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GEOPOLITICAL RISK AND CROSS-BORDER PORTFOLIO FLOWS: EFFECTS AND CHANNELS

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Abstract

This paper analyses the short- and long-term effects of geopolitical uncertainty on cross-border portfolio flows between the US and 41 developed and emerging economies over the period January 1992-November 2022. We find that geopolitical uncertainty decreases equity inflows from other countries into the US in both the short- and long-term, with this flight home effect generally peaking after 6 months. We investigate the underlying mechanisms and show that the erosion of net financial worth, the evaporation of liquidity and rising risk premia are the key channels through which geopolitical uncertainty affects these inflows, supporting theoretical capital flow models with portfolio choice that feature information and related frictions. By contrast, the responses of other types of flows to geopolitical uncertainty are generally weak and are only found when accounting for the role of some cross-sectional heterogeneity and its time variation.

Keywords: Cross-border portfolio flows, Equity and bond inflows and outflows, Geopolitical risk, Push and pull factors, Local projections, Risk Premia

JEL classification: F32, F36, F41

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1 INTRODUCTION

Geopolitical risk (GPR) is a wide-ranging term which is used whenever a threat to normal relationships between countries or geographical areas occurs. In the last few decades geopolitical factors have in fact become a major source of uncertainty for investment around the globe, the Russia-Ukraine war that started in February 2022 being only one of a number of recent international developments that have increased it significantly. For this reason several investment and financial information corporations have developed geopolitical risk dashboards to highlight financial market reactions to geopolitical developments.[1] This risk has also recently been identified by most central bankers and other policymakers as a key risk to financial stability. Together with economic and political uncertainty it makes up the so-called "uncertainty trinity" (see Carney, 2016), which includes the various forms of uncertainty that can affect both real economies and financial markets.

Given these developments, the present paper examines the impact of geopolitical uncertainty on cross-border (equity and bond) portfolio flows between the US and 41 developed and emerging economies over the period from January 1992 to November 2022. Our objective is to provide evidence on both the short- and long-term effects of GPR and on the channels through which this type of uncertainty drives cross-border portfolio flows. Knowledge of these effects and channels is crucial to devise proactive measures to mitigate the negative effects of GPR on financial stability and the broader economy. The bilateral flows used in our framework are informative since the US is the hub of international portfolio investment, and equity and bond transactions by its residents with the rest of the world, which are collected monthly by the Treasury International Capital (TIC) System, account for a significant percentage of total portfolio investment transactions in the world. An important feature of cross-border portfolio flows is that they are reversible. Hnatkovska (2010) points out that the volatility of US (equity and bond) portfolio inflows and outflows exceeds that of the US current account to GDP ratio and that investors frequently make significant adjustments to their portfolio positions in order to share risk. Consequently, our bilateral flows data between the US and the rest of the world are particularly useful for analysing whether geopolitical uncertainty leads to a flight home or flight to quality effect.

[1] BlackRock designed "Geopolitical Risk Dashboard", S&P Global provides "Geopolitical Risk Intelligence Solutions", etc.

From a theoretical point of view, the flight home effect can result from information asymmetries, namely on the possibility that investors might have additional value-relevant information about domestic assets. This being the case, one would expect the asymmetry to increase in the presence of greater global uncertainty such as GPR, and thus in the circumstances investors to favour more strongly domestic assets, which would reduce inflows into other countries. This home bias results from the fact that investors in different countries are likely to have different information sets (see, e.g., Gehrig, 1993; Kang and Stulz, 1997).[2] Various studies have in fact attributed the behaviour of cross-border capital flows per se to this type of information-based theory of portfolio choice following the surge in such flows and their increasing volatility. For example, Brennan and Cao (1997) developed a model of international equity portfolio investment flows based on information asymmetry between foreign and domestic investors and found that the behaviour of cross-border equity flows supports the model. Both Tille and van Wincoop (2010) and Hnatkovska (2010) developed two-country dynamic general equilibrium models with portfolio choice that feature information and related frictions that become important for portfolio home bias and capital flows. On the empirical side, Portes and Rey (2005) show that information flows are an important determinant of cross-border equity transactions. Portes et al. (2001) find that both cross-border equity and bond transactions are explained by such flows. Broner et al. (2013) show that the behaviour of international capital flows can be explained by information asymmetry between domestic and foreign agents to a large extent.

GPR may instead lead to a flight to quality, as investors may take a more cautious approach in the presence of a "risk shock" increasing uncertainty, with the effects of such a shock on individual countries being determined by factors such as its international financial linkages, economic fundamentals and trade openness (see Milesi-Ferretti and Tille, 2011; Forbes and Warnock, 2012). In general, one would expect a retrenchment to occur in such cases, with investors pulling back from countries with large net external liabilities or liquidity risk and adjusting their portfolios on the basis of their revised risk assessment, giving preference to safer havens (see, e.g., Broda et al., 2009; Beber et al., 2009). While the flight to quality phenomenon is mainly known as the tendency of investors to shift their portfolios towards safer assets such as government bonds, Rösch and Kaserer (2014) show that the phenomenon also exists in the stock market. Thus, in the context of our analysis of bilateral

[2] Several studies have provided empirical evidence supporting this type of information-based theory of portfolio choice (see, e.g., Ahearne et al., 2004; Van Nieuwerburgh and Veldkamp, 2009; Andrade and Chhaochharia, 2010).

flows between the US and the rest of the world, increased inflows into US assets (equities and bonds) when GPR rises may support the flight to quality phenomenon.

We measure geopolitical uncertainty using the recently developed GPR index by Caldara and Iacoviello (2022) which is constructed through the textual analysis of newspaper articles covering geopolitical tensions. In accordance with the analysis carried out by Tille and van Wincoop (2010), Forbes and Warnock (2012) and Broner et al. (2013) among others, we use monthly gross inflows and outflows of equity and bond transactions between the US and the 41 other countries to analyse their dynamic responses to GPR, as US and other countries' investors may react differently to GPR shocks and their persistent effects, and thus the impact on inflows and outflows may not be the same.[3] Another theoretical motivation for the analysis of gross inflows and outflows is provided by Gourio et al. (2016). A key feature of their portfolio choice model is that foreign investors are exposed to the so-called expropriation risk when investing abroad while domestic investors are not, i.e., the risk of government policies that treat foreigners differently from residents. This expropriation risk could in fact come into play when GPR increases.

We find that geopolitical uncertainty in other countries decreases equity inflows from these countries to the US in both the short- and long-term, with the decline in inflows generally peaking at the 6-month horizon. Our results appear to be robust to (i) excluding from the sample the Russia-Ukraine data for the period characterised by tension and/or conflict between these two countries, (ii) dropping from the set of countries those considered as financial centres, (iii) using a moving average for geopolitical uncertainty, (iv) orthogonalising the flows with respect to the pull factors, and (v) allowing for nonlinearities. Moreover, by using a measure of the component of domestic equity holdings from 2005 to 2022 for 37 other countries (i.e., excluding countries considered as financial centres), we find that geopolitical uncertainty in these countries increases domestic equity holdings in them, further supporting the flight home effect.

[3] Broner et al. (2013) find that gross capital flows are (i) significantly larger and more volatile compared to net capital flows, and (ii) pro-cyclical: during economic expansions, foreign investment in the domestic market increases, and domestic investors place more funds abroad, whereas during economic contractions, this pattern reverses.

We also examine the role of cross-sectional heterogeneity and its time variation in the effects of GPR on flows. Such an analysis is instructive since the decline in inflows could be mostly concentrated in developed countries or countries with favourable economic characteristics, even though their assets would be perceived as being of lower quality relative to those of the US during periods of high GPR. In addition, Forbes (2010) finds that foreigners hold a larger share of US equity and bond portfolio investment when their financial markets are less developed. We find that the negative impact of geopolitical uncertainty on equity inflows is concentrated in the short (long) term for countries that are developed (emerging market economies) or have high (low) institutional quality, it is particularly pronounced for countries that are more financially open and have more flexible exchange rate regimes, and is greater in the long term for countries that have more effective macroprudential policies. By contrast, the responses of the other types of flows to geopolitical uncertainty and the role of US geopolitical uncertainty are generally weak and only found when accounting for the role of some cross-sectional heterogeneity and its time variation.

Of particular interest are the underlying mechanisms resulting in a flight home effect. Those we investigate are the erosion of net financial wealth, the evaporation of liquidity and the increase in risk premia. By employing the local projection method developed by Jordà (2005) to calculate cumulative impulse responses, we show that GPR erodes net financial wealth and leads to liquidity evaporation (through stock market declines and exchange rate depreciation, as well as the decline in the value of traded stocks as a percentage of GDP). It also increases risk premia, as measured by changes in dividend yields, in line with the theoretical and empirical literature suggesting that risk premia increase during periods of political uncertainty and wars (see, e.g., Pástor and Veronesi, 2012; Muir, 2017, Manela and Moreira, 2017). These results are supported by the theoretical models of Tille and van Wincoop (2010) and Hnatkovska (2010) which predict a home bias when risk premia increase. Overall, our novel evidence on the channels through which the GPR affects portfolio flows is another important contribution to the existing body of knowledge.

Our paper complements and extends the already extensive literature examining various "push" (common) and "pull" (country-specific) factors affecting capital flows. For instance, the seminal paper by Chuhan et al. (1998) finds that push factors are more important than pull factors in driving cross-border portfolio flows, especially equity flows. Fratzscher (2012) report that the former were their

main determinants during the Global Financial Crisis (GFC) of 2007-2008, whilst the latter subsequently, became dominant, especially in the case of the emerging markets. Forbes and Warnock (2012) focus on extreme capital flow episodes and find that such episodes are significantly driven by global risk, while domestic factors are generally less important.[4] Sarno et al. (2016) also show that push factors explain most of the variation in equity and bond portfolio flows. Davis et al. (2021) find that two global factors, the global financial cycle and energy price factors, together explain half of the variance in gross capital flows in advanced economies and 40% of the variance in these flows in emerging markets. Much less is known about the role of uncertainty in driving capital flows. In particular, whilst some studies have investigated the impact of either economic or political uncertainty on investment in general (see, e.g., Bernanke, 1983; Rodrik, 1991; Stokey, 2016), not much attention has been paid to the possible consequences of geopolitical uncertainty for international financial flows, one reason being the difficulty of measuring it.

However, the already mentioned new measure constructed by Caldara and Iacoviello (2022) now makes it much more straightforward to obtain reliable empirical evidence on the economic impact of GPR. These authors found that their developed GPR index tends to have negative effects on real activity (mainly in the advanced economies) and stock returns. They also examined whether it is a significant driver of gross capital flows together with global economic risk (measured by the VIX) and other relevant factors. Interestingly, they found differences between the emerging and developed economies. Specifically, it appears that both the VIX and GPR indices reduce capital inflows in the former, whilst they have opposite effects in the case of the latter, these being negative and positive respectively. Furthermore, this asymmetry also holds when the subcomponents of capital flows (portfolio flows, foreign direct investment (FDI), and other investments) are considered.[5] In brief, their evidence suggests that higher economic uncertainty leads to capital inflows in all cases, whilst geopolitical risk results in flows from emerging towards developed economies, consistently with a flight to safety hypothesis.

[4] Forbes and Warnock (2021) show that extreme capital flow movements after the GFC are driven less by changes in global risk and more by changes in oil prices. The latter variable is largely driven by the GPR.

[5] Azzimonti (2018) focused on FDI flows only and showed that political instability reduces them through the investment risk channel. In addition, Li and Ngo (2018) reported that the quality of political relations between countries has a positive relationship with bank flows; as for firm-level capital investment, Dissanayake et al. (2018) concluded that geopolitical risk reduces it, with threats having a larger impact than acts, and Wang et al. (2023) found that this negative effect is more pronounced in the case of irreversible investment, consistently with real options theory.

This GPR index has recently been widely used in the field of economics and finance. To our knowledge, Feng et al. (2022) and Agoraki et al. (2024) are the only studies examining its effects on global capital flows.[6] Unlike Caldara and Iacoviello (2022), Feng et al. (2022), using quarterly data for 45 major economies from 2005 to 2019, found evidence of a flight home effect for both advanced and emerging countries, namely that in both cases a higher GPR reduces aggregate cross-border flows, though the size of this effect is greater in the latter set of countries. On the other hand, Agoraki et al. (2024) examined the impact of different types of uncertainty, namely geopolitical uncertainty, economic policy uncertainty and world uncertainty index, on capital flows using quarterly data for 22 countries over the period 1996-2022 and found that global geopolitical uncertainty decreases capital flows while country-specific geopolitical uncertainty increases equity fund flows. On the whole, these few papers provide mixed evidence on how capital flows respond to GPR shocks. The present study employs monthly bilateral equity and bond portfolio flows between the US and the rest of the world as a useful setting for analysing whether GPR leads to flight home or flight to quality. Furthermore, a more comprehensive empirical analysis is conducted to examine the impact of GPR on portfolio flows across borders.

The layout of the paper is the following: Section 2 describes the data; Section 3 presents the model and the empirical results; Section 4 examines the channels through which geopolitical uncertainty can affect portfolio flows; Section 5 provides some concluding remarks.

2 DATA DESCRIPTION

We use an extensive dataset consisting of monthly observations on cross-border equity and bond portfolio flows, geopolitical uncertainty indices, and a wide range of pull and push factors for 41 countries (referred to as "other countries") in addition to the US over the period 1992:01 - 2022:11.[7] As of 2022, the GDP of these 41 countries, combined with that of the US, constitutes approximately 89% of the world's GDP, while the stock market capitalisation of these countries, together with the US, represents about 86.55% of the global stock market capitalisation. Throughout our analysis, the

[6] The work of Feng et al. (2022) and Agoraki et al. (2024) was started at the same time using different types of capital flows datasets, i.e., based on quarterly frequency and inflows and outflows to a country.
[7] Cross-border portfolio flows before 1992 are insignificant, especially for emerging and developing economies.

US is considered the domestic or home economy. Table A1 (Appendix A) provides a list of the countries examined, which includes 20 developed and 21 emerging economies according to the IMF's classification. Of the former, 4 are global financial centres, namely Hong Kong, Japan, Switzerland, and the UK. A more detailed description of the dataset and summary statistics for the variables used are provided in the following subsections.

2.1 Cross-Border Portfolio Flows

For the analysis we employ monthly bilateral portfolio investment flows between the US and the 41 other countries (denominated in US dollars), obtained from the US Treasury International Capital (TIC) System. We use gross inflows and outflows for equity and bond portfolio investment, which are measured as net purchases and sales of domestic assets (equities or bonds) by domestic and foreign residents, and net purchases and sales of foreign assets (equities or bonds) by domestic and foreign residents, respectively. Since the US is considered the home or domestic economy, positive values indicate equity and bond inflows (in millions of US dollars) towards the US or outflows from its counterparts.[8] Note that, in order to facilitate model convergence, flows are scaled using the average of their absolute values over the previous 12 months as in Brennan and Cao (1997), Hau and Rey (2006) and Chaban (2009) among others.

