Online Appendix for "The dollar, bank leverage and deviations from covered interest parity"[*]

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Abstract

In this online appendix, we present regression results of the changes in the cross-currency basis and changes in the broad dollar index for individual currencies.

Table 1: Dollar beta by currency

	(1) AUD	(2) CAD	(3) CHF	(4) DKK	(5) EUR	(6) GBP	(7) JPY	(8) NOK	(9) NZD	(10) SEK
Panel (A): Three-month basis, daily frequency										
$\Delta Broad_t$	-1.465	-1.866	-2.754	-4.109	-3.351	-2.156	-3.102	-2.164	-0.465	-2.934
	(0.811)	(0.619)	(0.896)	(0.951)	(0.683)	(0.769)	(0.735)	(0.700)	(0.638)	(0.513)
Panel (B): Five-year basis, quarterly frequency										
$\Delta Broad_t$	-0.0162	-0.534	-1.554	-1.937	-1.826	-1.308	-2.299	-1.193	-0.0977	-1.116
	(0.378)	(0.475)	(0.377)	(0.609)	(0.485)	(0.296)	(0.512)	(0.282)	(0.414)	(0.238)

Notes: This table reports regression coefficients of changes in the cross-currency basis of currency i on the changes in the broad dollar. Panel A shows regressions based on daily changes using the three-month cross-currency basis and Panel B shows results based on quarterly changes using the five-year cross-currency basis. The sample period is January 1, 2007 to December 8, 2017. Robust standard errors are shown in the parentheses.