

Online Appendix (Not for Publication)

A.1. Additional tables

Table A.1: Timeline and magnitude of quantitative easing operations in the US, UK, Euro Area, and Japan, and coding scheme

Episode	Coding	Description
<i>QE1</i>	2009Q1–2010Q3	Major purchases by the US Fed of mortgage-backed securities and other “toxic assets” in the early stages of the crisis beginning in late 2008. By March 2009, the Fed had announced intentions to purchase financial assets totaling nearly \$1.7 trillion.
<i>QE2</i>	2010Q4–2011Q2	A program of Fed purchases of US Treasury securities in the second half of 2010, with announced purchases of \$600 billion.
<i>QE3</i> *	2012Q4–2013Q2 (2011Q4–2012Q1, 2012Q3–2013Q2)	A renewed program of Fed purchases of private mortgage-backed securities (MBS) beginning in late 2012. These included monthly purchases of \$40 billion of MBS, later expanded in December 2012 with additional \$45 billion of monthly treasury security purchases. Together, these would expand the Fed’s balance sheet by some \$1 trillion by the third quarter of 2013.† During the same period, the BoE expands its asset purchases to £375, the ECB purchases €40 billion in covered bonds and begins OMT in 2012Q3, and the BoJ expands asset purchases by a total of ¥20 trillion.

* For the G4, QE3 included additional periods that did not coincide with formal QE3 operations of the Federal Reserve, and the coding is provided in parentheses.

† During this period, the US Federal Reserve also implemented a program of purchases of long-term bonds (“Operation Twist”) and corresponding sales of short-term bonds starting in late 2011. Although involving no new net purchases of assets or quantitative expansion, this operation was aimed at reducing the demand for long-term bonds and lowering their yields relative to short-term bonds.

Table A.2: Definitions and sources of variables

Variable	Definition and construction	Data source(s) [†]
Gross financial inflows	Sum of changes in foreign holdings of direct investment, portfolio, and bank lending, net of disinvestment	BOP, LBS; Datastream, Haver
Gross fund inflows	Sum of bond and equity purchases in emerging market mutual funds	EPFR Global
QE episode	Indicator variable for all, QE1/QE2/QE3 episodes, with timing given by Table A.1	Authors
Central bank balance sheet expansion	Balance sheet expansion for Federal Reserve, Bank of England, Bank of Japan, and European Central Bank	FRB, ECB, BOJ, BoE; FRED
<i>Channels</i>		
3-month Treasury bill	Rate on the 3-month U.S. Treasury bill	FRB; Datastream
Money supply	Level of U.S. M2	FRB, FRED
Yield curve	Difference between yields on 10-year U.S. bonds and 3-month bills	FRB; Datastream
Global PMI	Purchasing Managers Index for manufacturing sector worldwide	JP Morgan; Markit
Interest rate differential	Difference between real interest rates of the developing country and the U.S.	IFS, Datastream
Growth differential	Difference between the real GDP growth rate of the developing country and the U.S.	Datastream, Haver, WDI
VIX	Index of implied volatility of S&P 500 index	CBOE, Datastream
<i>Controls</i>		
GDP	Gross domestic product (GDP) in nominal U.S. dollars	JP Morgan; Markit
Country rating	Rating of sovereign default risk, based on financial market analyst perceptions	Institutional Investor
DEV & HIC growth	Aggregate developing and high-income growth rate	WDI, Datastream, BIS
Global saving	Aggregate world saving	WDI
Trade/GDP	Sum of imports and exports as a share of GDP	Haver, Datastream, IFS, WDI
External debt/GDP [‡]	Total external public debt as a share of GDP	WDI, Datastream, BIS
Credit/GDP ratio [‡]	Domestic credit to the private sector as a share of GDP	IFS
Real exchange rate	Nominal exchange rate of one currency relative to another, adjusted by price differentials	IFS, WDI
<i>Alternatives</i>		
3-month bill futures	Rate on 3-year futures of the 3-month Treasury bill	Datastream
10-year note forwards	Implied forward computed from the 3-year forward of the 10-year Treasury note	Datastream, Bloomberg
QE tapering	Indicator variable for QE tapering announcement (2013Q2)	Authors
Interest rate spread	Difference between average yields on fixed income in the developing country and the U.S.	Datastream
G4 variables	Weighted-average of G4 3-month rate, money supply, and yield curve	FRB, FRED, Datastream
Global factor	Orthogonal rotation of the first principal component of vector of global variables	Authors

[†] BOP = IMF Balance of Payments Statistics; DS = Datastream; FRB = Board of Governors of Federal Reserve Statistical Releases; FRED = Federal Reserve Bank of St Louis Economic Data; IFS = IMF Interantional Financial Statistics; LBS = BIS Locational Banking Statistics; WDI = World Bank World Development Indicators.

[‡] Where available at the quarterly frequency, reported values were used; where unavailable, quarterly values were imputed by applying a cubic spline to the annual data.

Table A.3: Baseline sample of developing economies[†]

Albania	Honduras	Nicaragua
Argentina	India	Nigeria
Armenia	Indonesia	Pakistan
Azerbaijan	Jordan	Panama
Bangladesh	Kazakhstan	Paraguay
Belarus	Kyrgyz Republic	Peru
Belize	Lao PDR	Philippines
Brazil	Latvia	Romania
Bulgaria	Lebanon	Russian Federation
Cape Verde	Lesotho	Seychelles
Chile	Lithuania	South Africa
China	Macedonia, FYR	Sri Lanka
Colombia	Malaysia	Suriname
Costa Rica	Mauritius	Thailand
Dominican Republic	Mexico	Turkey
Ecuador	Moldova	Uganda
Egypt, Arab Rep.	Mongolia	Ukraine
El Salvador	Morocco	Uruguay
Georgia	Mozambique	Venezuela, RB
Guatemala	Namibia	Vietnam

[†] The baseline sample is the largest available sample for the parsimonious and extended specifications in Table 1.

Table A.4: Summary statistics for main variables in baseline, QE and non-QE periods[†]

	N	Mean	Std. Dev.	Min	Max
<i>QE periods</i>					
Gross financial inflows	1,346	10.965	0.125	10.428	11.958
3M T-bill rate	1,346	2.705	1.788	0.275	5.550
Money supply (M2)	1,346	15.841	0.111	15.639	16.075
Yield curve	1,346	1.237	1.286	-0.904	3.343
Interest rate differential	1,346	0.348	6.506	-65.311	49.048
Global PMI	1,346	54.103	4.413	39.100	61.000
Growth differential	1,337	3.773	3.978	-16.635	32.293
VIX	1,346	21.049	9.291	11.026	58.322
Central bank balance sheet	1,346	3.758	8.153	0.000	21.458
GDP	1,346	11.181	1.748	6.597	15.728
Developing GDP growth	1,346	6.253	1.975	2.669	9.048
High-income GDP growth	1,346	1.855	1.302	-3.225	3.862
Country rating	1,346	44.461	15.061	12.500	82.600
<i>Non-QE periods</i>					
Gross financial inflows	592	10.989	0.169	10.609	12.290
3M T-bill rate	592	0.375	0.180	0.220	0.851
Money supply (M2)	592	15.992	0.054	15.952	16.111
Yield curve	592	2.593	0.640	1.404	3.462
Interest rate differential	592	-0.522	4.645	-16.975	21.943
Global PMI	592	52.189	4.364	39.800	56.400
Growth differential	592	2.792	4.692	-15.986	17.492
VIX	592	23.235	8.040	13.551	44.907
Central bank balance sheet	592	20.886	0.853	18.227	21.611
GDP	592	11.282	1.803	7.210	15.781
Developing GDP growth	592	6.616	0.949	5.216	7.833
High-income GDP growth	592	0.267	3.094	-5.376	3.720
Country rating	592	47.025	14.532	20.300	81.050

[†] Summary statistics are provided for the sample between 2000Q1 and 2013Q2. QE periods are defined in Table A.1.

