Appendix

ADF Test for series: Gold spot price

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%
-2.56	-1.94	-1.62

value of test statistic: 0.3223

KPSS test for series: Gold spot price

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

10%	5%	1%
0.347	0.463	0.739

value of test statistic: 34.8170

ADF Test for series: Gold ó transformed series

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%
-2.56	-1.94	-1.62

value of test statistic: -22.7220

KPSS test for series: Gold-transformed series

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

10%	5%	1%
0.347	0.463	0.739

value of test statistic: 0.4308

Checking ARMA model for autocorrelation, heteroskedasticity and normality

PORTMANTEAU TEST with 16 lags

Portmanteau: 22.7393

 p-Value (Chi^2):   0.0646

Ljung & Box: 22.9371

 p-Value (Chi^2):   0.0613

JARQUE-BERA TEST:

test statistic: 2123.3262

 p-Value(Chi^2):   0.0000

skewness: -0.3384

kurtosis: 8.8875

ARCH-LM TEST with 4 lags:

test statistic: 38.2530

 p-Value(Chi^2):   0.0000

F statistic: 9.8229

 p-Value(F):   0.0000

Checking GARCH(1,1) for further dependencies

ARCH-LM TEST with 4 lags for "GARCH Residuals"

test statistic: 4.6218

 p-Value(Chi^2):   0.3283

F statistic: 1.1608

 p-Value(F):   0.3266

JARQUE-BERA TEST for "GARCH Residuals"

test statistic: 60.8123

 p-Value(Chi^2):   0.0000

skewness: -0.4445

kurtosis: 3.8064

TEST OF NO REMAINING ARCH with 1 lags

F-test stat.   2.0199

 p-value   0.1556

 degfree1   1.0000

 degfree2   1012.0000

ADF Test for series: Oil spot price

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%
-2.56	-1.94	-1.62

value of test statistic: -1.0189

KPSS test for series: Oil spot price

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

10%	5%	1%
0.347	0.463	0.739

value of test statistic: 25.8515

ADF Test for series: Oil ó transformed series

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

 1%   5%   10%

-2.56   -1.94   -1.62

value of test statistic: -21.3092

KPSS test for series: Oil ó transformed series

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

 10%   5%   1%

0.347   0.463   0.739

value of test statistic: 0.3048

Checking ARMA model for autocorrelation, heteroskedasticity and normality

PORTMANTEAU TEST with 16 lags

Portmanteau: 46.8827

 p-Value (Chi^2):   0.0000

Ljung & Box: 47.2934

 p-Value (Chi^2):   0.0000

JARQUE-BERA TEST:

test statistic: 3734.3447

 p-Value(Chi^2):   0.0000

skewness: 0.0157

kurtosis: 11.0153

ARCH-LM TEST with 4 lags:

test statistic: 95.9922

 p-Value(Chi^2):   0.0000

F statistic: 25.7769

 p-Value(F):   0.0000

Checking GARCH(1,1) for further dependencies

ARCH-LM TEST with 4 lags for "GARCH Residuals"

test statistic: 2.1442

 p-Value(Chi^2):   0.7093

F statistic: 0.5369

 p-Value(F):   0.7087

JARQUE-BERA TEST for "GARCH Residuals"

test statistic: 88.9335

 p-Value(Chi^2):   0.0000

skewness: -0.2177

kurtosis: 4.1578

TEST OF NO REMAINING ARCH with 1 lags

F-test stat.   0.1373

 p-value   0.7110

 degfree1   1.0000

 degfree2   1395.0000

KPSS test for series: Treasury securities

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

 10%   5%   1%

0.347   0.463   0.739

value of test statistic: 27.1582

ADF Test for series: Treasury securities

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

 1%   5%   10%

-2.56   -1.94   -1.62

value of test statistic: -0.8270

ADF Test for series: Treasury securities-transformed series

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%   5%   10%

-2.56   -1.94   -1.62

value of test statistic: -22.1388

KPSS test for series: Treasury securities-transformed series

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

10%   5%   1%

0.347   0.463   0.739

value of test statistic: 0.1036

Checking ARMA model for autocorrelation, heteroskedasticity and normality

PORTMANTEAU TEST with 16 lags

Portmanteau: 15.0129

 p-Value (Chi^2):   0.3773

Ljung & Box: 15.1176

 p-Value (Chi^2):   0.3702

JARQUE-BERA TEST:

test statistic: 108.9235

 p-Value(Chi^2):   0.0000

skewness: 0.0049

kurtosis: 4.3713

ARCH-LM TEST with 4 lags:

test statistic:	74.2015
p-Value(Chi^2):	0.0000
F statistic:	19.5997
p-Value(F):	0.0000