Edison and Warnock (2008) point out that these flows data have three main limitations. First, they only cover transactions involving US residents, i.e., they represent bilateral US portfolio inflows and outflows and do not include other cross-border portfolio flows. Second, transactions taking place via third countries lead to a financial centre bias in the bilateral flows data as they are recorded against the foreign intermediary rather than where the issuer of the foreign security resides. Third, financing of cross-border mergers through stock swaps makes the analysis of equity flows rather difficult. Despite these limitations, the TIC data have been widely used in the empirical literature as still being informative about bilateral portfolio investment between the US and the rest of the world. Such bilateral portfolio flows are in fact more appropriate in our setting for analysing whether GPR leads to a flight

[8] We use aggregate bond inflows and outflows between the US and the counterpart countries, as the TIC System provides aggregate transactions on foreign bonds traded between US residents and foreigners. As for hot money flows, the TIC System has limited coverage of such data, i.e., it only provides data on short-term US securities held by foreigners, so they are excluded from our analysis. Another drawback of the TIC System data is that it does not cover transactions related to FDI.

home or a flight to quality. As for the second and third limitations mentioned earlier, they are likely to be trivial in the context of emerging markets and developing countries. In addition, we check the robustness of our findings by excluding countries that can be considered as financial centres.

2.2 Geopolitical Uncertainty

To measure geopolitical uncertainty we employ the geopolitical risk index (GPR) recently developed by Caldara and Iacoviello (2022). This index has established itself as a barometer for geopolitical uncertainty and is widely used by practitioners and researchers around the world. We use their country-specific indices for the US and the 41 developed and emerging market economies included in our sample to align them with our bilateral flow data. These indices are based on the automated text-searches of the electronic archives of three US newspapers, namely The New York Times, Chicago Tribune and The Washington Post.[9] Specifically, they are constructed by counting the number of articles concerning adverse geopolitical events associated with a country in each newspaper for each month (as a share of the total number of news articles), using words that closely align with their definition of geopolitical risk, namely "the threat, realisation, and escalation of adverse events associated with wars, terrorism, and any tensions among states and political actors that affect the peaceful course of international relations".

Figure 1 shows the evolution of geopolitical uncertainty of the US (Panel (a)) and other countries (Panel (b)), as well as the averages of geopolitical uncertainty of other countries (Panel (c)) (see Table A1 (Appendix A) for the order and classification of these countries). Overall, these indices appear to reflect well the uncertainty associated with major historical geopolitical events for the countries involved, including the 2003 invasion of Iraq, the 2014 Russian annexation of the Crimean Peninsula, the 2015 Paris terrorist attacks, the 2017–2018 North Korean crisis, and the US-China trade war that began in 2018, among others.

[Please Insert Figure 1 about here]

2.3 Control Variables

[9] Their daily index is based on the automated text-searches of the electronic archives of 10 newspapers, namely, Chicago Tribune, The Daily Telegraph, Financial Times, The Globe and Mail, The Guardian, The Los Angeles Times, The New York Times, USA Today, The Wall Street Journal, and The Washington Post. For more details, the reader is directed to their website: https://www.policyuncertainty.com/gpr.html

Our model also includes as control variables a wide range of pull and push factors known to be drivers of flows, namely: (i) return- or yield- chasing measures (see, e.g., Bekaert et al., 2002), such as the stock return differential (denoted as *RETURN*), which is the spread between the log changes of the S&P 500 index and of the main local stock price index of each of the other countries, as well as the interest rate differential (denoted as *INTEREST*), which is the spread between the 3-month US Treasury bill rate and the 3-month money market rate of each of the other countries, (ii) a measure of the economic growth differential (denoted as *GROWTH*), calculated as the spread between the log changes of industrial production in the US and in each of the other countries, and (iii) a measure of global risk aversion (see, e.g., Fratzscher, 2012; Forbes and Warnock, 2012; Rey, 2015; among others), proxied by the change in the Chicago Board Options Exchange volatility index (known as *VIX*), which is the implied volatility calculated using option prices on the S&P 500 index.

The current account position and related restrictions of a country can also affect cross-border flows. Therefore, we also include (i) the current account balance as a percentage of GDP (denoted as *CABGDP*) (upsampled from the yearly frequency), (ii) an exchange rate regime variable (denoted as *FXREGIME*), namely the index by Ilzetzki et al. (2019) with values ranging from 1 to 15, where higher values imply a more flexible exchange rate regime, and (iii) a measure of financial openness (denoted as *FINOPEN*), namely the capital account openness index due to Chinn and Ito (2006), where higher values imply more financial openness (also upsampled from the yearly frequency).

Finally, institutional characteristics and country governance also act as a pull factor of portfolio flows (see, e.g., Alfaro et al., 2008; Papaioannou, 2009; Fratzscher, 2012). Therefore we also include changes in the aggregate International Country Risk Guide (ICRG) index provided by the PRS Group as a proxy for institutional quality (denoted as *ICRG*). Higher values of this index indicate better institutions in a given country. Table A2 (Appendix A) reports the definitions, units of measurement and sources of all variables employed in our study.

2.4 Descriptive Statistics

Summary statistics and correlations between the variables are reported in Table A3 (Appendix A). Panel A of this table shows that, for equities, inflows have a lower mean and higher volatility than outflows, but for bonds this pattern is reversed, with inflows having a higher mean and lower volatility

than outflows. These statistics reflect the different dynamics of these components of flows, so it is particularly important to analyse each component separately. These statistics also show that, on average, the US experiences negative (positive) net equity (bond) inflows. Geopolitical uncertainty in other or counterpart countries has a lower mean and volatility than that of the US. The mean of the push factors of changes in the VIX, interest rate differential, growth rate differential and equity return differential is negative. The reason for the negative means for the latter three factors is that the US interest rate, growth rate and equity return are lower, on average, than those of other countries. The change in institutional quality is positive in the other countries, which implies that they have improved their institutional quality over our sample period. The current account balance (as a % of GDP) also has a positive mean, thus, on average, the other countries have a current account surplus. The mean of financial openness is 0.95, while that of the exchange rate regime is 7.8, which suggests that the counterpart or other countries are characterised by moderate openness of their capital accounts and moderate flexibility of their exchange rate regimes.

The Pearson correlations between the variables used are presented in Panel B. Those between geopolitical uncertainty indices and the components of flows are generally negative but positive in the case of bond inflows. Moreover, the correlations between the variables used as regressors, i.e., geopolitical uncertainty indices, pull and push controls, etc., are low. Thus, multicollinearity is unlikely to be a concern in our case.

3 EMPIRICAL ANALYSIS

For our purposes we estimate a panel model where the dependent variable is the mean portfolio flows at $t+\tau$ months ahead, and the regressors are the geopolitical uncertainty indices of the US and its counterpart countries and the pull and push factors at month t-1 (see also Edison and Warnock, 2008). Specifically, for country i and month t, the model is specified as follows:

$$f_{i,t+\tau} = \alpha + \beta_1 GPR_{i,t-1}^{RoW} + \beta_2 GPR_{t-1}^{US} + \lambda \boldsymbol{Z}_{i,t-1} + \omega_i + \varphi_t + \varepsilon_{i,t+\tau}. \quad (1)$$

The dependent variable is computed as $f_{i,t+\tau} = \frac{\sum_{\tau=0}^{\tau} F_{i,t+\tau}}{\tau+1}$, where $F_{i,t+\tau}$ is in turn inflows and outflows from transactions on both equity and bond securities and τ =*0, 2, 5, 11, 17, 23* to measure

the short-term (τ =*0, 2*) and long-term (τ =*5, 11, 17, 23*) effects of geopolitical uncertainty on flows. GPR_{t-1}^{US} and $GPR_{i,t-1}^{RoW}$ are respectively the geopolitical indices for the US and its counterpart sample countries at time *t*-1. Note that despite the fact that the geopolitical uncertainty indices are exogenous, we lag them in our model so that their effects on flows are causal in the Granger sense.

$\boldsymbol{Z}_{i,t-1}$ is the vector of pull and push controls (at time *t*-1), all introduced in Section 2.3. ω_i refers to country fixed effects and φ_t is a set of time quantitative easing (QE) fixed effects, which includes the three episodes of QE in the US in response to the global financial crises of 2008-09 (specifically, the first episode takes the value of 1 from December 2008 to March 2010, 0 otherwise; the second takes the value of 1 from November 2010 to June 2011, 0 otherwise; the third takes the value of 1 from September 2012 to December 2013, 0 otherwise) and also QE during the COVID-19 pandemic (which takes the value of 1 from March 2020 to October 2021, 0 otherwise). These country and time fixed effects are meant to account respectively for the variation in flows across countries and the impact of QE on cross-border flows as documented by Fratzscher et al. (2018).[10] Finally, in all cases we compute the Driscoll and Kraay (1988) standard errors, which are robust to heteroscedasticity and general forms of cross-sectional and temporal dependence when the time dimension is large.

Tables 1 to 4 present the estimation results for both equity and bond inflows as well as outflows. It can be seen that geopolitical uncertainty in other or counterpart countries, GPR^{RoW}, reduces equity inflows from these countries into the US both in the short and in the long term (Table 1). The monthly standard deviation of GPR^{RoW} is 0.307 (Table A3). Therefore, the estimated coefficients on GPR^{Row} indicate that an increase of one standard deviation in this index reduces equity inflows from other countries into the US in the following month by about 0.069, or 6.9 percentage points. This decline in inflows continues until it bottoms out after 6 months (with inflows declining by about 8.44 percentage points), after which it eases gradually over the longer-term horizons - for example, the reduction in inflows is about 5.3 percentage points over a 24-month horizon. Interestingly, equity outflows from the US as well as bond inflows to and outflows from the US are not affected by geopolitical risk. Geopolitical uncertainty in the US also has no statistically significant effect on cross-border portfolio flows between the US and the rest of the world. The

[10] We have also estimated the model using country and year fixed effects instead, and the results (available upon request) are very similar.

limited response of cross-border bond flows to the GPR could be explained by the fact that bond markets outside the US are less sophisticated, especially in developing and emerging economies, and that most bonds are issued in the US dollar, giving them some immunity from the GPR. The limited role of US geopolitical uncertainty, on the other hand, could be attributed to the fact that the US is the hub of international portfolio investment, and after the end of the Cold War in 1991 it has become the world's sole power, thus its geopolitical uncertainty does not affect cross-border portfolio investment. However, cross-sectional heterogeneity could also play a role, as investigated in Section 4.

[Please Insert Tables 1 to 4 about here]

Our finding that equity inflows to the US decline when GPR rises in the rest of the world is consistent with a flight home effect. This effect arises from the fact that domestic and foreign investors possess different information sets. GPR exacerbates this information asymmetry. This result is consistent with several capital flow models that incorporate portfolio choice. For example, both Tille and van Wincoop (2010) and Hnatkovska (2010) develop models that predict a home bias due to information and related frictions. Tille and van Wincoop (2010) introduce these frictions in the form of information costs and asymmetry between domestic and foreign agents. By contrast, Hnatkovska (2010) introduces restrictions on asset ownership, which may also arise as GPR increases, that hinder international risk-sharing.[11] The erosion of a country's financial net worth and the evaporation of liquidity as well as higher risk premia resulting from geopolitical uncertainty are possible explanations for this effect, as argued in Section 4.

Concerning the pull and push factors, our results show that most of them have the expected signs. For example, a higher US interest rate (equity return) than that of counterpart countries increases (reduces) equity inflows from these countries into the US in the long (short) term. The effect of the

[11] A number of previous studies have reported that cross-border capital flows are negatively affected by various types of uncertainty, such as exchange rate uncertainty (see, e.g., Bayoumi, 1990; Iwamoto and van Wincoop, 2000; Bacchetta and van Wincoop, 1998, 2000; Fidora et al., 2007; Caporale et al., 2015; among others). Our evidence also contributes to this area of the literature by showing that geopolitical risk affects negatively monthly bilateral flows between the US and the rest of the world, especially equity inflows from the rest of the world into the US. Our evidence is also in line with that of Giannetti and Laeven (2012), who find a flight home effect during banking crises in the syndicated loan market.

equity return differential is consistent with the portfolio rebalancing hypothesis of Hau and Rey (2004), which states that investors reduce their foreign equity holdings to lower their exchange rate risk exposure when the return of the foreign country is higher relative to the domestic one. A country's international competitiveness also seems to matter, with higher current account balance (as a % of GDP) leading to higher equity inflows at all horizons. More flexible exchange rate regimes also increase these inflows, but mostly at longer horizons. As for equity outflows from the US, these are negatively affected by financial openness and the current account balance (as a % of GDP) in other countries at all horizons. A higher US equity return than that of counterpart countries also reduces equity outflows from the US, but only at the 6-month horizon, which is inconsistent with the portfolio rebalancing hypothesis. Thus, this hypothesis is supported empirically in the short term but not over longer horizons.

Several pull and push factors also affect bond inflows into the US. For example, the interest rate differential is positive at short horizons but negative at longer ones. Thus, a higher US interest rate than that of counterpart countries increases bond inflows into the US in the short term, but this is reversed over longer horizons. Bond inflows into the US also increase when the US growth rate is higher than that of other countries, this effect being most pronounced at longer horizons. Consistently with the effect on equity inflows, the impact of the current account balance (as a % of GDP) of other countries is again positive at all horizons. Institutional quality in other countries also increases bond inflows at short horizons, while financial openness dampens these inflows at longer horizons. Finally, bond outflows from the US appear to be negatively affected by financial openness and the current account balance (as a % of GDP) and positively affected by the exchange rate regime in other countries, especially at long horizons. A higher US equity return than that of other countries also decreases bond outflows from the US in the long term. Similarly, a higher US interest rate relative to that of other countries decreases these outflows at most horizons, but only at the 10% significance level.

3.1 Robustness Checks

Next we carry out a number of robustness checks concerning the impact of geopolitical uncertainty on bilateral flows between the US and the rest of the world. First, we obtain a new set of results after removing the data on Russia and Ukraine for the period characterised by tension between these

two countries, which started with Russia's invasion and annexation of Crimea in February and March 2014 and then escalated with the full-scale invasion of Ukraine in February 2022; in this way we avoid any possible bias resulting from this specific conflict. Next, we re-estimate the model after dropping from the sample of countries those considered to be financial centres, namely Hong Kong, Japan, Switzerland, and the UK, thereby avoiding the so-called financial centre bias associated with the TIC data we use. We also re-do the analysis using the previous three-month moving average of the geopolitical uncertainty indices to reduce the impact of outliers. Further, some readers may argue that geopolitical uncertainty in other countries may be reflected in the pull factors of those countries. Despite the fact that our model already includes a wide range of pull factors alongside the geopolitical uncertainty indices, to address this concern we orthogonalise each component of the portfolio flows with respect to the pull factors considered (namely, ICRG, FINOPEN, CABGDP, and FXREGIME), allowing for country and QE time fixed effects as in Eq. (1). We then obtain new results using these orthogonalised flows, i.e., by regressing them on the geopolitical uncertainty indices for the US and the other countries as well as the considered push factors (namely, VIX, INTEREST, GROWTH, and RETURN), allowing for country and year fixed effects. This line of investigation will help us to determine whether geopolitical uncertainty indices in other countries have independent effects on portfolio flows, over and above the pull factors considered.

Tables B1 to B4 (Appendix B) report the results of these robustness tests and confirm the general finding that geopolitical uncertainty in other countries has a negative impact on equity inflows from these countries into the US. However, there are a few differences. In particular, it is noteworthy that the impact of geopolitical risk on equity inflows increases when excluding countries that are considered to be financial centres, with equity inflows now bottoming out at the 9-month instead of the 6-month horizon as before. Further, the estimated impact is greater when using the previous three-month moving average of the indices, but with equity inflows bottoming out at the 3-month rather than the 6-month horizon. While the peak of the decline in inflows is different in these robustness tests, our analysis of the channels through which geopolitical uncertainty affects these inflows in Section 4.2 may shed further light on this. All other results are very similar to the previous ones, except that GPR^{RoW} also reduces bond inflows from other countries to the US at longer horizons, namely over 18- and 24-months, when excluding countries that are considered financial centres. Finally, the impact of geopolitical uncertainty indices in other countries on orthogonalised equity inflows to the

US is also negative and significant in both the short and long term (Table B4), confirming the independent role of these indices in affecting equity inflows to the US.

3.2 Nonlinear Effects

As a next step, we allow for possible nonlinearities in the relationship between geopolitical uncertainty indices and cross-border flows. For instance, the impact of the former on the latter might be more pronounced in the case of extreme episodes. One simple way to model such nonlinearities is to allow the effects to differ according to a threshold corresponding to different percentiles of the sample distribution of the geopolitical uncertainty indices. More specifically, we estimate the following specification:

$$f_{i,t+\tau} = \alpha + \beta_1 GPR^{RoW}_{i,t-1} + \beta_2 GPR^{RoW}_{i,t-1} \times I^{Row}_{high,i,t-1} + \beta_3 GPR^{US}_{t-1} + \beta_4 GPR^{US}_{t-1} \times I^{US}_{high,t-1} + \lambda \boldsymbol{Z}_{i,t-1} + \omega_i + \varphi_t + \varepsilon_{i,t+\tau}, \quad (2)$$

where I^{Row}_{high} and I^{US}_{high} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold percentile, and 0 otherwise. The rest of the variables are defined as before. Tables B5 to B7 (Appendix B) report the estimates based on Eq. (2) and using different threshold percentiles, namely the 50th, 75th and 90th percentiles of the sample distribution of GPR^{RoW} and GPR^{US}.

Panel A in Tables B5 to B7 presents the results of the nonlinear effects of geopolitical uncertainty on equity inflows into the US. When using the 50th percentile as a threshold (Table B5, Panel A), we find that the effect of GPR^{RoW} on such inflows is negative and significant only when it is above the specified threshold, i.e. when it is in the high regime. The size of the effect of GPR^{RoW} in this high regime is also similar to the one estimated before. Hence the negative impact of GPR^{RoW} on equity inflows seems to occur mainly when it is above the sample median. When the specified threshold is the 75th percentile (Table B6, Panel A), the coefficients on GPR^{RoW} are again negative and significant at all horizons in the high regime, but only significant at longer horizons in the low regime. Thus, more extreme episodes of geopolitical uncertainty reduce equity inflows in both the short and the long term, while less extreme ones (i.e., below the 75th percentile of the sample distribution) reduce these inflows mainly in the long

term. Finally, the results based on a threshold corresponding to the 90th percentile (Table B7, Panel A) show that the coefficients on GPR^{RoW} are also negative and significant at all horizons in the high regime, but only negative and significant in the low regime at a 1-month horizon. On the whole, these results suggest that extreme episodes of uncertainty mainly affect equity inflows, both in the short and in the long term, while no effect is detected when geopolitical uncertainty is low (i.e., below the sample median).

Concerning the responses of the other types of flows, some effects are observed in some cases depending on the selected percentile threshold. For example, when using the 50th percentile as a threshold, US geopolitical uncertainty reduces equity and bond outflows from the US, especially at short horizons. On the other hand, in the case with the 75th percentile as a threshold the estimated effects occur at long horizons. For example, in the low regime, geopolitical uncertainty in other countries increases bond inflows and outflows, while US geopolitical uncertainty decreases bond inflows to the US. Finally, the results based on using the 90th percentile as a threshold show that US geopolitical uncertainty reduces bond inflows at long horizons in the low regime. On the whole, the evidence concerning the other types of flows is not robust to the choice of threshold.

3.3 Does Geopolitical Uncertainty Lead to Higher Domestic Equity Holdings?

Our main finding is that geopolitical uncertainty in other or counterpart countries, GPR^{RoW}, reduces equity inflows into the US in both the short and the long term, which supports the flight home effect. This effect could reflect a bias towards domestic equities in these countries, as domestic equities act as an inflation hedge when the domestic currency depreciates, which is often the case when the GPR rises. Thus, to test for the equity flight home effect we find, one can instead examine whether geopolitical uncertainty in other countries leads to higher domestic equity investment in those countries. We calculate the component of the domestic equity holdings as the difference between a country's stock market capitalisation and its foreign equity liabilities (see Fidora et al., 2007). We obtain stock market capitalisation data from the Global Financial Data database. Foreign equity liabilities are provided by the IMF's Coordinated Portfolio Investment Survey (CPIS) from 2001 onwards. However, we exclude the first few years which coincide with the September 11 attacks and the invasion of Iraq, in which the US was mainly involved. Our estimation is therefore based on an annual sample from 2005 to 2022. Further, since the CPIS data of portfolio investment holdings are

also subject to the financial centre bias, we exclude from the sample countries that are considered financial centres, namely Hong Kong, Japan, Switzerland and the UK, leaving 37 other countries. The model we estimate is the following:

$$HOME_{i,t}^{RoW} = \alpha + \beta_1 GPR_{i,t-1}^{RoW} + \beta_2 GPR_{t-1}^{US} + \lambda \boldsymbol{Z}_{i,t-1} + \omega_i + \varphi_t + \varepsilon_{i,t}, \quad (3)$$

where $HOME_{i,t}^{RoW}$ is the percent change in the component of domestic equity holdings and the variables on the right-hand side are defined as before, except that φ_t is now defined using the yearly frequency.[12] We use the Driscoll-Kraay (1988) standard errors in the estimation.

Table 5 presents these results and shows that geopolitical uncertainty in other countries, GPR^{RoW}, leads to higher domestic equity holdings in these countries, which further supports the flight home effect. Specifically, a 1% increase in GPR^{RoW} increases domestic equity holdings by 0.45%, holding other variables constant. As for the control variables, most of them have the expected signs. For example, VIX, FXREGIME and CABGDP are positive and significant, while GROWTH and US geopolitical uncertainty are negative and significant.

[Please Insert Table 5 about here]

4 TRANSMISSION CHANNELS

4.1 The Role of Cross-Sectional Heterogeneity and Its Time Dependence

The impact of geopolitical uncertainty on cross-border portfolio flows may vary across different cross-sectional dimensions. In particular, key cross-sectional features to consider are whether a country is a developed or an emerging economy, whether it is financially open to the rest of the world or instead has capital account restrictions, whether it has a flexible or a hard peg exchange rate regime and a high

[12] φ_t is a set of time quantitative easing (QE) fixed effects, which includes the three episodes of QE in the US in response to the GFC (specifically, the first episode takes the value of 1 from 2008 to 2010, 0 otherwise; the second takes the value of 1 from 2010 to 2011, 0 otherwise; the third takes the value of 1 from 2012 to 2013, 0 otherwise) and also QE during the COVID-19 pandemic (which takes the value of 1 from 2020 to 2021, 0 otherwise).

or low quality of institutions, as well as the extent to which it has developed effective macroprudential policies to ensure the stability of its financial system. These characteristics broadly act as domestic pull factors for foreign investment. Considering these cross-sectional features is also informative since the flight home effect could be concentrated in developed countries with sound economic fundamentals, even though US assets act as a refuge in times of global uncertainty. Thus, it is crucial to explore how the impact of geopolitical uncertainty on cross-border portfolio flows differs across these dimensions.

To analyse these issues, we re-estimate the model allowing the effects of the geopolitical uncertainty indices on flows to differ across countries by interacting them with an indicator variable that captures each of the above features. Specifically, for country *i* and month *t*, we estimate the following model:

$$f_{i,t+\tau} = \alpha + \beta_1 GPR_{i,t-1}^{RoW} + \beta_2 GPR_{i,t-1}^{RoW} \times I_{i,t-1}^{high} + \beta_3 GPR_{t-1}^{US} + \beta_4 GPR_{t-1}^{US} \times I_{i,t-1}^{high} + \lambda \boldsymbol{Z}_{i,t-1} + \omega_i + \varphi_t + \varepsilon_{i,t+\tau}, \quad (4)$$

where I^{high} is an indicator variable defined as follows: it takes the value of 1 if a country is classified as an emerging market economy (see Table A1), and 0 otherwise; it also takes the value of 1 when each of the following variables is above its sample median (it is equal to 0 otherwise): financial openness (*FINOPEN*), exchange rate regime (FXREGIME), institutional quality (ICRG), and the aggregate measure of macroprudential policy from Cerutti et al. (2017), which is the "sum of the cumulative version of the nine prudential instruments" they consider. The latter variable is upsampled from the quarterly frequency and available only from 2000 onwards. Consequently, all constructed indicator variables have not only cross-sectional variation but also time variation, except for the classification of a country as emerging or developed, which is only cross-sectional. The rest of the variables are defined as before.

Tables 6 to 10 present these results. The negative impact of geopolitical uncertainty in other or counterpart countries, GPR^{RoW}, on equity inflows (i) appears to be almost immediate for developed countries (i.e., at the next month horizon) but to occur at longer horizons in the case of emerging market economies (Table 6, Panel A), (ii) is stronger and statistically significant at the short (long) horizons for countries that have high (low) institutional quality (Table 8, Panel A), (iii) is only prevalent for

countries that are more financially open and have more flexible exchange rate regimes (Tables 7 and 9, Panel A), and (iv) is significant and greater at long horizons in countries with more effective macroprudential policies (Table 10, Panel A). These results imply that the flight home effect is not particularly concentrated in countries with favourable economic conditions, especially at long horizons. The cross-sectional features that appear to drive the flight home effect also suggest that the erosion of net financial wealth, the evaporation of liquidity and the increase in risk premia could act as the underlying mechanisms of such an effect (we examine these mechanisms in more detail in the next subsection), as these features may induce the emergence of these mechanisms when the GPR rises.

[Please Insert Tables 6 to 10 about here]

Allowing for cross-sectional heterogeneity also uncovers significant effects of geopolitical uncertainty on other types of flows. For example, when GPR^{RoW} increases, equity outflows from the US towards emerging markets but not towards developed economies seem to decline (Table 6, Panel B). Those towards less financially open economies also decline in the long term (Table 7, Panel B), whilst those towards countries with low scores for prudential instruments increase in both the short and the long term (Table 10, Panel B). Therefore, it appears that, when GPR^{RoW} increases, equity outflows from the US towards developed countries and those with less restrictive prudential policies increase. US geopolitical uncertainty, GPR^{US}, also seems to play a role. Specifically, a higher GPR^{US} decreases (increases) equity outflows from the US to countries that are more (less) financially open at shorter (longer) horizons (Table 7, Panel B), and increases them to those that have low quality of institutions at certain long-term horizons (Table 8, Panel B). Thus, GPR^{US} mainly drive outflows from the US to emerging markets with capital account restrictions and lower institutional quality. Emerging markets with these characteristics are likely utilised for diversification when GPR^{US} rises.

Geopolitical uncertainty also affects bond inflows into the US, but conditional on the characteristics of the countries experiencing these outflows. Specifically, a higher GPR^{Row} decreases bond inflows from emerging market economies into the US, while a higher GPR^{US} increases these inflows from such countries into the US, especially in the long term (Table 6, Panel C). An increase in GPR^{RoW} also increases (decreases) bond inflows into the US from countries that are less (more) financially open

(Table 7, Panel C) and have less (more) flexible exchange rate regimes (Table 9, Panel C). Countries that are less financially open and have less flexible exchange rate regimes are mostly emerging market economies, but these characteristics are time-varying. Thus, emerging markets, conditional on having these characteristics, experience bond inflows into the US when they have high geopolitical uncertainty. A higher GPR^{US} also increases these inflows from countries that are less financially open (Table 7, Panel C), but also from those with low scores for prudential instruments (Table 10, Panel C), which highlights the role of the flight to quality phenomenon when US geopolitical uncertainty increases.

Finally, considering the role of cross-sectional heterogeneity also shows some significant effects of geopolitical uncertainty on bond outflows from the US. For example, a higher GPR^{Row} increases these outflows to developed countries but decreases them to emerging ones; a higher GPR^{US} also decreases these outflows to emerging countries (Table 6, Panel D) and to countries with low institutional quality (Table 8, Panel D). An increase in GPR^{RoW} also reduces (increases) bond outflows from the US to countries with less (more) flexible exchange rate regimes, especially at long horizons, and to countries with high (low) scores for prudential instruments (Table 10, Panel D). Taken together, these findings suggest that when geopolitical uncertainty rises, bond outflows from the US to emerging markets with lower institutional quality, less flexible exchange rates and high scores for prudential instruments are particularly reduced.