Table A.5: Correlation matrix for main variables of interest

	Gross inflows	3M T-bill	Money supply	Yield curve	Int. diff.	PMI	Growth diff.	VIX	Bal. sheet exp.	GDP	Dev. growth	H-inc. growth	Rating
Gross inflows	1.000												
3M T-bill	-0.005	1.000											
M2	0.122	-0.603	1.000										
Yield curve	-0.053	-0.844	0.147	1.000									
Int. diff.	-0.017	-0.047	-0.045	0.057	1.000								
PMI	0.092	0.191	-0.228	-0.004	0.067	1.000							
Growth diff.	0.159	0.235	-0.073	-0.228	-0.155	-0.081	1.000						
VIX	-0.147	-0.232	0.071	0.171	-0.063	-0.818	0.060	1.000					
Bal. sheet exp.	0.097	-0.770	0.879	0.452	-0.013	-0.219	-0.173	0.119	1.000				
GDP	0.536	-0.039	0.060	0.006	-0.058	-0.030	0.015	0.002	0.057	1.000			
Dev. growth	0.074	0.261	-0.021	-0.177	-0.030	0.583	0.045	-0.412	-0.043	-0.039	1.000		
H-inc. growth	0.096	0.188	-0.176	-0.137	0.088	0.791	-0.108	-0.659	-0.211	-0.005	0.300	1.000	
Rating	0.467	-0.012	0.215	-0.103	-0.079	-0.035	0.021	-0.017	0.135	0.506	0.034	-0.019	1.000

Table A.6: Alternative baseline regressions for gross financial inflows, unbalanced quarterly panel, 2000Q1–2013Q2 (FE estimator)[†]

	A.B1	A.B2	A.B3	A.B4	A.B5	A.B6
Lagged inflows	0.425 (0.05) ^{***}	0.431 (0.04) ^{***}	0.431 (0.04) ^{***}	0.421 (0.05) ^{***}	0.427 (0.05) ^{***}	0.428 (0.05) ^{***}
All QE episodes	0.027 (0.01) ^{***}			0.026 (0.01) ^{**}		
QE1 episode		0.046 (0.01) ^{***}			0.048 (0.01) ^{***}	
QE2 episode		0.033 (0.01) ^{***}			0.035 (0.01) ^{***}	
QE3 episode		0.009 (0.01)			0.008 (0.01)	
QE-related expansion			0.003 (0.00) ^{***}			0.002 (0.00) ^{***}
<i>Liquidity channel</i>						
3M T-bill rate	-0.014 (0.00) ^{***}	-0.019 (0.00) ^{***}	-0.004 (0.00) ^{**}	-0.016 (0.00) ^{***}	-0.017 (0.00) ^{***}	-0.006 (0.00)
Money supply (M2)				-0.100 (0.10)	0.118 (0.14)	-0.079 (0.11)
<i>Portfolio balance channel</i>						
Yield curve	-0.018 (0.00) ^{***}	-0.026 (0.01) ^{***}	-0.007 (0.00) ^{***}	-0.018 (0.01) ^{***}	-0.024 (0.01) ^{***}	-0.007 (0.00) [*]
Interest rate differential	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)
Global PMI				-0.001 (0.00)	-0.000 (0.00)	-0.002 (0.00)
Growth differential				0.001 (0.00) [*]	0.001 (0.00) [*]	0.001 (0.00)
<i>Confidence channel</i>						
VIX	-0.001 (0.00) ^{***}	-0.002 (0.00) ^{***}	-0.001 (0.00) ^{***}	-0.002 (0.00) ^{***}	-0.002 (0.00) ^{***}	-0.002 (0.00) ^{***}
<i>Basic controls</i>						
GDP	0.158 (0.09) [*]	0.154 (0.09) [*]	0.156 (0.09) [*]	0.149 (0.09)	0.146 (0.09)	0.148 (0.09)
Developing GDP growth	0.002 (0.00) ^{***}	0.000 (0.00)	0.002 (0.00) ^{**}	0.004 (0.00) ^{***}	0.000 (0.00)	0.004 (0.00) ^{***}
High-income GDP growth	-0.001 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	0.001 (0.00)	0.000 (0.00)
Country rating	0.002 (0.00) ^{**}	0.002 (0.00) [*]	0.002 (0.00) ^{**}	0.002 (0.00) [*]	0.002 (0.00) [*]	0.002 (0.00) [*]
Crisis period	-0.019 (0.01) [*]	-0.027 (0.01) ^{**}	-0.022 (0.01) [*]	-0.021 (0.01) [*]	-0.025 (0.01) ^{**}	-0.025 (0.01) ^{**}
Post-crisis period	0.001 (0.01)	-0.011 (0.01)	-0.026 (0.01) ^{**}	0.001 (0.01)	-0.009 (0.01)	-0.024 (0.01) [*]
Adj. R ²	0.368	0.371	0.366	0.368	0.371	0.367
R ² (within)	0.372	0.376	0.370	0.374	0.377	0.372
R ² (between)	0.522	0.525	0.525	0.526	0.529	0.528
N (countries)	1,938 (60)	1,938 (60)	1,938 (60)	1,925 (60)	1,925 (60)	1,925 (60)

