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# Measuring contagion effects between crude oil and Chinese stock market sectors

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Highlights

- We investigate extreme events in the return process of the Chinese stock market at the sectoral level.
- A multinomial logit model is applied to evaluate the contagion effect from the international crude oil market.
- Our empirical findings suggest that the explanatory power of oil returns for synchronous tail events across sectors is relatively weak but never negligible.
- The results indicate that the contagion from the oil market to China's stock market is significantly different across categories and between positive co-exceedances and negative co-exceedances.