Checking GARCH(1,1) for further dependencies

ARCH-LM TEST with 4 lags for "GARCH Residuals"

test statistic:	2.4915
p-Value(Chi^2):	0.6462
F statistic:	0.6240
p-Value(F):	0.6454

JARQUE-BERA TEST for "GARCH Residuals"

test statistic:	27.3800
p-Value(Chi^2):	0.0000
skewness:	0.0491
kurtosis:	3.6805

TEST OF NO REMAINING ARCH with 1 lags

F-test stat.	0.8101
p-value	0.3683
degfree1	1.0000
degfree2	1389.0000

ADF Test for series: Exchange rate USD/EUR

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%
-2.56	-1.94	-1.62

value of test statistic: -0.8016

KPSS test for series: Exchange rate USD/EUR

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

10%	5%	1%
0.347	0.463	0.739

value of test statistic: 8.1657

ADF Test for series: Exchange rate USD/EUR-transformed series

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%

-2.56   -1.94   -1.62

value of test statistic: -21.0303

KPSS test for series: Exchange rate USD/EUR-transformed series

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

 10%   5%   1%

0.347   0.463   0.739

value of test statistic: 0.1324

Checking ARMA model for autocorrelation, heteroskedasticity and normality

PORTMANTEAU TEST with 16 lags

Portmanteau: 21.8853

 p-Value (Chi^2):   0.0810

Ljung & Box: 22.0583

 p-Value (Chi^2):   0.0774

JARQUE-BERA TEST:

test statistic: 633.9270

 p-Value(Chi^2):   0.0000

skewness: -0.1526

kurtosis: 6.2509

ARCH-LM TEST with 4 lags:

test statistic: 143.7478

 p-Value(Chi^2):   0.0000

F statistic:	39.9751
p-Value(F):	0.0000

Checking GARCH(1,1) for further dependencies

TEST OF NO REMAINING ARCH with 1 lags

F-test stat.	2.4178
p-value	0.1202
degfree1	1.0000
degfree2	1426.0000

ARCH-LM TEST with 4 lags for "GARCH Residuals"

test statistic:	1.9254
p-Value(Chi^2):	0.7495
F statistic:	0.4820
p-Value(F):	0.7490

JARQUE-BERA TEST for "GARCH Residuals"

test statistic:	59.9650
p-Value(Chi^2):	0.0000
skewness:	-0.1839
kurtosis:	3.9345

ADF Test for series: Eurostoxx50

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%
-2.56	-1.94	-1.62

value of test statistic: -0.2047

KPSS test for series: Eurostoxx50

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

10%	5%	1%
0.347	0.463	0.739

value of test statistic: 3.9908

ADF Test for series: Eurostoxx50 ó transformed series

lagged differences: 2

no intercept, no time trend

asymptotic critical values

reference: Davidson, R. and MacKinnon, J. (1993),

"Estimation and Inference in Econometrics" p 708, table 20.1,

Oxford University Press, London

1%	5%	10%
-2.56	-1.94	-1.62

value of test statistic: -24.2056

KPSS test for series: Eurostoxx50 - transformed series

number of lags: 2

KPSS test based on y(t)=a+e(t) (level stationarity)

asymptotic critical values:

 10%   5%   1%

0.347   0.463   0.739

value of test statistic: 0.1889

Checking ARMA model for autocorrelation, heteroskedasticity and normality

PORTMANTEAU TEST with 16 lags

Portmanteau: 36.0221

 p-Value (Chi^2):   0.0010

Ljung & Box: 36.2427

 p-Value (Chi^2):   0.0010

JARQUE-BERA TEST:

test statistic: 1403.0869

 p-Value(Chi^2):   0.0000

skewness: 0.0225

kurtosis: 7.8593

ARCH-LM TEST with 4 lags:

test statistic: 183.5189

 p-Value(Chi^2):   0.0000

F statistic: 52.6782

 p-Value(F):   0.0000

Checking GARCH(1,1) for further dependencies

TEST OF NO REMAINING ARCH with 1 lags

F-test stat.   3.5306

 p-value   0.0604

 degfree1   1.0000

 degfree2   1425.0000

ARCH-LM TEST with 4 lags for "GARCH Residuals"

test statistic: 8.3364

 p-Value(Chi^2):   0.0800

F statistic: 2.0964

 p-Value(F):   0.0790

JARQUE-BERA TEST for "GARCH Residuals"