[†] All level variables are in logarithmic form, but rates, indices, and indicator variables are untransformed. Autocorrelation and heteroskedasticity-robust standard errors are reported in parentheses. A time trend, country fixed effects, and a constant term were included in the regressions, but not reported. * indicates significance at 10 percent level, ** indicates significance at 5 percent level, and *** indicates significance at 1 percent level.

Table A.7: Alternative baseline regressions for gross financial inflows, unbalanced quarterly panel, 2000Q1–2013Q2 (standardized coefficients)[†]

	A.SB1	A.SB2	A.SB3	A.SB4	A.SB5	A.SB6
Lagged inflows	0.463 (0.02)***	0.471 (0.02)***	0.470 (0.02)***	0.460 (0.02)***	0.467 (0.02)***	0.467 (0.02)***
All QE episodes	0.149 (0.03)***			0.142 (0.04)***		
QE1 episode		0.257 (0.05)***			0.264 (0.06)***	
QE2 episode		0.179 (0.05)***			0.191 (0.06)***	
QE3 episode		0.042 (0.05)			0.034 (0.06)	
QE-related expansion			0.144 (0.04)***			0.131 (0.04)***
<i>Liquidity channel</i>						
3M T-bill rate	-0.132 (0.04)***	-0.194 (0.04)***	-0.036 (0.04)	-0.154 (0.08)*	-0.165 (0.08)**	-0.058 (0.07)
Money supply (M2)				-0.077 (0.16)	0.103 (0.19)	-0.070 (0.16)
<i>Portfolio balance channel</i>						
Yield curve	-0.128 (0.03)***	-0.187 (0.04)***	-0.049 (0.03)	-0.129 (0.06)**	-0.172 (0.06)***	-0.046 (0.05)
Interest rate differential	-0.066 (0.07)	-0.053 (0.07)	-0.077 (0.07)	-0.067 (0.08)	-0.056 (0.08)	-0.077 (0.08)
Global PMI				-0.028 (0.04)	-0.012 (0.04)	-0.039 (0.04)
Growth differential				0.024 (0.01)*	0.025 (0.01)*	0.022 (0.01)
<i>Confidence channel</i>						
VIX	-0.062 (0.02)***	-0.079 (0.02)***	-0.062 (0.02)***	-0.080 (0.02)***	-0.077 (0.02)***	-0.084 (0.02)***
<i>Basic controls</i>						
GDP	1.513 (0.31)***	1.467 (0.31)***	1.494 (0.31)***	1.407 (0.34)***	1.365 (0.33)***	1.396 (0.34)***
Developing GDP growth	0.024 (0.01)*	0.003 (0.01)	0.018 (0.01)	0.036 (0.02)**	-0.000 (0.02)	0.034 (0.02)**
High-income GDP growth	-0.011 (0.02)	-0.005 (0.02)	-0.006 (0.02)	-0.004 (0.02)	0.011 (0.02)	0.004 (0.02)
Country rating	0.147 (0.04)***	0.131 (0.04)***	0.145 (0.04)***	0.142 (0.04)***	0.131 (0.04)***	0.141 (0.04)***
Crisis period	-0.103 (0.07)	-0.149 (0.07)**	-0.125 (0.07)*	-0.116 (0.08)	-0.140 (0.08)*	-0.141 (0.08)*
Post-crisis period	0.011 (0.07)	-0.062 (0.07)	-0.152 (0.09)*	0.011 (0.08)	-0.054 (0.08)	-0.140 (0.09)
Adj. R ²	0.368	0.371	0.366	0.368	0.371	0.367
R ² (within)	0.372	0.376	0.370	0.374	0.377	0.372
R ² (between)	0.522	0.525	0.525	0.526	0.529	0.528
N (countries)	1,938 (60)	1,938 (60)	1,938 (60)	1,925 (60)	1,925 (60)	1,925 (60)

