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)	(0.03)	(0.02)	(0.02)
Peg	0.31	0.33	0.06	0.13	0.37	0.46	0.25	0.20
	(0.22)	(0.26)	(0.33)	(0.38)	(0.48)	(0.55)	(0.29)	(0.34)
$X+M$	-0.14	-0.15	0.03	0.01	-0.11	-0.14	-0.17	-0.17
	(0.11)	(0.11)	(0.16)	(0.17)	(0.23)	(0.24)	(0.14)	(0.15)
$X-M$	0.36	0.36	0.55	0.53	0.91	0.89	-0.19	-0.17
	(0.34)	(0.35)	(0.50)	(0.52)	(0.73)	(0.75)	(0.44)	(0.46)
GDPpc	0.25**	0.23*	0.07	0.04	0.32	0.27	0.18	0.19
	(0.13)	(0.13)	(0.19)	(0.20)	(0.27)	(0.29)	(0.17)	(0.18)
EastEurope	0.86***	0.92***	1.74***	1.84***	2.60***	2.76***	-0.88**	-0.92**
	(0.27)	(0.31)	(0.40)	(0.47)	(0.59)	(0.68)	(0.36)	(0.42)
LatAm	-0.14	-0.13	0.04	0.07	-0.10	-0.06	-0.18	-0.20
	(0.31)	(0.32)	(0.45)	(0.47)	(0.66)	(0.68)	(0.40)	(0.42)
Adj. R2	0.65	0.64	0.66	0.64	0.71	0.70	0.35	0.32

Notes: See notes to Table 8. The superscript FDI denotes and FDI based external A&L. The superscript debt denote portfolio debt and other external assets and liabilities, and the superscript PE denote portfolio equity external assets and liabilities. ***/**/* denote significance at the 1/5/10% levels.

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Table 10: Average net debt and average GFC factor loadings. Loadings calculated using quarterly data.

	$A^{debt} - L^{debt}{}_{>0}$	$_{-0.2<}A^{debt} - L^{debt}{}_{<0}$	$A^{debt} - L^{debt}{}_{<-0.2}$
	Net creditor	Small net debt	Large net debt
Number of Countries	10	20	20
Average $A^{debt} - L^{debt}$	0.34	-0.08	-0.45
Average $\lambda_1^{out} - \lambda_1^{in}$	0.06	-0.38	-0.47
Average $\lambda_1^{out} + \lambda_1^{in}$	1.73	1.96	2.33

Table 11: Results from regressions of the commodity price factor loadings on macroeconomic variables. Loadings calcuated using quarterly data.

	λ_2^{out}	λ_2^{out}	λ_2^{in}	λ_2^{in}	$\lambda_2^{out}+\lambda_2^{in}$	$\lambda_2^{out}+\lambda_2^{in}$	$\lambda_2^{out}-\lambda_2^{in}$	$\lambda_2^{out}-\lambda_2^{in}$
X^{fuel}		-0.01		-0.08***		-0.09*		0.07***
		(0.02)		(0.03)		(0.04)		(0.02)
M^{fuel}		0.08***		0.02		0.10*		0.06*
		(0.03)		(0.03)		(0.06)		(0.03)
BBL^{con}		0.01***		0.01		0.02**		0.01
		(0.00)		(0.00)		(0.01)		(0.00)
BBL^{pro}		-0.01		0.00		-0.01		-0.01*
		(0.01)		(0.01)		(0.01)		(0.01)
$A+L$	0.01	0.02	0.00	-0.01	0.02	0.01	0.01	0.02
	(0.02)	(0.02)	(0.02)	(0.02)	(0.04)	(0.04)	(0.02)	(0.02)
$A-L$	-0.10	-0.15**	-0.06	-0.03	-0.15	-0.18	-0.04	-0.11
	(0.08)	(0.07)	(0.09)	(0.09)	(0.15)	(0.14)	(0.08)	(0.07)
CapControls	-0.56	-0.08	-0.84	-0.54	-1.40	-0.62	0.28	0.46
	(0.63)	(0.60)	(0.70)	(0.70)	(1.18)	(1.16)	(0.63)	(0.60)
Inflation	0.03	0.05**	0.05*	0.09***	0.08*	0.14***	-0.01	-0.04
	(0.02)	(0.02)	(0.03)	(0.03)	(0.04)	(0.05)	(0.02)	(0.02)
Peg	-0.19	-0.37	0.01	0.20	-0.18	-0.17	-0.19	-0.57*
	(0.35)	(0.33)	(0.39)	(0.38)	(0.65)	(0.63)	(0.34)	(0.32)
$X+M$	-0.01	-0.04	-0.01	0.00	-0.03	-0.04	0.00	-0.04
	(0.11)	(0.10)	(0.12)	(0.11)	(0.20)	(0.19)	(0.11)	(0.10)
$X-M$	0.33	0.64	0.42	0.87	0.75	1.51	-0.09	-0.23
	(0.53)	(0.51)	(0.59)	(0.60)	(0.99)	(0.99)	(0.52)	(0.51)
GDP pc	-0.17	-0.04	0.06	0.06	-0.11	0.02	-0.23	-0.10
	(0.19)	(0.20)	(0.21)	(0.23)	(0.35)	(0.39)	(0.19)	(0.20)
EastEurope	0.01	-0.29	-0.62	-0.70	-0.60	-0.99	0.63	0.41
	(0.40)	(0.37)	(0.44)	(0.43)	(0.74)	(0.72)	(0.39)	(0.37)
LatAm	-0.07	0.30	-1.06**	-0.60	-1.13	-0.30	0.99***	0.90**
	(0.39)	(0.42)	(0.43)	(0.50)	(0.72)	(0.82)	(0.38)	(0.42)
Adj. R2	0.10	0.29	0.09	0.21	0.09	0.23	0.12	0.30

Notes: See notes to Table 8. X^{fuel} and M^{fuel} are fuel exports and imports, as a share of GDP. BBL^{con} and BBL^{pro} are crude oil consumption and production, measured in barrels per day multipled by the price of WTI crude oil, normalized by GDP. ***/**/* denote significance at the 1/5/10% levels.

Table 12: Effects of adding various additional variables to the base regressions in Tables 9 and 11. Loadings calculated using quarterly data.

	GFC Factor Loadings					
	$\lambda_1^{out}+\lambda_1^{in}$			$\lambda_1^{out}-\lambda_1^{in}$		
	Coeff.	SE	Adj R2	Coeff.	SE	Adj R2
Base Regression			0.70			0.36
Institutions	0.39	(0.50)	0.70	-0.43	(0.30)	0.37
Credit rating	0.02	(0.07)	0.70	-0.01	(0.04)	0.33
Financial Dev.	-0.05	(0.07)	0.70	-0.02	(0.04)	0.34
Tariff	-0.01	(0.01)	0.70	0.01	(0.01)	0.34
Gov't Deficit	-0.01	(0.02)	0.70	0.01	(0.01)	0.37
Corporate tax	0.01	(0.01)	0.71	0.00	(0.00)	0.34
Press freedom	-1.14	(0.75)	0.72	0.42	(0.47)	0.35
Secondary school	-0.36	(0.71)	0.70	-0.47	(0.43)	0.36
West Europe	0.00	(0.01)	0.70	0.00	(0.00)	0.34
Asia	2.32	(2.89)	0.70	0.08	(1.78)	0.33
Private Dom. credit	0.01	(0.34)	0.70	-0.31	(0.20)	0.38
FX Reserves	2.31	(2.85)	0.71	0.07	(1.81)	0.31
Bank Soundness	0.00	(0.34)	0.70	-0.33*	(0.21)	0.36
Capital Controls[2]	-3.83	(3.87)	0.70	-1.55	(2.40)	0.34

|	Commodity Price Factor Loadings					
	$\lambda_2^{out}+\lambda_2^{in}$			$\lambda_2^{out}-\lambda_2^{in}$		
	Coeff.	SE	Adj R2	Coeff.	SE	Adj R2
Base Regression			0.21			0.34
Institutions	-0.34	(0.27)	0.22	-0.25	(0.32)	0.30
Credit rating	-0.13	(0.04)	0.25	-0.12***	(0.06)	0.41
Financial Dev.	0.03	(0.04)	0.21	0.05	(0.05)	0.31
Tariff	-0.01	(0.01)	0.21	0.01	(0.01)	0.30
Gov't Deficit	0.02	(0.01)	0.22	0.01	(0.01)	0.29
Corporate tax	0.01	(0.01)	0.21	0.00	(0.01)	0.30
Press freedom	0.26	(0.47)	0.21	0.52	(0.55)	0.31
Secondary school	-0.15	(0.48)	0.21	-0.38	(0.56)	0.30
West Europe	0.01	(0.00)	0.24	0.00	(0.01)	0.28
Asia	1.61	(1.85)	0.21	0.04	(2.16)	0.28
Private Dom. credit	-0.85**	(0.18)	0.33	-0.04	(0.21)	0.28
FX Reserves	1.38	(1.81)	0.23	0.19	(2.14)	0.29
Bank Soundness	-0.85**	(0.17)	0.35	-0.01	(0.21)	0.29
Capital Controls[2]	-9.68*	(2.91)	0.26	0.17	(3.45)	0.28

Notes: The base regression in the case of the GFC factor is the regression specification in columns 5 and 7 of Table 9, and the base regression in the case of the second factor is the regression in columns 6 and 8 of Table 11.