4.2 Net Financial Wealth Erosion, Liquidity Evaporation and Higher Risk Premia

Our main finding is that geopolitical uncertainty in other countries leads to the flight home effect in these countries. We now explore the mechanisms through which this flight home effect is induced by GPR, which include the erosion of net financial wealth, the evaporation of liquidity and the increase in risk premia. High geopolitical uncertainty may erode net financial wealth through a negative effect on the domestic equity market and a depreciation of the exchange rate. It may also reduce liquidity through its negative impact on both asset prices and the economy as a whole, and increase risk premia especially if the decline in asset prices is substantial. Several theoretical models show that home bias or flight home effect can be predicted through these mechanisms caused by information and related frictions. For example, in the model by Tille and van Wincoop (2010) a home bias arises when risk

premia on home equity increase, and home equity becomes a good hedge against real exchange rate risk. The model associates changes in risk premia with fluctuations in savings in the economy, which often is the case when the GPR increases. The model by Hnatkovska (2010) also predicts that an increase in risk premia on domestic assets relative to foreign assets leads to a home bias and shows that 99% of the variation in capital flows can be explained by changes in risk premia, which in the model are driven by productivity shocks. However, in our paper, we hypothesise that risk premia increase when geopolitical uncertainty rises, in line with the theoretical and empirical literature suggesting that they are higher during periods of political uncertainty and wars (see, e.g., Pástor and Veronesi, 2012; Muir, 2017, Manela and Moreira, 2017).[13]

To shed light on these possible transmission mechanisms, we use the cumulative impulse responses derived from Jordà's (2005) local projection method as our empirical tool. Specifically, we estimate the following model:

$$y_{i,t+\tau} = \alpha^{\tau} + \beta_1^{\tau} GPR_{t-1}^{US} + \beta_2^{\tau} GPR_{i,t-1}^{RoW} + \sum_{k=1}^{K} \emptyset_k^{\tau} y_{i,t-k} + \sum_{k=1}^{K} \lambda_k^{\tau} \boldsymbol{Z}_{i,t-k} + \omega_i^{\tau} + \varphi_t^{\tau} + \varepsilon_{i,t+\tau}, \quad (5)$$

$$y_{i,t+\tau} = RETURN_{i,t+\tau}^{RoW} \vee FXRATE_{i,t+\tau}^{RoW} \vee VOLUME_{i,t+\tau}^{RoW} \vee DIVIDEND_{i,t+\tau}^{RoW},$$

where $RETURN_{i,t+\tau}^{RoW}$ is the logarithmic stock market return in other or counterpart countries, $FXRATE_{i,t+\tau}^{RoW}$ is the logarithmic change in the exchange rate in other or counterpart countries (defined as the amount of currency of the other or counterpart country per 1 unit of US dollar), $VOLUME_{i,t+\tau}^{RoW}$ is the change in the value of stocks traded (as a % of GDP) in other or counterpart countries, and $DIVIDEND_{i,t+\tau}^{RoW}$ refers to the change in dividend yields, a proxy for equity risk premia, in other or counterpart countries. $RETURN_{i,t+\tau}^{RoW}$ and $FXRATE_{i,t+\tau}^{RoW}$ are monthly variables; their data have been retrieved from Datastream over the sample period 1992:01-2022:11. Data on the value of stocks traded (as a % of GDP) and dividend yields are only available at an annual frequency for the period 1992-2022. The former are obtained from the World Bank's World Development Indicators database and the latter from the Global Financial Data database.

[13] Dai et al. (2020) find that CEOs of firms located near terrorist attacks receive an average pay increase of 12% following the attack compared to CEOs of firms situated far from the attacks.

$\boldsymbol{Z}_{i,t}$ is the vector of control variables. We include INTEREST and GROWTH in the estimated model for $FXRATE_{i,t+\tau}^{RoW}$, these being the two key fundamentals included in most exchange rate models, but also VIX, ICRG, FINOPEN, and FXREGIME in the other models for $RETURN_{i,t+\tau}^{RoW}$, $VOLUME_{i,t+\tau}^{RoW}$ and $DIVIDEND_{i,t+\tau}^{RoW}$. Moreover, one lag seems to capture the dynamics of the dependent variables adequately in these models (K=1), and $\tau = 0, \dots, 24$ for the monthly variables of $RETURN_{i,t+\tau}^{RoW}$ and $FXRATE_{i,t+\tau}^{RoW}$ while $\tau = 0, \dots, 4$ for the annual variables of $VOLUME_{i,t+\tau}^{RoW}$ and $DIVIDEND_{i,t+\tau}^{RoW}$. φ_t is defined using the annual frequency for the estimation based on $VOLUME_{i,t+\tau}^{RoW}$ and $DIVIDEND_{i,t+\tau}^{RoW}$ (see section 3.3). The other variables are defined as before, and again Driscoll-Kraay standard errors are computed.

Figure 2 shows the impact of the geopolitical uncertainty indices on stock market returns, exchange rate changes, the change in the value of stocks traded (as a % of GDP) and the change in dividend yields for other or counterpart countries. Panels (a) and (b) indicate that a positive shock to geopolitical uncertainty in the other countries, GPR^{RoW}, leads to an immediate decline in stock market returns and a depreciation of the exchange rate in these countries. Specifically, a 1% increase in GPR^{RoW} decreases stock returns by 0.43% and depreciates the exchange rate by 0.51% in these countries over $\tau = 0$ and $\tau = 1$. Interestingly, the cumulative responses of these variables seem to peak at 4 to 6 months, consistent with the main finding of the paper that the decline in equity inflows to the US due to geopolitical uncertainty in other countries bottoms out at the 6-month horizon.

[Please Insert Figure 2 and Table 11 about here]

The impact of geopolitical uncertainty on the change in the value of stocks traded (as a % of GDP) and the change in dividend yields for other or counterpart countries is displayed in Panels (c) and (d). The immediate response of the former (latter) variable to a positive shock in GPR^{RoW} is negative (positive): a 1% increase in GPR^{RoW} reduces the value of traded stocks (as a % of GDP) by 13.72% and increases dividend yields, a measure of risk premia, by 1.25% over $\tau = 0$ and $\tau = 1$. Table 11 reports the corresponding results for the fixed effects model (with the restriction $\tau = 0$ in Eq. (5)), which are virtually the same.

On the whole, our analysis confirms that the negative impact of geopolitical uncertainty in other or counterpart countries on equity inflows into the US can indeed be explained by the erosion of net financial wealth, the evaporation of liquidity and the increase in risk premia in these countries, which supports the theoretical models of Tille and van Wincoop (2010) and Hnatkovska (2010) highlighting the role of these mechanisms in explaining a home bias.

Finally, it could be argued that institutions could also act as a mechanism or a play a role, since geopolitical uncertainty in other or counterpart countries could effectively undermine the quality of institutions of these countries through, for instance, the imposition of capital account restrictions or the occurrence of payment delays. In fact, the results of the role of the cross-sectional heterogeneity above show that institutional quality is an important feature in driving the flight home effect. Therefore, as a further check, we also tested for the impact of geopolitical uncertainty in other or counterpart countries on (i) the changes in the aggregate institutional quality variable (ICRG) of such countries at the monthly frequency, finding that the negative impact is only short-lived and not sizeable, and (ii) the changes in the "investment profile" sub-category of the ICRG index from the PRS group (which covers certain factors affecting the risk to investment such as contract viability/expropriation, profits repatriation and payment delays) again at a monthly frequency, finding that this impact is insignificant. Thus, these results invalidate the notion that institutional quality could also act as an underlying mechanism in the flight home effect induced by GPR.[14]

5 CONCLUSIONS

This paper analyses the short- and long-term effects of geopolitical uncertainty on cross-border portfolio flows between the US (referred to as the home country) and 41 developed and emerging market economies (referred to as other or counterpart countries) over the period from January 1992 to November 2022. Our paper considers separately equity and bond inflows from other countries to the US and outflows from the US to other countries, controlling for a wide range of pull and push factors and allowing for country and QE fixed effects. Moreover, it examines possible nonlinearities in the relationship between GPR and cross-border portfolio flows, and sheds light on the channels through

[14] These results are available upon request from the authors.

which the former affects the latter.

Our main finding is that geopolitical uncertainty in other countries decreases equity inflows from these countries to the US in both the short- and long-term, with the decline in inflows generally peaking at the 6-month horizon. The negative impact of geopolitical uncertainty on equity inflows is mostly in the short (long) term for countries that are developed (emerging or developing) or have high (low) institutional quality, is particularly pronounced for countries that are more financially open and have more flexible exchange rate regimes and is greater in the long term for countries that have more effective macroprudential policies. By contrast, the responses of the other types of flows to geopolitical uncertainty and the role of US geopolitical uncertainty are generally weak and only found when accounting for the role of some cross-sectional heterogeneity and its time variation. We show that the underlying mechanisms through which geopolitical uncertainty affects portfolio flows, especially equity inflows into the US, are the erosion of net financial worth, the evaporation of liquidity and rising risk premia.

Our main results are shown to be robust to (i) excluding from the sample the Russia-Ukraine data for the period characterised by tension and/or conflict between these two countries, (ii) dropping from the set of countries those considered as financial centres, (iii) using a moving average for geopolitical uncertainty, (iv) orthogonalising the flows with respect to the pull factors, and (v) allowing for nonlinearities. We also show that our finding of a decline in equity inflows to the US due to geopolitical uncertainty in other countries is confirmed when using a measure of the component of domestic equity holdings for the period 2005-2022.

On the whole, our evidence is consistent with the "flight home" effect in equities, according to which investors reduce their foreign equity portfolio holdings in the presence of greater uncertainty. Another key contribution of our study is to shed light on the wealth, liquidity and risk premia effects that account for this finding, which represents an important novel insight into the factors underlying portfolio rebalancing in the presence of greater uncertainty, specifically in the form of heightened geopolitical risk in the present case. Future work should aim to gain an even greater understanding of these issues by applying a similar modelling framework to data on additional components of capital flows such as FDI, financial derivatives and other asset types.

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APPENDIX A. Sample, Definitions and Sources of Variables and Summary Statistics

Table A1
List of countries

		Classification	Financial Centre			Classification	Financial Centre
1	Argentina	Emerging	No	22	Mexico	Emerging	No
2	Australia	Developed	No	23	Netherlands	Developed	No
3	Belgium	Developed	No	24	Norway	Developed	No
4	Brazil	Emerging	No	25	Peru	Emerging	No
5	Canada	Developed	No	26	Philippines	Emerging	No
6	Chile	Emerging	No	27	Poland	Emerging	No
7	China	Emerging	No	28	Portugal	Developed	No
8	Colombia	Emerging	No	29	Russia	Emerging	No
9	Denmark	Developed	No	30	Saudi Arabia	Emerging	No
10	Egypt	Emerging	No	31	South Africa	Emerging	No
11	Finland	Developed	No	32	South Korea	Developed	No
12	France	Developed	No	33	Spain	Developed	No
13	Germany	Developed	No	34	Sweden	Developed	No
14	Hong Kong	Developed	Yes	35	Switzerland	Developed	Yes
15	Hungary	Emerging	No	36	Taiwan	Developed	No
16	India	Emerging	No	37	Thailand	Emerging	No
17	Indonesia	Emerging	No	38	Turkey	Emerging	No
18	Israel	Developed	No	39	UK	Developed	Yes
19	Italy	Developed	No	40	Ukraine	Emerging	No
20	Japan	Developed	Yes	41	Venezuela	Emerging	No
21	Malaysia	Emerging	No				

Table A2

Definitions, units of measurement and sources of employed variables

Variable	Definition	Unit	Source
Cross-Border Portfolio Flows			
Equity inflows (EIN)	Gross equity inflows into the US from other or counterpart countries	Scaled by the previous 12 month average	TIC System
Equity outflows (EOUT)	Gross equity outflows from the US to other or counterpart countries	Scaled by the previous 12 month average	TIC System
Bond inflows (BIN)	Gross bond inflows into the US from other or counterpart countries	Scaled by the previous 12 month average	TIC System
Bond outflows (BOUT)	Gross bond outflows from the US to other or counterpart countries	Scaled by the previous 12 month average	TIC System
Geopolitical Uncertainty Indices			
GPR^{Row}	Geopolitical uncertainty index for other or counterpart countries	Percentage	Caldara and Iacoviello (2022)
GPR^{US}	Geopolitical uncertainty index for the US	Percentage	Caldara and Iacoviello (2022)
Pull and Push Controls			
VIX	First difference of the VIX volatility index	Percentage	Datastream
INTEREST	Spread of short-term interest rates between the US and other or counterpart countries	Percentage	IMF, OECD
GROWTH	Spread of industrial production growth rates between the US and other or counterpart countries	Percentage	IMF, OECD
RETURN	Spread of returns of stock market indices between the US and other or counterpart countries	Percentage	Datastream
ICRG	First difference of the political risk index (higher number implies better institutions)	Percentage	PRS Group
FINOPEN	Measure of financial openness by Chinn and Ito (2006), where higher values indicate more financial openness	Index	Chinn and Ito (2006)
CABGDP	Current account balance to GDP ratio for other or counterpart countries	Percentage	IMF, OECD
FXREGIME	FX regime index (ranges from 1 to 15), where higher index values refer to more flexible FX	Index	Ilzetzki et al. (2019)

Table A3

Summary statistics and correlations

Panel A: Summary statistics

	N	Mean	Median	SD
EIN	14,406	0.200	0.109	6.293
EOUT	14,377	0.283	0.141	2.522
BIN	14,408	0.187	0.191	3.439
BOUT	14,399	0.114	-0.113	11.70
GPR^{Row}	15,211	0.165	0.060	0.307
GPR^{US}	15,211	2.239	1.990	1.250
VIX	15,211	-0.012	-0.174	4.017
INTEREST	14,073	-12.76	-1.623	232.6
GROWTH	13,154	-0.063	-0.060	5.617
RETURN	13,965	-0.176	0.099	7.238
ICRG	13,699	0.012	0.000	0.958
FINOPEN	13,776	0.950	1.549	1.488
CABGDP	13,459	0.733	-0.200	5.201
FXREGIME	13,385	7.807	8.000	4.566

Panel B: Matrix of correlations

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
(1) EIN	1.000													
(2) EOUT	-0.006	1.000												
(3) BIN	-0.012	0.007	1.000											
(4) BOUT	-0.014	-0.003	0.070	1.000										
(5) GPR^{Row}	-0.011	-0.005	0.028	-0.021	1.000									
(6) GPR^{US}	-0.012	-0.022	0.003	-0.018	0.246	1.000								
(7) VIX	-0.003	-0.018	0.008	0.001	-0.002	-0.013	1.000							
(8) INTEREST	-0.004	-0.014	-0.003	-0.078	0.018	0.003	0.004	1.000						
(9) GROWTH	0.011	0.006	-0.001	0.011	-0.001	-0.005	0.013	-0.001	1.000					
(10) RETURN	-0.007	-0.029	-0.022	-0.005	0.026	-0.027	-0.024	0.211	0.009	1.000				
(11) ICRG	-0.003	0.018	0.012	0.013	-0.030	-0.038	-0.016	0.008	0.005	-0.061	1.000			
(12) FINOPEN	0.003	-0.062	0.039	-0.037	0.078	0.019	0.001	0.106	0.010	0.057	0.005	1.000		
(13) CABGDP	0.002	-0.050	0.037	-0.033	0.022	0.048	-0.005	0.010	-0.009	-0.025	0.016	0.173	1.000	
(14) FXREGIME	0.011	0.012	0.002	0.039	0.054	-0.013	-0.000	-0.068	-0.007	-0.056	-0.002	-0.444	-0.164	1.000

Notes: Panel A reports summary statistics (i.e., number of observations, mean, median and standard deviation), whereas Panel B reports the correlations between the variables used in the main empirical analysis. The sample period is from January 1992 to November 2022. The definitions of variables are provided in Table A2 (Appendix A).