[†] All level variables are in logarithmic form, but rates, indices, and indicator variables are untransformed. Bootstrapped standard errors (with 100 replications) are reported in parentheses. A time trend, country fixed effects, and constant term were included in the regressions, but not reported. * indicates significance at 10 percent level, ** indicates significance at 5 percent level, and *** indicates significance at 1 percent level.

Table A.8: Baseline regressions for gross financial inflows with capital openness, unbalanced quarterly panel, 2000Q1–2013Q2[†]

	K.B1	K.B2	K.B3	K.B4	K.B5	K.B6
Lagged inflows	0.463 (0.03)***	0.474 (0.03)***	0.475 (0.03)***	0.459 (0.03)***	0.470 (0.03)***	0.471 (0.03)***
All QE episodes	0.031 (0.01)***			0.032 (0.01)***		
QE1 episode		0.050 (0.01)***			0.049 (0.01)***	
QE2 episode		0.034 (0.01)***			0.036 (0.01)***	
QE3 episode		0.007 (0.01)			0.005 (0.01)	
QE-related expansion			0.004 (0.00)***			0.004 (0.00)***
<i>Liquidity channel</i>						
3M T-bill rate	-0.017 (0.01)**	-0.021 (0.01)***	-0.016 (0.01)**	-0.016 (0.01)*	-0.019 (0.01)**	-0.013 (0.01)*
Money supply (M2)				0.066 (0.21)	0.153 (0.23)	0.120 (0.20)
<i>Portfolio balance channel</i>						
Yield curve	-0.023 (0.01)***	-0.028 (0.01)***	-0.023 (0.01)**	-0.023 (0.01)**	-0.027 (0.01)***	-0.020 (0.01)**
Interest rate differential	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)	-0.000 (0.00)
Global PMI				0.000 (0.00)	-0.000 (0.00)	-0.001 (0.00)
Growth differential				0.001 (0.00)	0.001 (0.00)	0.001 (0.00)
<i>Confidence channel</i>						
VIX	-0.002 (0.00)***	-0.002 (0.00)***	-0.002 (0.00)***	-0.001 (0.00)***	-0.002 (0.00)***	-0.002 (0.00)***
<i>Basic controls</i>						
GDP	0.131 (0.03)***	0.128 (0.03)***	0.130 (0.03)***	0.122 (0.03)***	0.120 (0.03)***	0.121 (0.03)***
Developing GDP growth	0.003 (0.00)	0.001 (0.00)	0.008 (0.00)***	0.003 (0.00)	0.001 (0.00)	0.009 (0.00)***
High-income GDP growth	-0.003 (0.00)	-0.001 (0.00)	-0.005 (0.00)**	-0.002 (0.00)	0.000 (0.00)	-0.004 (0.00)
Country rating	0.002 (0.00)***	0.002 (0.00)***	0.002 (0.00)***	0.002 (0.00)***	0.002 (0.00)***	0.002 (0.00)***
Capital openness	-0.032 (0.02)*	-0.034 (0.02)**	-0.030 (0.02)*	-0.032 (0.02)*	-0.034 (0.02)*	-0.029 (0.02)
Crisis period	-0.017 (0.02)	-0.028 (0.02)*	-0.016 (0.02)	-0.014 (0.02)	-0.024 (0.02)	-0.016 (0.02)
Post-crisis period	0.003 (0.02)	-0.013 (0.02)	-0.029 (0.02)	0.006 (0.02)	-0.010 (0.02)	-0.027 (0.02)
Adj. R ²	0.366	0.371	0.368	0.366	0.371	0.368
R ² (within)	0.371	0.376	0.373	0.372	0.378	0.374
R ² (between)	0.531	0.533	0.533	0.534	0.536	0.536
N (countries)	1,888 (59)	1,888 (59)	1,875 (59)	1,875 (59)	1,875 (59)	1,875 (59)