Figure 1: Advanced and emerging market outflows, inflows, gross flows, and net flows. Computed using quarterly data.
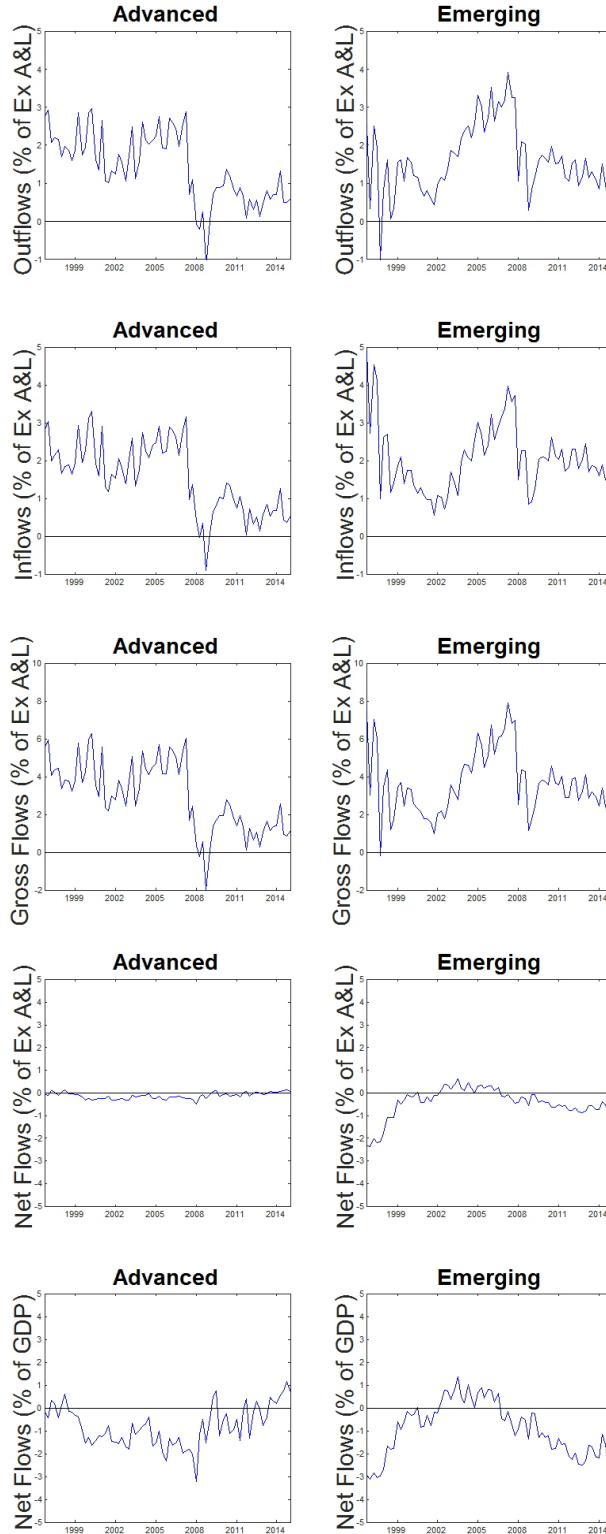
Note: All capital flows are first aggregated across country groups and then normalized by the stock of external assets plus liabilities or normalized by the sum of GDP for that country group. Before plotting all quarterly flows, we take the 4Q moving average of the quarterly series.

Figure 2: Correlation between gross flows in country i and world flows. Computed using quarterly data.
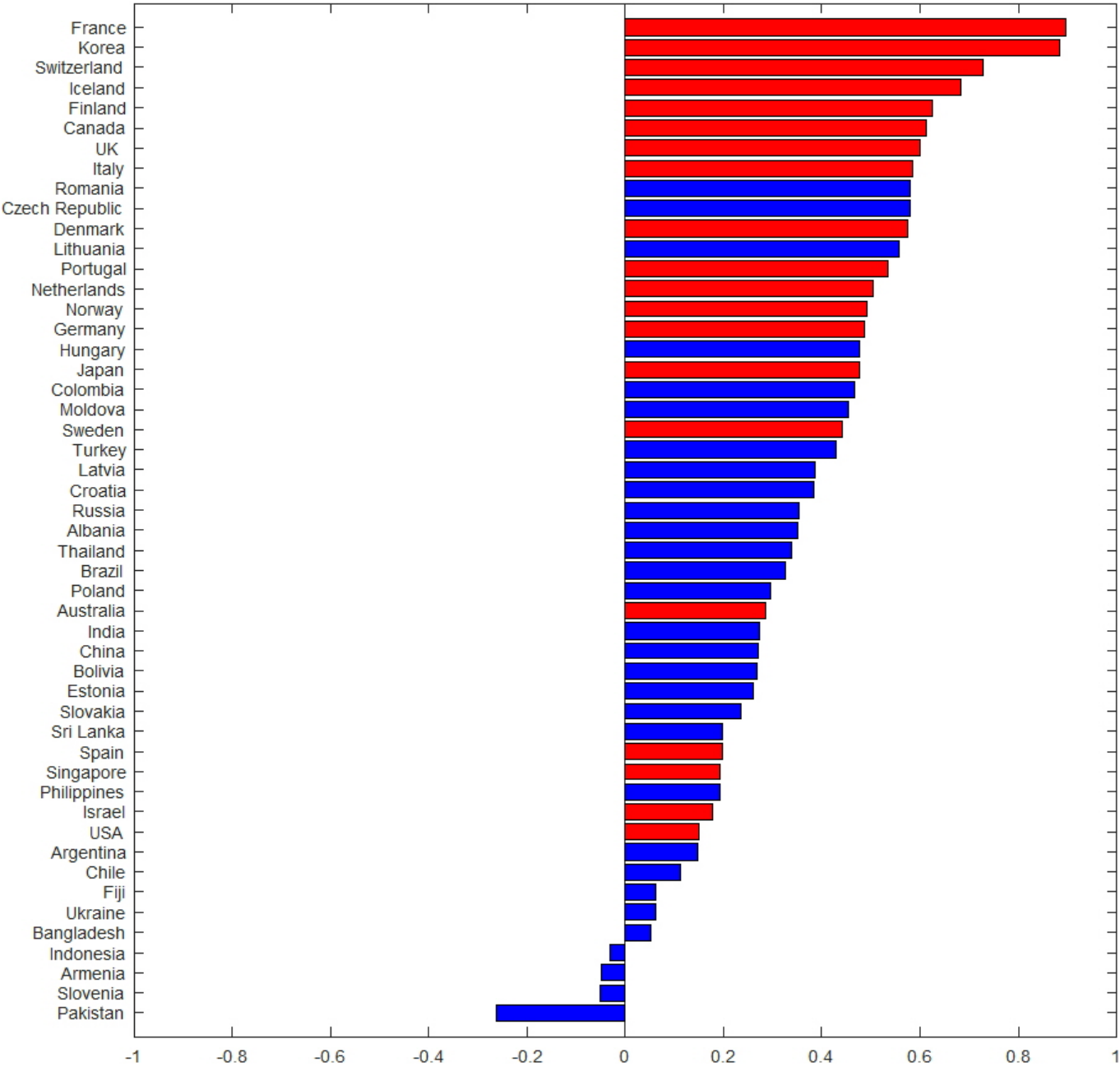
Note: Capital flows are normalized by GDP. Correlations are calculated using quarterly data over the period 1996-2015. Countries in red are in the group of advanced countries, emerging markets are in blue.