test statistic: 56.2124

 p-Value(Chi^2):   0.0000

skewness: -0.1059

kurtosis: 3.9493

Table 4.a: Prevailing topics of statements

name	Topic					
	rate change	growth	inflation	nonstandard measure	liquidity	rate appropriate
Weidmann	12%	10%	10%	22%	20%	7%
Wellink	29%	11%	20%	9%	14%	0%
Orphanides	22%	9%	31%	16%	3%	3%
Asmussen	6%	16%	19%	6%	6%	0%
Tumpel	17%	28%	17%	7%	3%	3%
Praet	29%	14%	14%	14%	7%	4%
Quaden	22%	26%	7%	4%	4%	7%
Provopoulos	22%	30%	4%	9%	13%	0%
Makuch	32%	26%	5%	0%	21%	5%
Ordonez	39%	6%	11%	11%	6%	6%
Bonello	28%	17%	17%	6%	6%	6%
Papademos	25%	13%	25%	6%	6%	0%
Coene	38%	13%	19%	13%	0%	13%
Kranjec	7%	21%	29%	14%	14%	0%
Sramko	0%	64%	0%	7%	7%	0%
Hurley	22%	33%	11%	0%	0%	11%
Knot	25%	0%	0%	38%	13%	0%
Honohan	0%	29%	14%	0%	14%	14%
Liebscher	0%	33%	67%	0%	0%	0%
Bonnici	50%	17%	0%	0%	17%	17%
Hansson	17%	0%	0%	0%	17%	17%
Visco	50%	25%	0%	25%	0%	0%

Source: Authorøs calculations

Table 7.1a: Model 2 – first statement, estimation results

$$Coex_t = {}_1Coex_{t-1} + {}_2r\_fx_{t-1} + {}_3Volatility\_fx_{t-1} + {}_4r\_oil_{t-1} + {}_5Volatility\_oil_{t-1}$$
$$+ {}_6r\_bond_{t-1} + {}_7Volatility\_bond_{t-1} + {}_8r\_gold_{t-1} + {}_9Volatility\_gold_{t-1} + {}_{10}r\_stx_{t-1}$$
$$+ {}_{11}Volatility\_stx_{t-1} + {}_{12}Communication_{t-1} + u_t$$

Extreme returns	Below 5th percentile	Above 95th percentile	Extreme return (below 5th or above 95th percentile)
$Coex_{t-1}$	-0.45	-0.94**	-0.47**
	(0.39)	(0.44)	(0.20)
r_fx_{t-1}	0.43*	0.31	0.18
	(0.26)	(0.22)	(0.17)
$Volatility\_fx_{t-1}$	5.32***	-0.11	1.84**
	(1.78)	(1.02)	(0.83)
r_oil_{t-1}	0.11	0.02	0.07
	(0.10)	(0.07)	(0.06)
$Volatility\_oil_{t-1}$	-0.33***	0.02	-0.09**
	(0.12)	(0.05)	(0.04)
r_bond_{t-1}	-0.43***	0.37***	0.09
	(0.13)	(0.10)	(0.07)
$Volatility\_bond_{t-1}$	-0.16	0.17*	0.09
	(0.13)	(0.09)	(0.07)
r_gold_{t-1}	0.18	0.04	0.07
	(0.15)	(0.12)	(0.10)

Continue Table 7.1a

Extreme returns	Below 5th percentile	Above 95th percentile	Extreme return (below 5th or above 95th percentile)
Volatility_gold$_{t-1}$	0.26	0.27	0.28*
	(0.27)	(0.21)	(0.16)
r_stx$_{t-1}$	-0.30*	0.07	-0.12
	(0.17)	(0.15)	(0.09)
Volatility_stx$_{t-1}$	0.31***	0.04	0.20***
	(0.10)	(0.08)	(0.06)
Communication$_t$	-0.10	0.24	0.04
	(0.33)	(0.26)	(0.21)
Pseudo R-sq.	0.29	0.13	0.17
Number of observations	505	505	505

Notes: *, **, and *** denote statistical significance at the 10 percent, 5 percent, and 1 percent level, respectively. Standard errors are reported in parentheses. The first column represents estimation for coexceedance constructed by using returns below 5th percentile, the second column represents estimation for coexceedance constructed by using returns above 95th percentile and the last column represents estimation for coexceedance constructed by using returns below 5th percentile and above 95th percentile. *Coex, r_fx, Volatility_fx, r_oil, Volatility_oil, r_bond, Volatility_bond, r_gold, Volatility_gold, r_stx, Volatility_stx* stand for coexceedance, log return on currency, currency volatility, log return on oil, volatility of oil, log return on US. Securities, securities volatility, log return on gold, gold volatility, volatility of regional stock market and log returns of regional stocks, respectively.

Source: Authorøs calculations