[†] All level variables are in logarithmic form, but rates, indices, and indicator variables are untransformed. Bootstrapped standard errors (with 100 replications) are reported in parentheses. A time trend, country fixed effects, and a constant term were included in the regressions, but not reported. * indicates significance at 10 percent level, ** indicates significance at 5 percent level, and *** indicates significance at 1 percent level.

Table A.9: Baseline regressions for gross financial inflows, balanced quarterly panel (15 largest economies), 2000Q1–2013Q2 (PMG estimator)[†]

	P.B1	P.B2	P.B3	P.B4	P.B5	P.B6
All QE episodes	0.036 (0.01)***			0.037 (0.01)***		
QE1 episode		0.066 (0.02)***			0.060 (0.01)***	
QE2 episode		0.042 (0.02)***			0.043 (0.01)***	
QE3 episode		0.015 (0.01)			0.018 (0.01)	
QE-related expansion			0.005 (0.00)***			0.005 (0.00)***
<i>Liquidity channel: long-run</i>						
3M T-bill rate	-0.015 (0.01)*	-0.023 (0.01)**	-0.021 (0.01)**	-0.014 (0.01)	-0.018 (0.01)	-0.004 (0.01)
Money supply (M2)				-0.026 (0.33)	0.112 (0.35)	0.543 (0.29)*
<i>Portfolio balance channel: long-run</i>						
Yield curve	-0.030 (0.01)***	-0.040 (0.01)***	-0.037 (0.01)***	-0.027 (0.01)**	-0.032 (0.01)**	-0.023 (0.01)*
Interest rate differential	-0.001 (0.00)	-0.000 (0.00)	-0.001 (0.00)	-0.002 (0.00)**	-0.001 (0.00)	-0.001 (0.00)*
Global PMI				-0.001 (0.00)	-0.002 (0.00)	-0.003 (0.00)*
Growth differential				-0.001 (0.00)	-0.001 (0.00)	-0.000 (0.00)
<i>Confidence channel: long-run</i>						
VIX	-0.001 (0.00)*	-0.002 (0.00)**	-0.002 (0.00)***	-0.001 (0.00)	-0.002 (0.00)*	-0.002 (0.00)**
<i>Liquidity channel: short-run</i>						
3M T-bill rate	-0.023 (0.01)	-0.021 (0.01)	-0.023 (0.01)	-0.014 (0.02)	-0.013 (0.02)	-0.018 (0.02)
Money supply (M2)				-0.851 (0.53)	-0.836 (0.52)	-1.368 (0.51)***
<i>Portfolio balance channel: short-run</i>						
Yield curve	-0.010 (0.02)	-0.005 (0.02)	-0.002 (0.02)	0.001 (0.03)	0.003 (0.03)	0.004 (0.03)
Interest rate differential	0.003 (0.01)	0.003 (0.01)	0.003 (0.01)	0.005 (0.01)	0.005 (0.01)	0.005 (0.01)
Global PMI				-0.003 (0.00)	-0.003 (0.00)	-0.003 (0.00)
Growth differential				-0.000 (0.00)	-0.000 (0.00)	-0.001 (0.00)
<i>Confidence channel: short-run</i>						
VIX	-0.003 (0.00)***	-0.003 (0.00)**	-0.002 (0.00)**	-0.005 (0.00)***	-0.004 (0.00)***	-0.004 (0.00)***
Basic controls	Yes	Yes	Yes	Yes	Yes	Yes
Log likelihood	971.401	973.844	971.278	997.395	999.507	998.681
N (countries)	668 (15)	668 (15)	668 (15)	662 (15)	662 (15)	662 (15)