Figure 3: Correlation between net flows in country i and world flows. Computed using quarterly data.
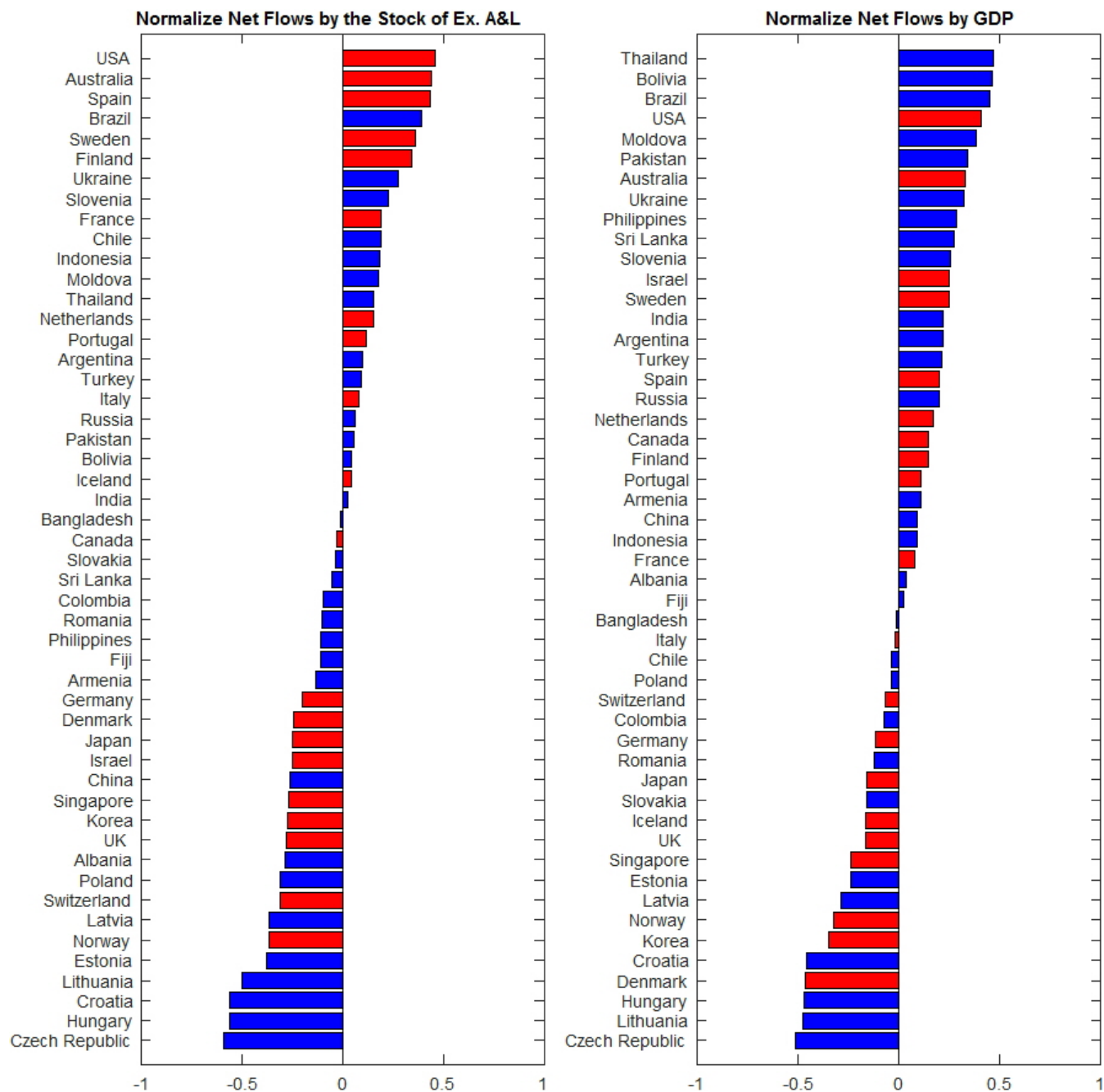
Note: Capital flows are normalized by the stock of external assets plus liabilities. Correlations are calculated using quarterly data over the period 1996-2015. Countries in red are