README for "Exchange Rates and Asset Prices in a Global Demand System" in *Journal of Political Economy*

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Overview

The replication package contains all data files except for nonpublic data from Finaeon (2023), MSCI (2002–2020), Refinitiv (2003–2020), and Standard and Poors (2003–2020). The Stata code in the replication package constructs all data files and produces all tables and figures in the paper, provided the nonpublic data.

Data Availability and Provenance Statements

Statement about Rights

- We certify that the authors of the paper have legitimate access to and permission to use the data used in the paper.
- We certify that the authors of the paper have documented permission to redistribute/publish the data contained within the replication package.

Summary of Availability

- Some data cannot be made publicly available.

Details on Each Data Source

The data on the MSCI country indexes (MSCI 2002–2020 and Refinitiv 2003–2020) require a license agreement with MSCI. These data are not in the replication package, so users must contact the data vendors to obtain a license. We provide dummy data files (i.e., codebooks) with only variable names and missing observations that reveal the file structure.

The data on S&P 500 market-to-book equity (Finaeon 2023) require a license agreement with Standard and Poors. These data are not in the replication package, so users must contact the data vendor to obtain a license. We provide dummy data files (i.e., codebooks) with only variable names and missing observations that reveal the file structure.

The authors will preserve these nonpublic data for five years following publication of the paper. The authors will assist with any reasonable replication attempts for five years following publication.

The data on S&P credit ratings (Standard and Poors 2003–2020) are in the replication package with permission to redistribute from Standard and Poors.

See Appendix C of the paper for a detailed description of the following data sources.

Data files	**Location**	**Citation**	**Provided**
WS_DEBT_SEC2_PUB_csv_col.dta	Data/BIS/Debt securities statistics/	BIS (2003–2020)	Yes
Capital IQ Entity Ratings.dta	Data/Compustat/	S&P (2003–2020)	Yes
SP Default Rates.dta	Data/Compustat/	S&P (2018)	Yes
Interest Rates.xlsm	Data/Datastream/	Refinitiv (2003–2020)	Yes
MSCI.xlsm MSCI dummy.xlsm	Data_nonpublic/Datastream/	Refinitiv (2003–2020)	No
dist_cepii.dta	Data/GeoDist/	Mayer and Zignago (2011)	Yes
Restated_Bilateral_External_Portfolios.dta, Restatement_Matrices.dta	Data/Global Capital Allocation/	Coppola et al. (2021)	Yes
SPX.xlsx SPX dummy.xlsx	Data_nonpublic/Global Financial Data/	Finaeon (2023)	No
CPIS_03-10-2022.dta	Data/IMF/CPIS/	IMF (2003–2020a)	Yes
IFS_06-26-2023.dta	Data/IMF/IFS/	IMF (2003–2020b)	Yes
MSCI MV PBV.xlsx MSCI MV PBV dummy.xlsx	Data_nonpublic/MSCI/	MSCI (2002–2020)	No
SNA_TABLE720.dta, SNA_TABLE720R.dta	Data/OECD/	OECD (2003–2020)	Yes

shca2003/Table 18.xlsx, Table 19.xlsx, Table 24.xlsx shca2004/Table 21.xlsx, Table 22.xlsx, Table 27.xlsx shca2005/Table 21.xlsx, Table 22.xlsx, Table 27.xlsx shca2006/Table 21.xlsx, Table 22.xlsx, Table 27.xlsx shca2007/shc2007r-appx.xlsx shca2008/shc2008r-appx.xlsx shca2009/shc2009r-appx.xlsx shca2010/shc2010r-appx.xlsx shca2011/shc2011r-appx.xlsx shca2012/shc2012r-appx.xlsx shca2013/appendix_tab06.xlsx, appendix_tab07.xlsx, appendix_tab12.xlsx shca2014/shc14_app06.xlsx, shc14_app07.xlsx, shc14_app12.xlsx shca2015/shc15_app06.xlsx, shc15_app07.xlsx, shc15_app12.xlsx shca2016/shc_app06_2016.xlsx, shc_app07_2016.xlsx, shc_app12_2016.xlsx shca2017/shc_app06_2017.xlsx, shc_app07_2017.xlsx, shc_app12_2017.xlsx shca2018/shc_app06_2018.xlsx, shc_app07_2018.xlsx, shc_app12_2018.xlsx shca2019/shc_app06_2019.xlsx, shc_app07_2019.xlsx, shc_app12_2019.xlsx shca2020/shc_app06_2020.xlsx, shc_app07_2020.xlsx, shc_app12_2020.xlsx	Data/US Treasury/	U.S. Department of the Treasury (2003–2020)	Yes
API_CM.MKT.LCAP.CD_DS2_en_excel_v2_5608355.xls API_FP.CPI.TOTL_DS2_en_excel_v2_5607584.xls API_NE.CON.TOTL.CD_DS2_en_excel_v2_5611059.xls API_NE.CON.TOTL.KN_DS2_en_excel_v2_5611597.xls API_NY.GDP.MKTP.CD_DS2_en_excel_v2_5607200.xls	Data/World Bank/	World Bank (2003–2020)	Yes

