

# Accepted Manuscript

What drives dynamic comovements of stock markets in the Pacific Basin region?: A quantile regression approach

Hyunchul Lee, Seung Mo Cho

PII: S1059-0560(17)30400-8

DOI: [10.1016/j.iref.2017.05.005](https://doi.org/10.1016/j.iref.2017.05.005)

Reference: REVECO 1425

To appear in: *International Review of Economics and Finance*

Received Date: 27 March 2015

Revised Date: 27 March 2017

Accepted Date: 16 May 2017

Please cite this article as: Lee H. & Cho S.M., What drives dynamic comovements of stock markets in the Pacific Basin region?: A quantile regression approach, *International Review of Economics and Finance* (2017), doi: 10.1016/j.iref.2017.05.005.

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



# What Drives Dynamic Comovements of Stock Markets in the Pacific Basin Region?: A Quantile Regression Approach

Hyunchul Lee<sup>†</sup> and Seung Mo Cho<sup>‡\*1</sup>

<sup>†</sup>Division of Business Administration, Chosun University, Gwangju, South Korea

<sup>‡</sup> School of Economics and Finance, Yeungnam University, Gyeongsan, South Korea

## Abstract

In this paper, we show that pairwise similarities of a set of macroeconomic variables among major countries in the Pacific Basin region can account for the stock market comovements in the region. We first suggest a simple theoretical argument why pairwise similarities of macroeconomic variables can derive stock market comovements. We then apply the conditional nonlinear quantile regression on the pairwise realized stock return correlations for the stock markets in the Pacific Basin region from 1990 to 2012 to empirically justify the argument. As a result, we find evidence that smaller pairwise differences or larger pairwise similarities of a set of macroeconomic variables significantly drive the stock market comovements in the region in a nonlinear way.

*Keywords:* Stock market comovements; Macroeconomic performances; Realized correlations; Nonlinearity; Conditional quantile regression

**JEL Classification:** E00, F36, G15

---

\*Corresponding to: [choseungmo@yu.ac.kr](mailto:choseungmo@yu.ac.kr) / Tel. +82 10 4630 6743

متن کامل مقاله

دریافت فوری ←

**ISI**Articles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات