STATA CODE FOR PROBIT RESULTS

Apply the following command to industrial countries, developing countries, and the pooled sample:

```
probit it inf_1 open bmg gdppcg fix fsgdp, robust
```

STATA CODE FOR MATCHING RESULTS

1. Industrial Countries

A. Real Exchange Rate Volatility:

```
bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(reervol)
```

B. Nominal Exchange Rate Volatility:

```
bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(neervol)
```

C. Reserve in Months of Imports:

```
bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(resimp)
```

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(resimp)

D. Reserve to M2 Ratio:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(resm2)

E. Current Account to GDP ratio:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(cagdp)

2. Developing Countries

A. Real Exchange Rate Volatility:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.38) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.19) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.095) out(reervol)

B. Nominal Exchange Rate Volatility:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.38) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.19) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.095) out(neervol)

C. Reserve in Months of Imports:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.38) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.19) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.095) out(resimp)

D. Reserve to M2 Ratio:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.38) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.19) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.095) out(resm2)

E. Current Account to GDP ratio:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.38) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.19) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.095) out(cagdp)

3. Pooled Sample

A. Real Exchange Rate Volatility:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(reervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(reervol)

B. Nominal Exchange Rate Volatility:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(neervol)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(neervol)

C. Reserve in Months of Imports:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(resimp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(resimp)

D. Reserve to M2 Ratio:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(resm2)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(resm2)

E. Current Account to GDP ratio:

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, n(3) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, llr out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, kernel out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.32) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.16) out(cagdp)

bs t=r(att), reps(500): psmatch2 it inf_1 open bmg gdppcg fix fsgdp, radius caliper (0.08) out(cagdp)