in the group of advanced countries, emerging markets are in blue.

Figure 4: First and Second Global factors. Computed using quarterly data.
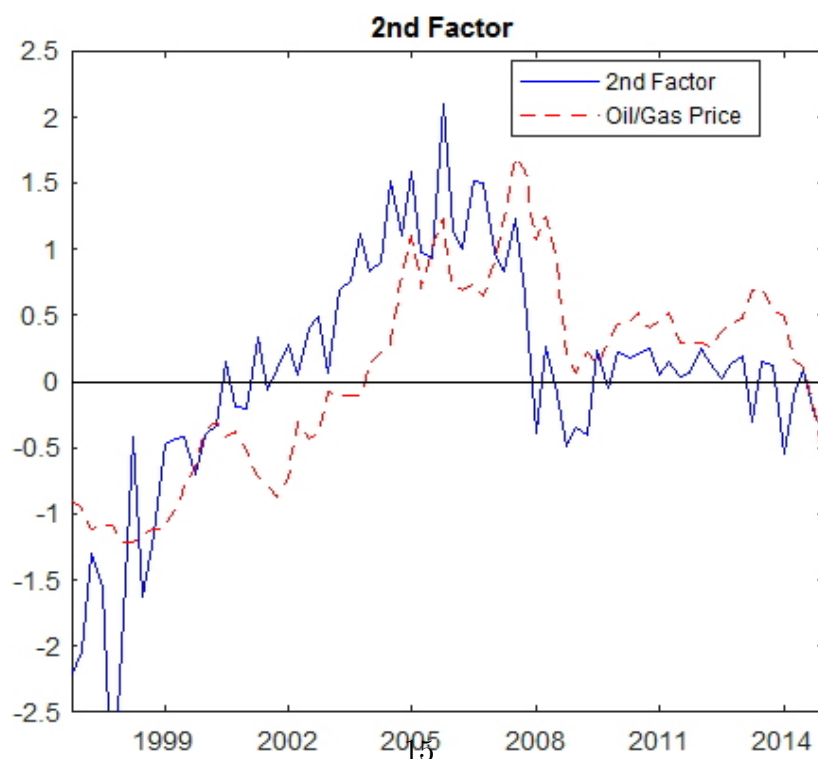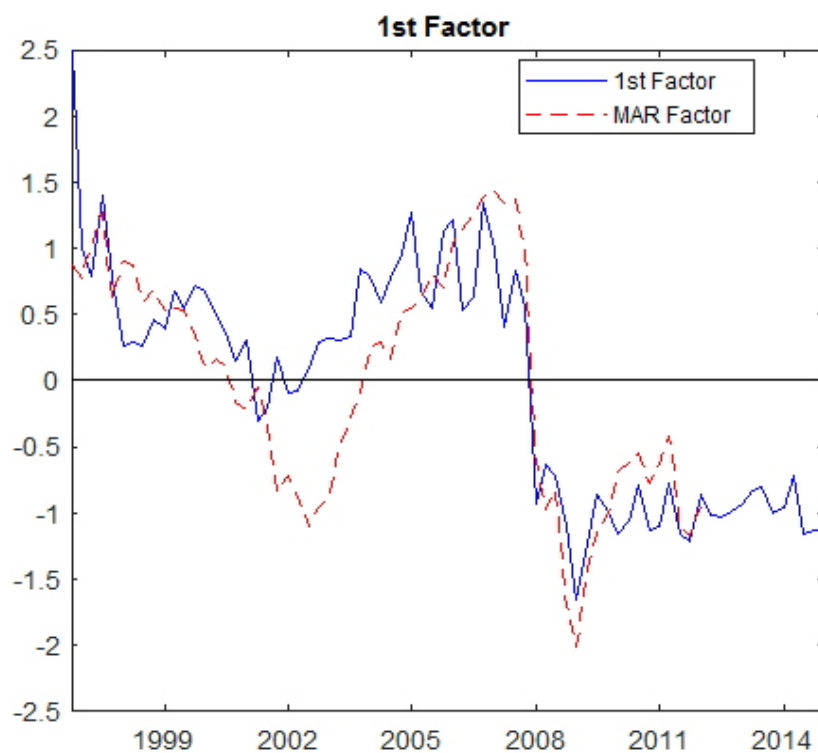
Notes: Before plotting all quarterly flows, we take the 4Q moving average of the quarterly series.