[†] All level variables are in logarithmic form, but rates, indices, and indicator variables are untransformed. Group-specific standard errors are reported in parentheses. A time trend, country fixed effects, and a constant term were included in the regressions, but not reported. Estimation uses maximum likelihood with the Davidon-Fletcher-Powell algorithm. * indicates significance at 10 percent level, ** indicates significance at 5 percent level, and *** indicates significance at 1 percent level.

Table A.10: Placebo regressions for gross financial inflows, unbalanced quarterly panel, 2000Q1–2013Q2[†]

	P1	P2	P3	P4
Lagged inflows	0.469 (0.02) ^{***}	0.468 (0.02) ^{***}	0.468 (0.02) ^{***}	0.469 (0.02) ^{***}
QE placebo	0.011 (0.01) [*]	0.005 (0.01)	-0.018 (0.01) ^{***}	-0.002 (0.01)
Channel variables	Yes	Yes	Yes	Yes
Basic controls	Yes	Yes	Yes	Yes
Adj. R ²	0.217	0.213	0.218	0.213
R ² (within)	0.221	0.218	0.223	0.217
R ² (between)	0.436	0.436	0.436	0.436
N (countries)	1,938 (60)	1,938 (60)	1,938 (60)	1,938 (60)

[†] The placebos correspond to: (P1) Extending the QE period to include all of 2008; (P2) extending the QE period to include all of 2008 and the lapse period between QE2 and QE3 (2011Q3–2012Q2); (P3) Shifting the all QE episodes indicator forward by 18 periods (to start in 2004Q3); (P4) Shifting the all QE episodes indicator forward to the beginning of the sample (to start in 2000Q1). All level variables are in logarithmic form, but rates, indices, and indicator variables are untransformed. Bootstrapped standard errors (with 100 replications) are reported in parentheses. A time trend, country fixed effects, and constant term were included in the regressions, but not reported. * indicates significance at 10 percent level, ** indicates significance at 5 percent level, and *** indicates significance at 1 percent level.

A.2. Additional figures

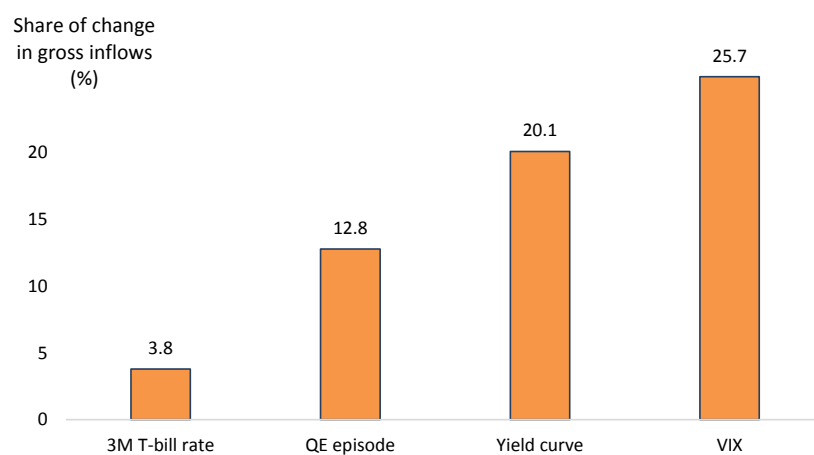


Figure A.1: Increase in gross inflows to developing economies between 2009H1 and 2013H1 attributable to changes in global monetary conditions, in shares of the total change. The remaining 38 percent were due to changes in domestic factors.