APPENDIX B. Robustness Tests

Table B1

Geopolitical uncertainty and cross-border portfolio flows at multiple horizons: Sample excludes Russian-Ukrainian war

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity Inflows							
$GPR_{i,t-1}^{RoW}$	-0.213**	-0.249**	-0.270**	-0.268**	-0.235**	-0.184**	-0.168**
	(0.102)	(0.126)	(0.125)	(0.122)	(0.116)	(0.092)	(0.084)
GPR_{t-1}^{US}	-0.002	0.012	0.024	0.011	-0.006	-0.008	-0.008
	(0.028)	(0.020)	(0.020)	(0.017)	(0.019)	(0.018)	(0.017)
Constant	-0.249	-0.326	-0.380	-0.364	-0.347	-0.379**	-0.379**
	(0.292)	(0.265)	(0.244)	(0.228)	(0.213)	(0.184)	(0.168)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,290	10,294	10,300	10,306	10,311	10,317	10,323
R-squared	0.004	0.011	0.019	0.028	0.036	0.052	0.069
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	0.025	0.039	0.001	-0.017	-0.028	-0.011	0.005
	(0.108)	(0.120)	(0.110)	(0.092)	(0.089)	(0.077)	(0.066)
GPR_{t-1}^{US}	-0.022	-0.013	0.002	0.004	0.002	0.008	0.019
	(0.026)	(0.027)	(0.021)	(0.019)	(0.020)	(0.020)	(0.020)
Constant	-0.386	-0.411	-0.440	-0.410	-0.374	-0.391	-0.426**
	(0.382)	(0.362)	(0.342)	(0.317)	(0.292)	(0.241)	(0.207)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,286	10,290	10,296	10,302	10,307	10,313	10,319
R-squared	0.021	0.051	0.083	0.106	0.128	0.161	0.192
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	-0.059	-0.082	-0.042	-0.045	-0.073	-0.080*	-0.070
	(0.096)	(0.0870)	(0.066)	(0.064)	(0.055)	(0.047)	(0.043)
GPR_{t-1}^{US}	0.0009	0.012	0.015	0.017	0.024	0.026	0.025
	(0.029)	(0.022)	(0.018)	(0.018)	(0.017)	(0.016)	(0.016)
Constant	0.582*	0.523*	0.448*	0.415*	0.386*	0.384**	0.349**
	(0.327)	(0.298)	(0.256)	(0.220)	(0.199)	(0.177)	(0.158)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,299	10,303	10,309	10,315	10,320	10,325	10,325
R-squared	0.025	0.055	0.111	0.153	0.193	0.262	0.321
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-0.039	0.020	-0.042	-0.039	-0.015	-0.003	0.042
	(0.173)	(0.124)	(0.093)	(0.082)	(0.089)	(0.098)	(0.080)
GPR_{t-1}^{US}	-0.038	-0.023	-0.014	-0.015	-0.013	0.003	0.007
	(0.030)	(0.021)	(0.020)	(0.020)	(0.019)	(0.017)	(0.016)
Constant	-0.279	-0.321	-0.333	-0.366	-0.444	-0.577*	-0.649***
	(0.589)	(0.539)	(0.482)	(0.417)	(0.368)	(0.297)	(0.246)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,292	10,296	10,302	10,308	10,313	10,319	10,325
R-squared	0.015	0.034	0.056	0.076	0.096	0.132	0.157

Notes: This table presents the estimates of our main model, presented as Eq. (1), while removing data related to the Russia-Ukraine war (i.e., from February 2014 to November 2022), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C1 to C4 of the online Appendix C.

Table B2

Geopolitical uncertainty and cross-border portfolio flows at multiple horizons: Sample excludes financial centres

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity Inflows							
$GPR_{i,t-1}^{RoW}$	-0.262**	-0.323**	-0.326**	-0.365**	-0.335**	-0.258*	-0.283**
	(0.118)	(0.157)	(0.165)	(0.180)	(0.170)	(0.142)	(0.123)
GPR_{t-1}^{US}	0.0005	0.018	0.030	0.014	-0.002	-0.003	-0.003
	(0.029)	(0.021)	(0.021)	(0.018)	(0.019)	(0.0175)	(0.017)
Constant	-0.319	-0.419	-0.505**	-0.501**	-0.478**	-0.483**	-0.416**
	(0.302)	(0.272)	(0.247)	(0.227)	(0.211)	(0.187)	(0.172)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	9,217	9,221	9,227	9,233	9,238	9,244	9,245
R-squared	0.004	0.011	0.019	0.028	0.036	0.052	0.069
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	-0.047	-0.072	-0.103	-0.111	-0.109	-0.079	-0.062
	(0.155)	(0.179)	(0.166)	(0.141)	(0.136)	(0.117)	(0.097)
GPR_{t-1}^{US}	-0.024	-0.017	-0.001	0.001	-0.0006	0.004	0.013
	(0.025)	(0.025)	(0.019)	(0.018)	(0.019)	(0.019)	(0.018)
Constant	-0.376	-0.405	-0.454	-0.431	-0.402	-0.411*	-0.407*
	(0.388)	(0.367)	(0.348)	(0.324)	(0.298)	(0.246)	(0.211)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	9,213	9,217	9,223	9,229	9,234	9,240	9,245
R-squared	0.020	0.048	0.080	0.103	0.124	0.155	0.183
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	-0.196	-0.167	-0.129	-0.126	-0.146*	-0.155**	-0.131**
	(0.162)	(0.135)	(0.105)	(0.102)	(0.086)	(0.072)	(0.064)
GPR_{t-1}^{US}	0.002	0.014	0.017	0.018	0.024	0.027	0.025
	(0.031)	(0.024)	(0.020)	(0.019)	(0.018)	(0.017)	(0.017)
Constant	0.641*	0.561*	0.480*	0.445**	0.415**	0.387**	0.325**
	(0.330)	(0.301)	(0.256)	(0.218)	(0.198)	(0.179)	(0.161)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	9,226	9,230	9,236	9,242	9,245	9,245	9,245
R-squared	0.023	0.050	0.102	0.142	0.179	0.246	0.303
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-0.153	-0.0424	-0.110	-0.104	-0.067	-0.062	7.6e-05
	(0.216)	(0.168)	(0.125)	(0.110)	(0.122)	(0.124)	(0.0950)
GPR_{t-1}^{US}	-0.045	-0.028	-0.015	-0.016	-0.016	0.002	0.005
	(0.034)	(0.023)	(0.021)	(0.021)	(0.020)	(0.019)	(0.017)
Constant	-0.307	-0.359	-0.366	-0.402	-0.485	-0.636**	-0.722***
	(0.619)	(0.565)	(0.505)	(0.434)	(0.380)	(0.303)	(0.248)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	9,219	9,223	9,229	9,235	9,240	9,245	9,245
R-squared	0.013	0.031	0.054	0.072	0.091	0.127	0.154

Notes: This table presents the estimates of our main model, presented as Eq. (1), while excluding from the sample countries that are considered financial centres (i.e., Hong Kong, Japan, Switzerland, and the UK), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C5 to C8 of the online Appendix C.

Table B3

Three-month moving average of geopolitical uncertainty and cross-border portfolio flows at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity Inflows							
$GPR_{i,t-1}^{RoW}$	-0.371**	-0.399**	-0.379**	-0.358*	-0.315*	-0.246*	-0.231*
	(0.186)	(0.195)	(0.181)	(0.183)	(0.165)	(0.129)	(0.118)
GPR_{t-1}^{US}	0.020	0.035	0.035	0.009	-0.010	-0.006	-0.013
	(0.02)	(0.027)	(0.027)	(0.025)	(0.026)	(0.023)	(0.023)
Constant	-0.322	-0.416	-0.467*	-0.437*	-0.409*	-0.438**	-0.355**
	(0.286)	(0.269)	(0.250)	(0.230)	(0.216)	(0.187)	(0.174)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.037	0.053	0.070
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	0.062	0.072	-0.006	-0.035	-0.028	0.0100	0.010
	(0.174)	(0.181)	(0.148)	(0.133)	(0.126)	(0.106)	(0.089)
GPR_{t-1}^{US}	-0.022	-0.016	0.007	0.003	0.001	0.010	0.020
	(0.035)	(0.030)	(0.023)	(0.024)	(0.024)	(0.024)	(0.022)
Constant	-0.384	-0.410	-0.465	-0.416	-0.386	-0.402*	-0.402*
	(0.391)	(0.368)	(0.348)	(0.324)	(0.297)	(0.244)	(0.210)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.080	0.102	0.123	0.155	0.184
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	-0.102	-0.108	-0.047	-0.076	-0.104	-0.107	-0.092
	(0.129)	(0.111)	(0.096)	(0.088)	(0.077)	(0.067)	(0.059)
GPR_{t-1}^{US}	0.017	0.020	0.020	0.027	0.037	0.035	0.036*
	(0.030)	(0.024)	(0.023)	(0.023)	(0.023)	(0.021)	(0.022)
Constant	0.579*	0.546*	0.474*	0.424*	0.382*	0.360*	0.298*
	(0.333)	(0.302)	(0.260)	(0.223)	(0.203)	(0.184)	(0.166)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.193	0.262	0.322
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	0.013	-0.032	-0.095	-0.035	-0.041	-0.0006	0.085
	(0.182)	(0.149)	(0.118)	(0.118)	(0.138)	(0.145)	(0.111)
GPR_{t-1}^{US}	-0.026	-0.011	-0.009	-0.016	-0.011	0.008	0.011
	(0.032)	(0.027)	(0.026)	(0.026)	(0.025)	(0.022)	(0.020)
Constant	-0.336	-0.369	-0.351	-0.378	-0.475	-0.632**	-0.718***
	(0.612)	(0.562)	(0.503)	(0.434)	(0.383)	(0.306)	(0.250)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.056	0.076	0.095	0.131	0.159

Notes: This table presents the estimates of our main model, presented as Eq. (1), but using the previous three-month moving average of geopolitical uncertainty indices, with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C9 to C12 of the online Appendix C.

Table B4

Geopolitical uncertainty and orthogonalised cross-border portfolio flows at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Orthogonalised Equity Inflows							
$GPR_{i,t-1}^{RoW}$	-0.246**	-0.278*	-0.285*	-0.274*	-0.241	-0.232*	-0.260**
	(0.122)	(0.153)	(0.157)	(0.152)	(0.146)	(0.125)	(0.116)
GPR_{t-1}^{US}	0.010	0.041***	0.066***	0.054***	0.028**	0.024***	0.023***
	(0.033)	(0.015)	(0.021)	(0.019)	(0.011)	(0.008)	(0.007)
$VIX_{i,t-1}$	0.004	-0.002	0.004	0.002	0.0003	-8.8e-05	-0.0005
	(0.009)	(0.006)	(0.003)	(0.003)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-7.9e-05	-6.7e-05	-9.1e-05	-4.8e-05	-2.5e-05	-3.8e-05	-6.1e-05
	(7.6e-05)	(6.9e-05)	(6.7e-05)	(6.3e-05)	(5.6e-05)	(4.6e-05)	(4.2e-05)
$GROWTH_{i,t-1}$	0.013	0.002	0.002	0.0007	0.0007	0.0007	-0.0001
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.008*	-0.003	-0.005*	-0.005***	-0.004***	-0.004***
	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
Constant	-0.456**	-0.607***	-0.734***	-0.791***	-0.726***	-0.708***	-0.843***
	(0.213)	(0.216)	(0.200)	(0.172)	(0.171)	(0.111)	(0.099)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.005	0.011	0.020	0.029	0.038	0.048	0.067
Panel B: Orthogonalised Equity outflows							
$GPR_{i,t-1}^{RoW}$	0.033	0.047	0.015	-0.001	-0.007	0.021	0.046
	(0.100)	(0.113)	(0.106)	(0.087)	(0.082)	(0.066)	(0.053)
GPR_{t-1}^{US}	-0.026*	-0.015	0.006	0.009	0.001	-0.002	0.002
	(0.015)	(0.015)	(0.010)	(0.006)	(0.005)	(0.004)	(0.003)
$VIX_{i,t-1}$	0.001	-0.004	-0.0008	-0.0002	-0.001	-0.001*	-0.0005
	(0.005)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.0009)
$INTEREST_{i,t-1}$	8.5e-05***	8.2e-05**	9.4e-05***	0.0001***	0.0001***	8.0e-05**	6.7e-05**
	(3.24e-05)	(3.33e-05)	(3.1e-05)	(3.1e-05)	(3.0e-05)	(3.8e-05)	(3.2e-05)
$GROWTH_{i,t-1}$	0.005	-0.003	0.0007	-9.7e-05	-0.001	0.0002	4.8e-06
	(0.007)	(0.003)	(0.001)	(0.001)	(0.001)	(0.0009)	(0.0008)
$RETURN_{i,t-1}$	0.004	0.0006	0.0007	0.002	0.003**	0.003***	0.002***
	(0.004)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.0008)
Constant	0.450	0.467	0.536*	0.767**	0.954***	0.996***	0.789***
	(0.342)	(0.325)	(0.313)	(0.329)	(0.310)	(0.224)	(0.189)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.026	0.066	0.113	0.150	0.190	0.247	0.270
Panel C: Orthogonalised Bond inflows							
$GPR_{i,t-1}^{RoW}$	0.072	0.056	0.079	0.057	0.018	0.004	0.017
	(0.118)	(0.110)	(0.086)	(0.075)	(0.062)	(0.057)	(0.051)
GPR_{t-1}^{US}	-0.002	0.006	-0.0007	-0.006	-0.002	-0.001	-0.009
	(0.020)	(0.010)	(0.008)	(0.008)	(0.005)	(0.004)	(0.006)
$VIX_{i,t-1}$	-0.007	-0.005	-0.002	-0.002	-0.001	-0.0005	-0.001
	(0.006)	(0.004)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$INTEREST_{i,t-1}$	9.9e-05*	8.2e-05*	7.2e-05*	8.6e-05**	4.1e-05	-9.8e-05**	-0.0001***