Figure 5: Observed gross and net flows, and fitted values from the factor model. Computed using quarterly data.
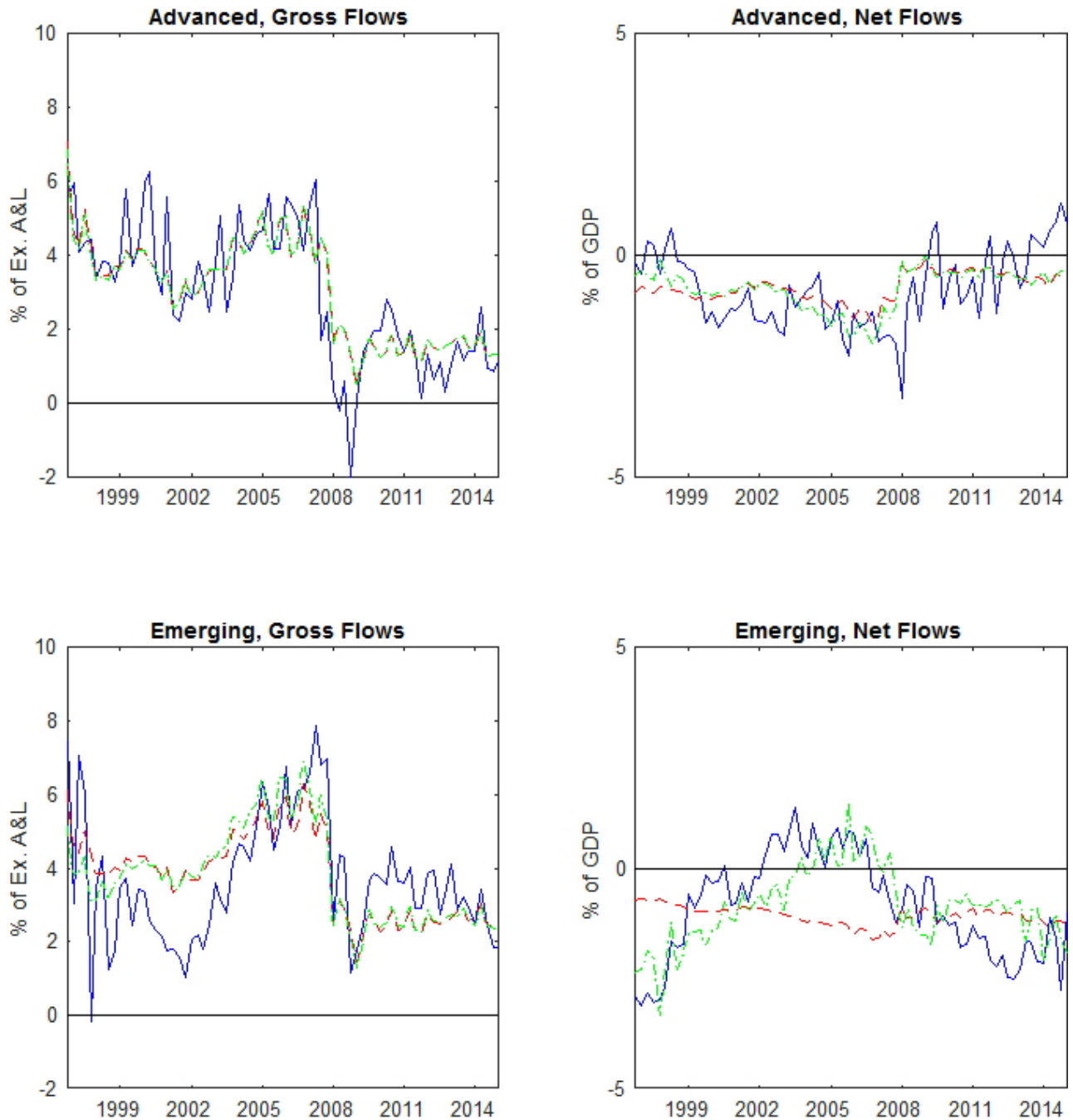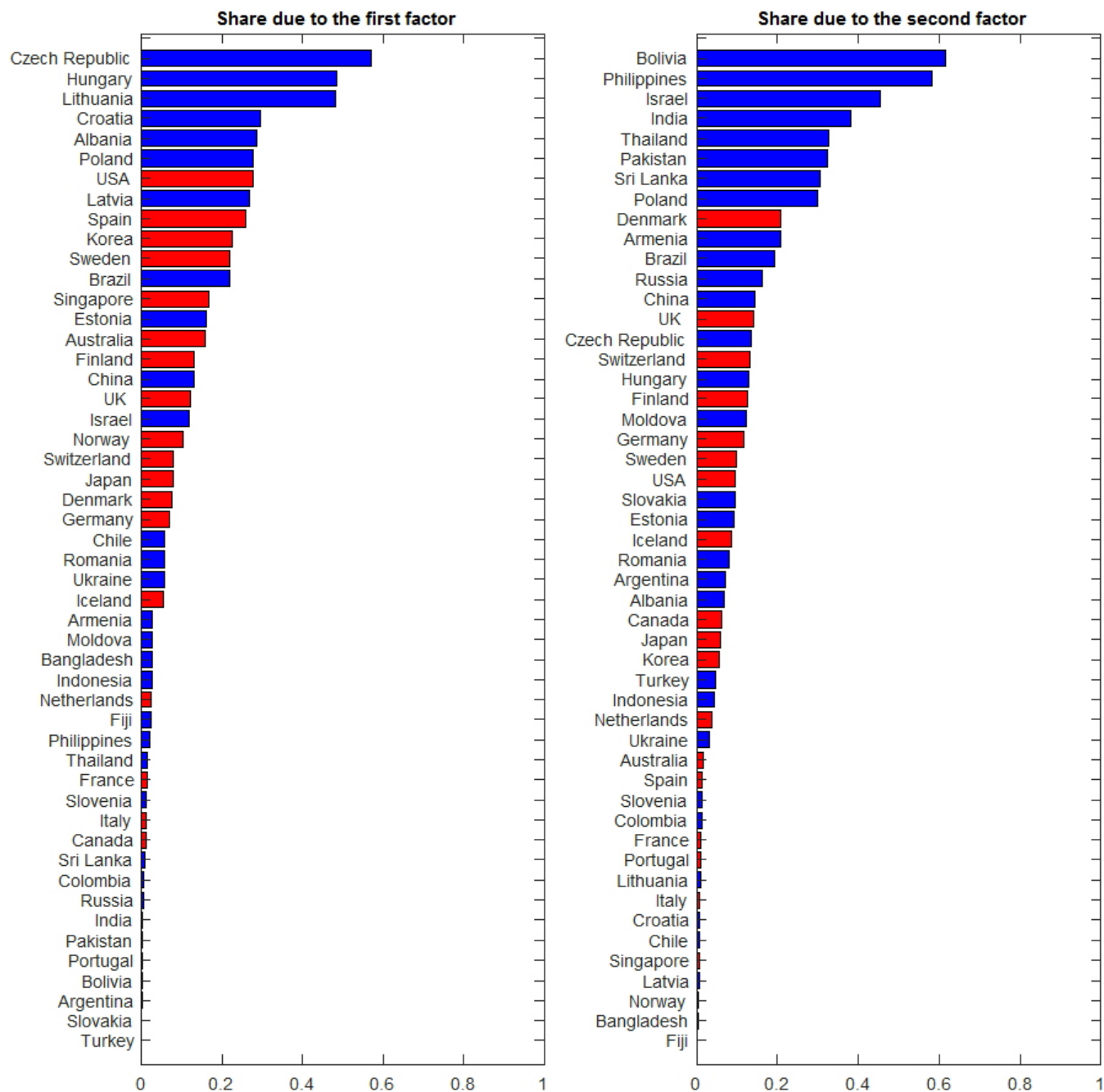