API_NY.GDP.MKTP.KN_DS2_en_excel_v2_5607598.xls API_NY.GDP.MKTP.PP.CD_DS2_en_excel_v2_5795834.xls API_NY.GDP.PCAP.PP.CD_DS2_en_excel_v2_5708311.xls API_PA.NUS.PPP_DS2_en_excel_v2_5607721.xls API_PA.NUS.PRVT.PP_DS2_en_excel_v2_5607340.xls API_SP.POP.TOTL_DS2_en_excel_v2_5607126.xls			

Dataset List

We provide the following link file to merge the various data sources.

Data files	Location	Source	Provided
Countries.dta	Code/1 Data/	Authors	Yes

Computational Requirements

Software Requirements

- Stata-MP 18.0 with installation of estout and egenmore.

Memory and Runtime Requirements

Approximate time needed to reproduce the analyses on a 4-core Intel-based desktop with 16 GB of RAM and Windows 11: 8–24 hours.

The code was last run on a 48-core Intel-based server with 384 GB of RAM, 3 TB of fast local storage, and Windows 11 Enterprise Version 24H2. Computation took 4 hours.

Description of Programs

- The programs in “Code/1 Data” construct the dataset. The file “Code/1 Data/doAll.do” runs them all.

- The programs in “Code/2 Summary” construct the tables and figures that contain summary statistics. The file “Code/2 Summary/doAll.do” runs them all.

- The programs in “Code/3 Estimation” estimate the asset demand system. The file “Code/3 Estimation/doAll.do” runs them all.

- The programs in “Code/4 Elasticity” estimate the demand elasticities. The file “Code/4 Elasticity/doAll.do” runs them all.

- The programs in “Code/5 Decomposition” estimate the variance decompositions. The file “Code/5 Decomposition/doAll.do” runs them all.

- The programs in “Code/6 Valuation” estimate the convenience yields. The file “Code/6 Valuation/doAll.do” runs them all.

License for Code

The code is licensed under a Creative Commons BY-NC (Attribution-NonCommercial) license.

Instructions to Replicators

1. Unzip JPE20241365_Replication.zip.

2. Run “Code/1 Data/doAll.do” in Stata.

3. Run “Code/2 Summary/doAll.do” in Stata.

4. Run “Code/3 Estimation/doAll.do” in Stata.

5. Run “Code/4 Elasticity/doAll.do”, “Code/5 Decomposition/doAll.do”, and “Code/6 Valuation/doAll.do” in Stata. These files can be run in parallel.

List of Tables and Programs

The Stata code in the replication package produces the following tables and figures in the paper, provided the nonpublic data.

Figure/Table	Program	Line number	Output file
Table 1	Code/2 Summary/ Summary0.do	Line 67	Summary0.log
Table 2	Code/2 Summary/ Summary0.do	Line 81	Summary0.log
Table 3	Code/3 Estimation/ Prediction0.do	Line 15	Prediction0.log
Table 4	Code/3 Estimation/ Estimation0.do	Line 20	Estimation0.log
Table 5	Code/3 Estimation/ Estimation0.do	Line 20	Estimation0.log
Table 6	Code/3 Estimation/ Consumption0.do	Line 20	Consumption0.log
Table 7	Code/5 Decomposition/ Tables0.do	Lines 36, 52, 68, 84	Tables0.log
Table 8	Code/5 Decomposition/ Tables1.do	Line 45	Tables1.log
Table 9	Code/3 Estimation/ Summary0.do	Lines 32, 37	Summary0.log
Table 10	Code/6 Valuation/ Tables0.do	Lines 37, 39, 41, 43	Tables0.smcl
Table E1	Code/3 Estimation/ Estimation2.do	Line 20	Estimation2.log
Figure 1	Code/2 Summary/Plot0.do	Line 65	Plot0.smcl
Figure 2	Code/2 Summary/Plot0.do	Line 83	Plot0.smcl
Figure 3	Code/2 Summary/Plot0.do	Line 99	Plot0.smcl
Figure 5	Code/3 Estimation/Plot0.do	Line 48	Plot0.smcl
Figure 6	Code/5 Decomposition/ Tables1.do	Lines 74, 86	Tables1.log
Figure 7	Code/6 Valuation/ Tables0.do	Line 52	Tables0.smcl

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