	(5.8e-05)	(4.5e-05)	(4.3e-05)	(4.1e-05)	(5.3e-05)	(4.9e-05)	(3.9e-05)
$GROWTH_{i,t-1}$	0.007	0.001	0.003	0.004**	0.001	0.002*	0.001
	(0.006)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.006	-0.003	0.0007	-0.0001	-4.4e-05	0.001	0.0009
	(0.005)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
Constant	0.263	0.276	0.327	0.382**	0.338**	0.367**	0.446***
	(0.306)	(0.272)	(0.232)	(0.193)	(0.170)	(0.150)	(0.133)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.013	0.032	0.055	0.065	0.076	0.100	0.125
Panel D: Orthogonalised Bond outflows							
$GPR_{i,t-1}^{RoW}$	0.033	0.047	0.015	-0.001	-0.007	0.021	0.046
	(0.100)	(0.113)	(0.106)	(0.087)	(0.082)	(0.066)	(0.053)
GPR_{t-1}^{US}	-0.026*	-0.015	0.006	0.009	0.001	-0.002	0.002
	(0.015)	(0.0159)	(0.0100)	(0.006)	(0.005)	(0.004)	(0.003)
$VIX_{i,t-1}$	0.001	-0.004	-0.0008	-0.0002	-0.001	-0.001*	-0.0005
	(0.005)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.0009)
$INTEREST_{i,t-1}$	8.5e-05***	8.2e-05**	9.4e-05***	0.0001***	0.0001***	8.0e-05**	6.7e-05**
	(3.2e-05)	(3.3e-05)	(3.1e-05)	(3.1e-05)	(3.0e-05)	(3.7e-05)	(3.2e-05)
$GROWTH_{i,t-1}$	0.005	-0.003	0.0007	-9.7e-05	-0.001	0.0002	4.8e-06
	(0.007)	(0.003)	(0.001)	(0.001)	(0.001)	(0.0009)	(0.0008)
$RETURN_{i,t-1}$	0.004	0.0006	0.0007	0.002	0.003**	0.003***	0.002***
	(0.004)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)	(0.0008)
Constant	0.450	0.467	0.536*	0.767**	0.954***	0.996***	0.789***
	(0.342)	(0.325)	(0.313)	(0.329)	(0.310)	(0.224)	(0.189)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.026	0.066	0.113	0.150	0.190	0.247	0.270

Notes: This table presents the estimates of panel regressions of orthogonalised portfolio flows (i.e., orthogonalised equity and bond inflows and outflows) on geopolitical risk indices of the US and other countries and considered push factors (namely, VIX, INTEREST, GROWTH, and RETURN), allowing for country fixed effects as well as year fixed effects. Orthogonalised flows is the residual of the regression of flows on the considered pull factors (namely, ICRG, FINOPEN, CABGDP, and FXREGIME), allowing for country fixed effects as well as QE time fixed effects as in Eq. (1). Driscoll-Kraay standard errors (in parentheses) are used. The definitions of variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table B5

Geopolitical uncertainty and cross-border portfolio flows at multiple horizons: Nonlinear effects using the 50th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity Inflows							
$GPR_{i,t-1}^{RoW}$	1.195	2.846	4.190	2.571	2.241	1.318	1.141
	(3.844)	(3.380)	(4.093)	(2.827)	(2.099)	(1.537)	(1.362)
$GPR_{i,t-1}^{RoW}$	-0.212**	-0.253**	-0.263**	-0.254**	-0.219*	-0.170*	-0.170**
$\times I_{high,i,t-1}^{Row}$							
	(0.107)	(0.129)	(0.124)	(0.120)	(0.116)	(0.091)	(0.084)
GPR_{t-1}^{US}	0.063	0.011	-0.003	0.035	0.002	0.001	-0.011
	(0.097)	(0.072)	(0.075)	(0.056)	(0.048)	(0.041)	(0.037)
GPR_{t-1}^{US}	0.013	0.015	0.023	0.019	-0.001	-0.005	-0.008
$\times I_{high,t-1}^{US}$							
	(0.020)	(0.021)	(0.016)	(0.014)	(0.018)	(0.018)	(0.018)
Constant	-0.368	-0.424	-0.504**	-0.528**	-0.485**	-0.474**	-0.394**
	(0.300)	(0.280)	(0.248)	(0.220)	(0.214)	(0.194)	(0.179)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.020	0.029	0.037	0.053	0.070
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	-3.237*	-2.141	-0.479	-0.274	0.385	0.968*	0.763
	(1.655)	(1.362)	(1.045)	(0.806)	(0.666)	(0.558)	(0.501)
$GPR_{i,t-1}^{RoW}$	0.005	0.021	-0.003	-0.020	-0.026	-0.001	0.015
$\times I_{high,i,t-1}^{Row}$							
	(0.111)	(0.124)	(0.113)	(0.094)	(0.089)	(0.076)	(0.064)
GPR_{t-1}^{US}	-0.086	-0.096**	-0.060	-0.060*	-0.050	-0.027	-0.004
	(0.054)	(0.046)	(0.039)	(0.033)	(0.034)	(0.034)	(0.034)
GPR_{t-1}^{US}	-0.039*	-0.035	-0.014	-0.011	-0.010	-0.001	0.010
$\times I_{high,t-1}^{US}$							
	(0.023)	(0.022)	(0.016)	(0.014)	(0.016)	(0.017)	(0.017)
Constant	-0.247	-0.279	-0.370	-0.343	-0.335	-0.370	-0.379*
	(0.376)	(0.363)	(0.344)	(0.320)	(0.296)	(0.248)	(0.215)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.021	0.050	0.081	0.104	0.124	0.156	0.184
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	-1.337	0.679	-0.230	-0.509	-0.079	-0.559	-1.286
	(2.868)	(1.963)	(1.506)	(1.376)	(1.226)	(1.153)	(1.032)
$GPR_{i,t-1}^{RoW}$	-0.060	-0.062	-0.031	-0.043	-0.070	-0.078	-0.068
$\times I_{high,i,t-1}^{Row}$							
	(0.099)	(0.090)	(0.069)	(0.066)	(0.056)	(0.049)	(0.044)
GPR_{t-1}^{US}	0.046	0.033	0.048	0.025	0.035	0.028	0.021

	(0.068)	(0.048)	(0.047)	(0.043)	(0.040)	(0.034)	(0.032)
GPR_{t-1}^{US}	0.009	0.017	0.022	0.019	0.026*	0.027*	0.024
$\times I_{high,t-1}^{US}$							
	(0.026)	(0.019)	(0.016)	(0.015)	(0.016)	(0.014)	(0.015)
Constant	0.597*	0.527*	0.455*	0.448**	0.402*	0.389**	0.353**
	(0.346)	(0.297)	(0.263)	(0.225)	(0.209)	(0.189)	(0.169)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.192	0.262	0.322
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-2.503	0.570	-1.295	-0.578	-0.832	-0.882	-0.0373
	(3.859)	(1.779)	(1.435)	(1.148)	(0.985)	(0.992)	(0.892)
$GPR_{i,t-1}^{RoW}$	-0.096	-0.001	-0.067	-0.050	-0.020	-0.008	0.053
$\times I_{high,i,t-1}^{Row}$							
	(0.176)	(0.123)	(0.094)	(0.084)	(0.094)	(0.102)	(0.083)
GPR_{t-1}^{US}	-0.260***	-0.160**	-0.134**	-0.096**	-0.088**	-0.057	-0.039
	(0.082)	(0.072)	(0.056)	(0.045)	(0.041)	(0.038)	(0.036)
GPR_{t-1}^{US}	-0.086**	-0.051*	-0.039*	-0.032*	-0.031*	-0.010	-0.004
$\times I_{high,t-1}^{US}$							
	(0.034)	(0.026)	(0.020)	(0.018)	(0.016)	(0.015)	(0.014)
Constant	-0.015	-0.206	-0.191	-0.285	-0.372	-0.535*	-0.649***
	(0.555)	(0.524)	(0.462)	(0.405)	(0.359)	(0.281)	(0.229)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.015	0.034	0.057	0.077	0.096	0.132	0.159

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 50th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C13 to C16 of the online Appendix C.

Table B6

Geopolitical uncertainty and cross-border portfolio flows at multiple horizons: Nonlinear effects using the 75th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity Inflows							
$GPR_{i,t-1}^{RoW}$	-2.015	-1.332	-1.198	-1.630	-2.041**	-1.951**	-1.909***
	(1.600)	(1.376)	(1.035)	(1.003)	(0.984)	(0.792)	(0.647)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.297**	-0.295*	-0.307**	-0.315**	-0.287**	-0.239**	-0.234**
	(0.141)	(0.166)	(0.155)	(0.147)	(0.138)	(0.107)	(0.095)
GPR_{t-1}^{US}	-0.035	0.059	0.036	0.031	0.051	0.007	0.013
	(0.071)	(0.061)	(0.054)	(0.046)	(0.058)	(0.053)	(0.050)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.007	0.025	0.029	0.018	0.009	-0.003	-0.002
	(0.028)	(0.021)	(0.018)	(0.015)	(0.020)	(0.019)	(0.017)
Constant	-0.191	-0.414	-0.448*	-0.452*	-0.477**	-0.426**	-0.371**
	(0.310)	(0.289)	(0.269)	(0.241)	(0.215)	(0.205)	(0.181)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.029	0.038	0.054	0.071
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	-0.846	-0.424	-0.192	-0.431	-0.412	-0.220	-0.172
	(0.610)	(0.474)	(0.347)	(0.289)	(0.262)	(0.207)	(0.176)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	0.0005	0.027	0.004	-0.021	-0.029	-0.004	0.014
	(0.113)	(0.122)	(0.108)	(0.092)	(0.088)	(0.077)	(0.064)
GPR_{t-1}^{US}	0.009	0.002	0.029	0.032	0.032	0.036	0.050
	(0.055)	(0.054)	(0.044)	(0.042)	(0.044)	(0.047)	(0.047)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.016	-0.012	0.005	0.008	0.007	0.011	0.022
	(0.030)	(0.030)	(0.023)	(0.021)	(0.022)	(0.022)	(0.021)
Constant	-0.409	-0.425	-0.482	-0.450	-0.421	-0.427*	-0.433*
	(0.393)	(0.370)	(0.353)	(0.324)	(0.300)	(0.255)	(0.222)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.080	0.103	0.124	0.156	0.185
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	0.466	0.366	0.727	0.780*	0.622*	0.640**	0.601**
	(0.859)	(0.578)	(0.492)	(0.402)	(0.344)	(0.308)	(0.275)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.050	-0.063	-0.017	-0.026	-0.063	-0.071	-0.056
	(0.108)	(0.092)	(0.071)	(0.067)	(0.057)	(0.051)	(0.046)
GPR_{t-1}^{US}	-0.049	-0.062	-0.054	-0.070	-0.089*	-0.115**	-0.094**

	(0.089)	(0.068)	(0.058)	(0.050)	(0.049)	(0.047)	(0.045)
GPR_{t-1}^{US} $\times I_{high,t-1}^{US}$	-0.010	-0.004	-0.001	-0.002	-0.001	-0.004	-0.0009
	(0.035)	(0.026)	(0.021)	(0.018)	(0.017)	(0.016)	(0.016)
Constant	0.684**	0.663**	0.572**	0.559***	0.564***	0.571***	0.484***
	(0.338)	(0.292)	(0.240)	(0.197)	(0.177)	(0.174)	(0.160)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.112	0.155	0.195	0.267	0.326
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	1.623	0.178	0.921*	0.927**	1.031**	0.882**	0.897***
	(1.135)	(0.726)	(0.499)	(0.459)	(0.414)	(0.342)	(0.315)
$GPR_{i,t-1}^{RoW}$ $\times I_{high,i,t-1}^{Row}$	0.026	0.033	-0.007	-0.002	0.031	0.034	0.089
	(0.178)	(0.125)	(0.092)	(0.082)	(0.090)	(0.097)	(0.080)
GPR_{t-1}^{US}	0.097	0.052	-0.002	-0.022	-0.011	-0.007	-0.004
	(0.110)	(0.088)	(0.066)	(0.058)	(0.057)	(0.052)	(0.049)
GPR_{t-1}^{US} $\times I_{high,t-1}^{US}$	-0.0105	-0.006	-0.012	-0.017	-0.015	-0.0002	0.002
	(0.043)	(0.030)	(0.025)	(0.024)	(0.023)	(0.020)	(0.018)
Constant	-0.523	-0.453	-0.377	-0.389	-0.491	-0.617*	-0.700***
	(0.648)	(0.590)	(0.515)	(0.444)	(0.397)	(0.321)	(0.264)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.057	0.076	0.096	0.132	0.160

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 75th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C17 to C20 of the online Appendix C.