Note: Observed value is given with the blue line, fitted value based on the first global factor is given by the red line, fitted value based on the first and second global factors is given by the green line. Before plotting all quarterly flows, we take the 4Q moving average of the quarterly series.

Figure 6: Contribution of the first and second factors to the observed variance of gross flows. Calculated using quarterly data.
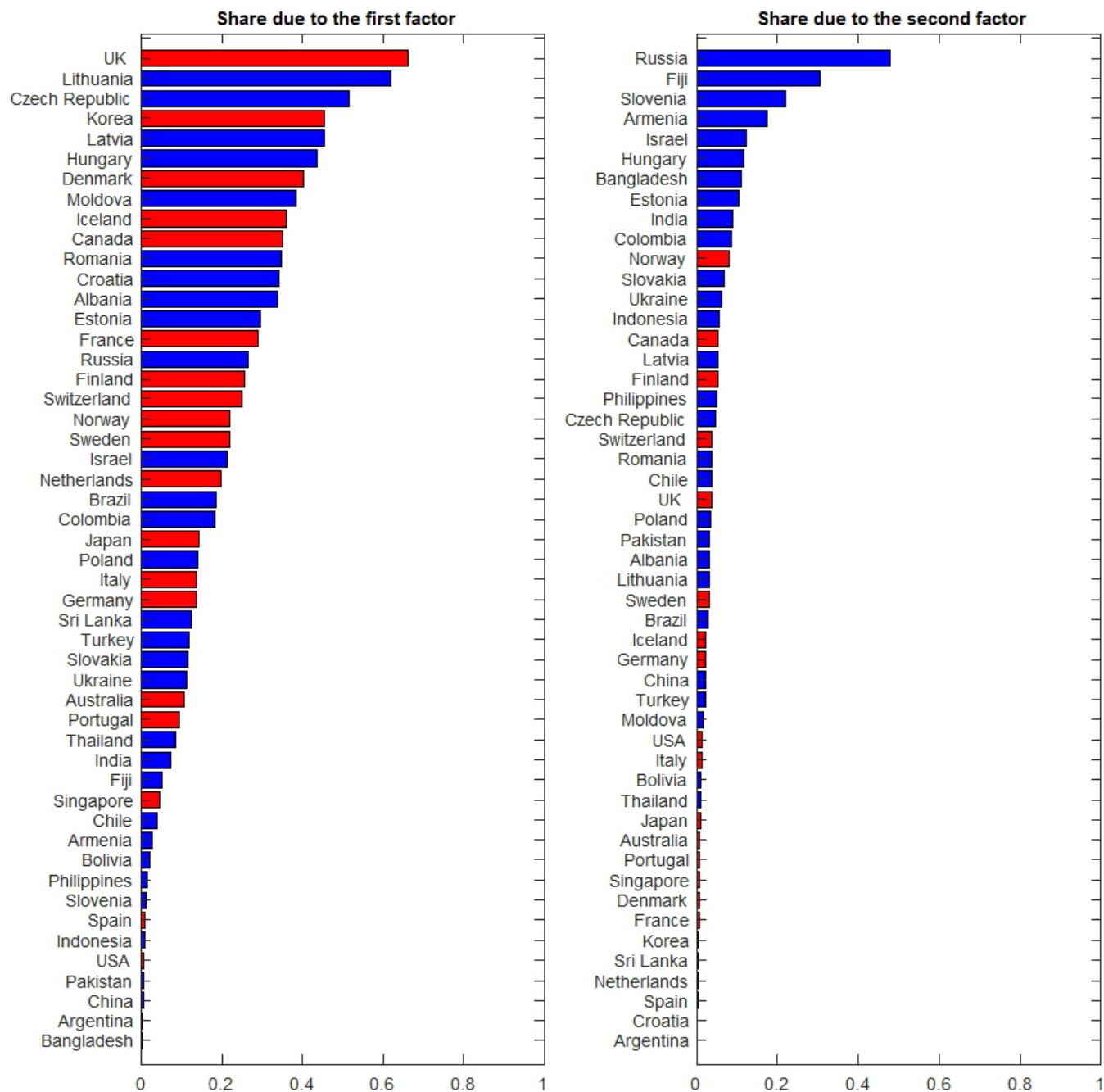
Note: Capital flows are normalized by the stock of external assets plus liabilities. Factors, loadings, and goodness of fit calculated using quarterly data over the period 1996-2015. Countries in red are in the group of advanced countries, emerging markets are in blue.

Figure 7: Contribution of the first and second factors to the observed variance of net flows. Calculated using quarterly data.

Note: Capital flows are normalized by the stock of external assets plus liabilities. Factors, loadings, and goodness of fit calculated using quarterly data over the period 1996-2015. Countries in red are in the group of advanced countries, emerging markets are in blue.