Table B7

Geopolitical uncertainty and cross-border portfolio flows at multiple horizons: Nonlinear effects using the 90th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity Inflows							
$GPR_{i,t-1}^{RoW}$	-0.997**	-0.754	-0.473	-0.522	-0.511	-0.261	-0.342
	(0.495)	(0.489)	(0.466)	(0.434)	(0.412)	(0.341)	(0.276)
$GPR_{i,t-1}^{RoW}$	-0.274**	-0.292**	-0.290*	-0.291*	-0.258*	-0.191*	-0.191**
$\times I_{high,i,t-1}^{Row}$							
	(0.126)	(0.149)	(0.159)	(0.150)	(0.141)	(0.111)	(0.096)
GPR_{t-1}^{US}	-0.120*	-0.071	0.014	0.029	0.031	0.041	0.016
	(0.065)	(0.106)	(0.132)	(0.106)	(0.088)	(0.077)	(0.056)
GPR_{t-1}^{US}	-0.013	0.005	0.026	0.016	0.002	-0.0004	-0.004
$\times I_{high,t-1}^{US}$							
	(0.027)	(0.028)	(0.036)	(0.029)	(0.027)	(0.023)	(0.020)
Constant	-0.018	-0.187	-0.420	-0.476*	-0.495**	-0.531***	-0.417***
	(0.292)	(0.297)	(0.319)	(0.275)	(0.233)	(0.183)	(0.151)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.005	0.011	0.019	0.028	0.037	0.053	0.070
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	-0.312	-0.266	-0.252	-0.301	-0.343	-0.243	-0.220
	(0.346)	(0.279)	(0.232)	(0.220)	(0.216)	(0.180)	(0.144)
$GPR_{i,t-1}^{RoW}$	-0.007	0.010	-0.021	-0.043	-0.057	-0.028	-0.011
$\times I_{high,i,t-1}^{Row}$							
	(0.121)	(0.127)	(0.114)	(0.099)	(0.097)	(0.082)	(0.069)
GPR_{t-1}^{US}	0.023	0.031	0.049	0.073	0.073	0.062	0.070*
	(0.062)	(0.060)	(0.052)	(0.048)	(0.047)	(0.042)	(0.039)
GPR_{t-1}^{US}	-0.015	-0.008	0.007	0.014	0.012	0.014	0.023
$\times I_{high,t-1}^{US}$							
	(0.029)	(0.029)	(0.023)	(0.020)	(0.020)	(0.012)	(0.018)
Constant	-0.462	-0.493	-0.537	-0.548	-0.519*	-0.495**	-0.490**
	(0.420)	(0.397)	(0.372)	(0.339)	(0.308)	(0.251)	(0.215)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.081	0.105	0.127	0.158	0.187
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	0.403	0.135	0.217	0.220	0.103	0.153	0.211
	(0.375)	(0.276)	(0.234)	(0.217)	(0.188)	(0.155)	(0.135)
$GPR_{i,t-1}^{RoW}$	-0.003	-0.037	0.0003	-0.005	-0.040	-0.040	-0.020
$\times I_{high,i,t-1}^{Row}$							
	(0.118)	(0.099)	(0.075)	(0.071)	(0.059)	(0.053)	(0.048)
GPR_{t-1}^{US}	-0.153*	-0.095	-0.094	-0.095*	-0.102*	-0.106**	-0.120**

	(0.083)	(0.063)	(0.058)	(0.054)	(0.052)	(0.053)	(0.049)
GPR_{t-1}^{US}	-0.024	-0.004	-0.002	-0.0001	0.004	0.006	0.003
$\times I_{high,t-1}^{US}$							
	(0.033)	(0.025)	(0.021)	(0.019)	(0.018)	(0.017)	(0.016)
Constant	0.912**	0.772**	0.696***	0.663***	0.658***	0.637***	0.606***
	(0.357)	(0.310)	(0.257)	(0.216)	(0.188)	(0.174)	(0.155)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.026	0.056	0.112	0.155	0.195	0.267	0.328
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	0.524	0.147	-0.0620	-0.0985	-0.00764	-0.0729	-0.00478
	(0.441)	(0.424)	(0.309)	(0.262)	(0.223)	(0.166)	(0.138)
$GPR_{i,t-1}^{RoW}$	-0.0101	0.028	-0.0491	-0.0437	-0.006	-0.002	0.05
$\times I_{high,i,t-1}^{Row}$							
	(0.179)	(0.138)	(0.104)	(0.0903)	(0.094)	(0.098)	(0.081)
GPR_{t-1}^{US}	-0.015	-0.028	0.009	-0.001	-0.0183	0.00181	-0.0143
	(0.085)	(0.070)	(0.071)	(0.065)	(0.056)	(0.058)	(0.053)
GPR_{t-1}^{US}	-0.039	-0.024	-0.010	-0.012	-0.015	0.003	0.002
$\times I_{high,t-1}^{US}$							
	(0.036)	(0.027)	(0.026)	(0.025)	(0.023)	(0.022)	(0.020)
Constant	-0.360	-0.334	-0.388	-0.408	-0.460	-0.612*	-0.659**
	(0.672)	(0.602)	(0.553)	(0.477)	(0.421)	(0.352)	(0.299)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.056	0.076	0.095	0.131	0.159

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 90th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C21 to C24 of the online Appendix C.

Table 1

Geopolitical uncertainty and equity inflows to the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.227**	-0.263**	-0.275**	-0.268**	-0.230*	-0.177*	-0.174**
	(0.113)	(0.131)	(0.127)	(0.123)	(0.117)	(0.092)	(0.084)
GPR_{t-1}^{US}	-0.001	0.014	0.026	0.012	-0.004	-0.008	-0.008
	(0.029)	(0.021)	(0.021)	(0.018)	(0.020)	(0.018)	(0.018)
$VIX_{i,t-1}$	0.0007	-0.007	-0.0008	-0.003	-0.004	-0.001	0.0003
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.0e-05	-1.3e-05	-1.5e-05	4.2e-05	7.2e-05	6.9e-05**	5.5e-05***
	(7.4e-05)	(6.5e-05)	(6.0e-05)	(5.2e-05)	(4.3e-05)	(2.9e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.013	0.002	0.00211	0.0006	0.0008	0.001	0.0004
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.007	-0.002	-0.003	-0.003	-0.0002	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.066	-0.076	-0.043	-0.038*	-0.022	-0.024*	0.002
	(0.077)	(0.052)	(0.027)	(0.020)	(0.017)	(0.013)	(0.017)
$FINOPEN_{i,t-1}$	0.020	0.0003	-0.022	-0.032	-0.028	-0.022	0.001
	(0.057)	(0.055)	(0.050)	(0.045)	(0.041)	(0.038)	(0.033)
$CABGDP_{i,t-1}$	0.021**	0.020**	0.019**	0.020**	0.020***	0.023***	0.024***
	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.022	0.027*	0.033**	0.038***	0.042***	0.046***	0.045***
	(0.016)	(0.016)	(0.015)	(0.013)	(0.012)	(0.011)	(0.010)
Constant	-0.272	-0.369	-0.450*	-0.450**	-0.430**	-0.436**	-0.371**
	(0.296)	(0.270)	(0.247)	(0.227)	(0.212)	(0.186)	(0.170)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.037	0.052	0.070

Notes: This table presents the estimates of our main model, Eq. (1), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The sample period is from January 1992 to November 2022. The definitions of variables are provided in Table A2 (Appendix A). *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table 2

Geopolitical uncertainty and equity outflows from the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.027	0.041	0.007	-0.010	-0.020	-0.0008	0.015
	(0.109)	(0.121)	(0.111)	(0.093)	(0.089)	(0.077)	(0.064)
GPR_{t-1}^{US}	-0.024	-0.017	-0.002	0.001	-0.0007	0.004	0.013
	(0.026)	(0.026)	(0.020)	(0.018)	(0.019)	(0.019)	(0.018)
$VIX_{i,t-1}$	-0.0008	-0.006*	-0.003	-0.002	-0.004*	-0.004	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.4e-05	2.8e-05	4.3e-05	4.2e-05	3.9e-05	1.1e-06	-2.9e-05
	(5.5e-05)	(4.4e-05)	(3.7e-05)	(3.3e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0004	-0.0007	0.0006	0.0001
	(0.007)	(0.003)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.004*	-0.004**	-0.002	-0.0007	7.2e-05	-0.0004
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.024	0.014	0.003	0.009	0.004	-0.003	0.001
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.008)
$FINOPEN_{i,t-1}$	-0.270***	-0.265***	-0.261***	-0.246***	-0.238***	-0.223***	-0.203***
	(0.062)	(0.060)	(0.055)	(0.047)	(0.043)	(0.038)	(0.034)
$CABGDP_{i,t-1}$	-0.024**	-0.024**	-0.022**	-0.021**	-0.020**	-0.019**	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.018	0.020	0.020	0.017	0.014	0.009	0.003
	(0.013)	(0.012)	(0.013)	(0.012)	(0.010)	(0.008)	(0.007)
Constant	-0.375	-0.405	-0.441	-0.414	-0.380	-0.386	-0.384*
	(0.387)	(0.366)	(0.347)	(0.322)	(0.295)	(0.242)	(0.208)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.080	0.102	0.123	0.155	0.183

Notes: This table presents the estimates of our main model, Eq. (1), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The sample period is from January 1992 to November 2022. The definitions of variables are provided in Table A2 (Appendix A). *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table 3

Geopolitical uncertainty and bond inflows to the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.062	-0.068	-0.035	-0.042	-0.071	-0.077	-0.063
	(0.098)	(0.088)	(0.068)	(0.065)	(0.056)	(0.048)	(0.043)
GPR_{t-1}^{US}	0.001	0.012	0.015	0.018	0.024	0.027	0.026
	(0.030)	(0.023)	(0.019)	(0.018)	(0.018)	(0.017)	(0.017)
$VIX_{i,t-1}$	-0.007	-0.007	-0.003	-0.003	-0.001	5.4e-05	-0.0007
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	5.5e-05	-0.0001**	-0.0002***
	(5.4e-05)	(3.6e-05)	(3.4e-05)	(3.4e-05)	(5.5e-05)	(4.7e-05)	(3.3e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002**
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008	-0.006*	-0.002	-0.002	-0.002	-0.001	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	0.069**	0.008	0.003	0.004	-0.009	-0.006	-0.008
	(0.029)	(0.030)	(0.017)	(0.015)	(0.013)	(0.011)	(0.010)
$FINOPEN_{i,t-1}$	0.016	-0.0005	-0.031	-0.051	-0.059	-0.069**	-0.081***
	(0.064)	(0.058)	(0.047)	(0.042)	(0.039)	(0.031)	(0.023)
$CABGDP_{i,t-1}$	0.042***	0.044***	0.046***	0.046***	0.045***	0.044***	0.044***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	-0.002	0.0004	0.004	0.003	0.002	0.002	0.005
	(0.012)	(0.011)	(0.010)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	0.621*	0.564*	0.487*	0.447**	0.414**	0.382**	0.325**
	(0.328)	(0.300)	(0.257)	(0.221)	(0.200)	(0.180)	(0.162)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.192	0.262	0.321

Notes: This table presents the estimates of our main model, Eq. (1), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The sample period is from January 1992 to November 2022. The definitions of variables are provided in Table A2 (Appendix A). *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table 4

Geopolitical uncertainty and bond outflows from the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.054	0.016	-0.044	-0.036	-0.006	0.003	0.060
	(0.177)	(0.126)	(0.094)	(0.083)	(0.090)	(0.098)	(0.081)
GPR_{t-1}^{US}	-0.038	-0.022	-0.013	-0.015	-0.015	0.002	0.005
	(0.031)	(0.022)	(0.020)	(0.021)	(0.019)	(0.018)	(0.017)
$VIX_{i,t-1}$	-0.006	0.004	-0.0001	-0.0002	-0.002	-0.002	-0.001
	(0.011)	(0.005)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0006*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.015	0.0007	0.0002	0.0008	0.0003	-0.0007	0.0003
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.002	-0.007	0.005	-0.004	-0.006	-0.011*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.034	0.006	0.014	0.005	0.003	0.007	0.019
	(0.036)	(0.023)	(0.029)	(0.018)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.171	-0.171	-0.192**	-0.197**	-0.218***	-0.229***	-0.247***
	(0.119)	(0.108)	(0.094)	(0.077)	(0.075)	(0.069)	(0.065)
$CABGDP_{i,t-1}$	-0.042	-0.044*	-0.043**	-0.045***	-0.045***	-0.048***	-0.047***
	(0.026)	(0.023)	(0.019)	(0.016)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.0137	0.014	0.013	0.015	0.020	0.027**	0.031***
	(0.032)	(0.029)	(0.025)	(0.020)	(0.016)	(0.012)	(0.009)
Constant	-0.299	-0.342	-0.343	-0.381	-0.466	-0.616**	-0.698***
	(0.609)	(0.556)	(0.498)	(0.430)	(0.379)	(0.303)	(0.248)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.056	0.076	0.095	0.131	0.159

Notes: This table presents the estimates of our main model, Eq. (1), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The sample period is from January 1992 to November 2022. The definitions of variables are provided in Table A2 (Appendix A). *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table 5

Geopolitical uncertainty and domestic equity holdings

	$GPR_{i,t-1}^{RoW}$	GPR_{t-1}^{US}	$VIX_{i,t-1}$	$ICRG_{i,t-1}$	$FINOPEN_{i,t-1}$	$FXREGIME_{i,t-1}$	$RETURN_{i,t-1}$	$INTEREST_{i,t-1}$	$GROWTH_{i,t-1}$	$CABGDP_{i,t-1}$	Constant
$HOME_{i,t}^{RoW}$	0.449**	-0.267*	0.078***	-0.001	-0.070	0.041**	0.029	0.012	-0.102***	0.010*	-1.294***
	(0.168)	(0.139)	(0.012)	(0.012)	(0.044)	(0.017)	(0.021)	(0.008)	(0.033)	(0.005)	(0.198)
Observations	480		R-squared		0.259						

Notes: This table presents the estimates of the model, presented as Eq. (3), with the percent change in the component of domestic equity holdings in other countries, $HOME_{i,t}^{RoW}$, as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the other variables are provided in Table A2 (Appendix A). The estimation is based on the annual data and the sample period is from 2005 to 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table 6

Cross-sectional effects of geopolitical uncertainty and cross-border portfolio flows at multiple horizons: Emerging vs developed economies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity inflows							
$GPR_{i,t-1}^{RoW}$	-0.241***	-0.160*	-0.087	-0.047	-0.016	0.016	0.047
	(0.089)	(0.090)	(0.087)	(0.082)	(0.078)	(0.075)	(0.073)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.370	-0.588	-0.718*	-0.889**	-0.875**	-0.732***	-0.792***
	(0.364)	(0.405)	(0.391)	(0.382)	(0.360)	(0.240)	(0.193)
GPR_{t-1}^{US}	0.028	0.014	0.002	2.0e-05	-0.010	-0.017	-0.022
	(0.030)	(0.031)	(0.0293)	(0.0275)	(0.02)	(0.0206)	(0.0214)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.033	0.014	0.051	0.025	-0.0008	0.0006	0.004
	(0.04)	(0.028)	(0.0357)	(0.030)	(0.035)	(0.030)	(0.026)
Constant	-0.210	-0.366	-0.496**	-0.472**	-0.435**	-0.451**	-0.394**
	(0.313)	(0.274)	(0.251)	(0.232)	(0.218)	(0.189)	(0.172)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.020	0.029	0.037	0.053	0.071
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	0.149	0.257***	0.260***	0.212***	0.168**	0.136**	0.120**
	(0.105)	(0.090)	(0.079)	(0.070)	(0.069)	(0.062)	(0.058)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.339	-0.605***	-0.641***	-0.558***	-0.530***	-0.436***	-0.343***
	(0.216)	(0.216)	(0.178)	(0.160)	(0.146)	(0.119)	(0.102)
GPR_{t-1}^{US}	-0.028	-0.023	-0.026	-0.023	-0.014	0.004	0.018
	(0.036)	(0.035)	(0.031)	(0.028)	(0.026)	(0.024)	(0.025)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.021	-0.012	0.022	0.026	0.013	0.003	0.008
	(0.029)	(0.026)	(0.023)	(0.020)	(0.019)	(0.017)	(0.015)
Constant	-0.380	-0.412	-0.486	-0.460	-0.404	-0.383	-0.37*
	(0.389)	(0.365)	(0.346)	(0.321)	(0.295)	(0.242)	(0.206)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.051	0.083	0.106	0.127	0.158	0.187
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	0.082	0.107	0.141*	0.115*	0.080	0.067	0.048
	(0.078)	(0.086)	(0.073)	(0.063)	(0.059)	(0.062)	(0.049)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.481*	-0.561**	-0.511***	-0.450***	-0.431***	-0.421***	-0.332**
	(0.288)	(0.224)	(0.168)	(0.150)	(0.142)	(0.135)	(0.128)
GPR_{t-1}^{US}	-0.005	0.002	0.001	0.003	0.004	0.008	0.012
	(0.021)	(0.019)	(0.018)	(0.016)	(0.016)	(0.014)	(0.015)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.007	0.022	0.028	0.033	0.044*	0.045**	0.040*
	(0.051)	(0.038)	(0.028)	(0.025)	(0.023)	(0.022)	(0.022)
Constant	0.611*	0.548*	0.464*	0.420*	0.377*	0.347*	0.299*
	(0.339)	(0.307)	(0.259)	(0.221)	(0.200)	(0.182)	(0.163)

Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.112	0.154	0.193	0.263	0.322
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-0.290*	0.257***	-0.169*	-0.160*	-0.104	-0.055	-0.017
	(0.157)	(0.090)	(0.096)	(0.082)	(0.076)	(0.072)	(0.063)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.132	-0.605***	0.057	0.062	0.0358	-0.019	0.054
	(0.340)	(0.216)	(0.204)	(0.177)	(0.203)	(0.189)	(0.162)
GPR_{t-1}^{US}	0.050*	-0.023	0.032	0.030	0.027	0.036	0.045**
	(0.030)	(0.035)	(0.021)	(0.025)	(0.025)	(0.025)	(0.021)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.132***	-0.012	-0.063**	-0.063**	-0.059**	-0.032	-0.037*
	(0.042)	(0.026)	(0.029)	(0.026)	(0.026)	(0.024)	(0.020)
Constant	-0.119	-0.412	-0.249	-0.288	-0.381	-0.548*	-0.617**
	(0.616)	(0.365)	(0.504)	(0.435)	(0.382)	(0.306)	(0.250)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,136	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.051	0.057	0.077	0.096	0.132	0.161

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if a country is classified as an emerging market economy (see Table A1), and 0 otherwise. Thus, I^{high} varies across countries only. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C25 to C28 of the online Appendix C.

Table 7

Cross-sectional effects of geopolitical uncertainty and cross-border portfolio flows at multiple horizons: The role of financial openness

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity inflows							
$GPR_{i,t-1}^{RoW}$	0.092	-0.237	-0.304	-0.490	-0.420	-0.204	-0.251
	(0.356)	(0.480)	(0.510)	(0.482)	(0.449)	(0.347)	(0.288)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.320***	-0.272***	-0.258***	-0.218***	-0.196***	-0.175***	-0.161***
	(0.103)	(0.087)	(0.073)	(0.064)	(0.057)	(0.054)	(0.052)
GPR_{t-1}^{US}	-0.044	0.010	0.042	0.032	0.003	-0.006	-0.008
	(0.045)	(0.037)	(0.049)	(0.043)	(0.047)	(0.039)	(0.037)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.020	0.016	0.017	0.002	-0.008	-0.009	-0.008
	(0.032)	(0.031)	(0.028)	(0.025)	(0.023)	(0.019)	(0.018)
Constant	-0.228	-0.362	-0.455*	-0.445**	-0.410*	-0.416**	-0.371**
	(0.292)	(0.255)	(0.237)	(0.222)	(0.209)	(0.180)	(0.167)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.037	0.052	0.070
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	-0.191	-0.405	-0.489**	-0.453**	-0.459***	-0.344**	-0.262**
	(0.287)	(0.258)	(0.224)	(0.196)	(0.166)	(0.134)	(0.123)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.052	0.108	0.101	0.081	0.062	0.053	0.058
	(0.107)	(0.118)	(0.106)	(0.089)	(0.087)	(0.075)	(0.065)
GPR_{t-1}^{US}	0.021	0.032	0.064**	0.070***	0.058**	0.049**	0.053**
	(0.037)	(0.036)	(0.026)	(0.021)	(0.023)	(0.024)	(0.021)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.054**	-0.047**	-0.040**	-0.038**	-0.035**	-0.022	-0.010
	(0.025)	(0.022)	(0.019)	(0.018)	(0.017)	(0.017)	(0.016)
Constant	-0.176	-0.207	-0.279	-0.272	-0.231	-0.230	-0.242
	(0.372)	(0.354)	(0.337)	(0.318)	(0.298)	(0.252)	(0.218)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.016	0.040	0.067	0.088	0.105	0.130	0.157
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	0.378	0.235	0.302*	0.414**	0.400***	0.385***	0.381***
	(0.281)	(0.240)	(0.176)	(0.161)	(0.152)	(0.143)	(0.134)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.105	-0.088	-0.070	-0.106	-0.134**	-0.137***	-0.122***
	(0.092)	(0.083)	(0.079)	(0.077)	(0.062)	(0.049)	(0.042)
GPR_{t-1}^{US}	0.023	0.039	0.038	0.037	0.049**	0.054**	0.0543**
	(0.045)	(0.036)	(0.027)	(0.025)	(0.0240)	(0.024)	(0.024)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.013	-0.004	-0.001	0.0028	0.006	0.007	0.005

	(0.028)	(0.022)	(0.020)	(0.019)	(0.018)	(0.017)	(0.017)
Constant	0.549*	0.506*	0.464*	0.447**	0.412**	0.387**	0.340**
	(0.330)	(0.299)	(0.256)	(0.218)	(0.196)	(0.170)	(0.149)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.112	0.155	0.194	0.265	0.324
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-0.109	-0.238	-0.341	-0.330	-0.294	-0.366	-0.249
	(0.480)	(0.314)	(0.257)	(0.218)	(0.237)	(0.227)	(0.192)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.134	0.0039	-0.048	-0.045	-0.028	-0.004	0.035
	(0.143)	(0.121)	(0.097)	(0.086)	(0.084)	(0.084)	(0.074)
GPR_{t-1}^{US}	-0.084	-0.037	-0.021	-0.026	-0.033	-0.013	-0.014
	(0.062)	(0.046)	(0.043)	(0.035)	(0.029)	(0.024)	(0.021)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.016	-0.017	-0.011	-0.011	-0.007	0.008	0.011
	(0.037)	(0.030)	(0.027)	(0.026)	(0.024)	(0.021)	(0.018)
Constant	-0.0408	-0.135	-0.126	-0.153	-0.205	-0.346	-0.408
	(0.577)	(0.529)	(0.479)	(0.421)	(0.369)	(0.300)	(0.257)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.013	0.032	0.053	0.072	0.088	0.121	0.144

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of financial openness (FINOPEN) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C29 to C32 of the online Appendix C.

Table 8

Cross-sectional effects of geopolitical uncertainty and cross-border portfolio flows at multiple horizons: The role of institutions

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity inflows							
$GPR_{i,t-1}^{RoW}$	-0.209	-0.321	-0.436	-0.493*	-0.438*	-0.311	-0.346*
	(0.199)	(0.248)	(0.264)	(0.255)	(0.250)	(0.200)	(0.176)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.240**	-0.213**	-0.162*	-0.121	-0.101	-0.090	-0.076
	(0.104)	(0.098)	(0.086)	(0.076)	(0.073)	(0.070)	(0.060)
GPR_{t-1}^{US}	-0.034	0.008	0.040	0.021	-0.003	-0.005	-0.012
	(0.041)	(0.036)	(0.045)	(0.038)	(0.042)	(0.037)	(0.035)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.022	0.020	0.017	0.005	-0.006	-0.010	-0.008
	(0.028)	(0.023)	(0.019)	(0.019)	(0.019)	(0.016)	(0.016)
Constant	-0.223	-0.367	-0.480*	-0.472**	-0.437**	-0.445**	-0.368**
	(0.299)	(0.270)	(0.248)	(0.229)	(0.216)	(0.189)	(0.170)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.010	0.019	0.028	0.037	0.052	0.070
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	-0.171	-0.218	-0.253	-0.240	-0.212	-0.122	-0.091
	(0.149)	(0.161)	(0.168)	(0.149)	(0.137)	(0.123)	(0.107)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.166	0.216*	0.192*	0.155*	0.116	0.084	0.088
	(0.116)	(0.120)	(0.109)	(0.089)	(0.085)	(0.078)	(0.069)
GPR_{t-1}^{US}	0.025	0.027	0.056**	0.057***	0.042**	0.027	0.031*
	(0.033)	(0.031)	(0.025)	(0.021)	(0.019)	(0.019)	(0.017)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.059*	-0.049*	-0.042	-0.037	-0.030	-0.011	0.001
	(0.031)	(0.029)	(0.026)	(0.024)	(0.023)	(0.022)	(0.022)
Constant	-0.458	-0.481	-0.542	-0.508	-0.453	-0.426*	-0.414**
	(0.391)	(0.369)	(0.349)	(0.323)	(0.296)	(0.242)	(0.206)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.021	0.050	0.084	0.107	0.127	0.156	0.185
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	-0.181	-0.087	-0.064	-0.066	-0.090	-0.126	-0.123
	(0.195)	(0.172)	(0.126)	(0.119)	(0.104)	(0.100)	(0.100)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.024	-0.068	-0.019	-0.027	-0.053	-0.041	-0.022
	(0.078)	(0.066)	(0.058)	(0.056)	(0.051)	(0.049)	(0.047)
GPR_{t-1}^{US}	-0.023	-0.002	0.015	0.022	0.032	0.035	0.032
	(0.064)	(0.051)	(0.036)	(0.031)	(0.027)	(0.026)	(0.026)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.013	0.021	0.014	0.014	0.019	0.021	0.021
	(0.020)	(0.017)	(0.016)	(0.017)	(0.017)	(0.015)	(0.014)

Constant	0.665*	0.589*	0.486*	0.440**	0.400**	0.368**	0.313**
	(0.350)	(0.314)	(0.259)	(0.218)	(0.195)	(0.175)	(0.157)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.192	0.262	0.321
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-0.143	0.0547	-0.0660	-0.112	-0.109	-0.185	-0.117
	(0.252)	(0.195)	(0.149)	(0.130)	(0.155)	(0.151)	(0.117)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.0769	-0.0662	-0.0833	-0.033	0.020	0.093	0.147
	(0.175)	(0.143)	(0.116)	(0.098)	(0.087)	(0.089)	(0.094)
GPR_{t-1}^{US}	-0.152***	-0.125***	-0.0962***	-0.083***	-0.071***	-0.030	-0.016
	(0.049)	(0.039)	(0.032)	(0.027)	(0.026)	(0.026)	(0.030)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.032	0.043	0.0389	0.027	0.020	0.022	0.016
	(0.036)	(0.027)	(0.0267)	(0.027)	(0.024)	(0.020)	(0.019)
Constant	-0.110	-0.174	-0.208	-0.272	-0.377	-0.565*	-0.666**
	(0.614)	(0.559)	(0.496)	(0.430)	(0.381)	(0.312)	(0.264)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.015	0.035	0.059	0.079	0.098	0.133	0.160

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of institutional quality (ICRG) in level is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C33 to C36 of the online Appendix C.

Table 9

Cross-sectional effects of geopolitical uncertainty and cross-border portfolio flows at multiple horizons: The role of exchange rate regime

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity inflows							
$GPR_{i,t-1}^{RoW}$	-0.0440	0.008	0.058	0.027	0.013	-0.007	-0.014
	(0.194)	(0.161)	(0.147)	(0.129)	(0.114)	(0.090)	(0.086)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.274**	-0.346**	-0.386**	-0.364**	-0.308**	-0.233**	-0.228**
	(0.134)	(0.163)	(0.164)	(0.159)	(0.150)	(0.116)	(0.105)
GPR_{t-1}^{US}	-0.004	-0.006	-0.012	-0.024	-0.038	-0.044	-0.045
	(0.043)	(0.038)	(0.034)	(0.032)	(0.031)	(0.029)	(0.029)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.009	0.020	0.046*	0.030	0.010	0.011	0.011
	(0.035)	(0.021)	(0.027)	(0.023)	(0.027)	(0.022)	(0.021)
Constant	-0.013	-0.086	-0.140	-0.082	-0.018	0.013	0.059
	(0.255)	(0.212)	(0.188)	(0.182)	(0.178)	(0.167)	(0.160)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.036	0.050	0.067
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	0.076	0.046	0.012	-0.039	-0.084	-0.070	-0.029
	(0.224)	(0.184)	(0.149)	(0.130)	(0.119)	(0.115)	(0.106)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.010	0.039	0.001	-0.001	0.002	0.023	0.034
	(0.134)	(0.149)	(0.135)	(0.114)	(0.107)	(0.090)	(0.074)
GPR_{t-1}^{US}	-0.038	-0.029	-0.017	-0.006	-0.002	0.006	0.020
	(0.031)	(0.029)	(0.025)	(0.022)	(0.023)	(0.022)	(0.023)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.016	-0.010	0.008	0.007	0.0002	0.003	0.007
	(0.030)	(0.030)	(0.024)	(0.022)	(0.022)	(0.021)	(0.018)
Constant	-0.200	-0.208	-0.255	-0.242	-0.227	-0.287	-0.337*
	(0.353)	(0.338)	(0.313)	(0.290)	(0.270)	(0.223)	(0.187)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.048	0.079	0.101	0.122	0.154	0.184
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	0.089	0.156	0.232*	0.228*	0.215**	0.178*	0.196**
	(0.186)	(0.177)	(0.136)	(0.124)	(0.105)	(0.097)	(0.079)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.095	-0.132	-0.113	-0.122*	-0.159**	-0.157***	-0.145***
	(0.121)	(0.096)	(0.080)	(0.073)	(0.064)	(0.058)	(0.053)
GPR_{t-1}^{US}	0.018	0.014	0.012	0.013	0.015	0.015	0.0120
	(0.026)	(0.020)	(0.017)	(0.017)	(0.017)	(0.016)	(0.016)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.019	0.003	0.008	0.012	0.022	0.029	0.029
	(0.041)	(0.033)	(0.027)	(0.024)	(0.022)	(0.019)	(0.018)
Constant	0.646**	0.592**	0.548**	0.502**	0.451**	0.409**	0.381**
	(0.309)	(0.280)	(0.242)	(0.211)	(0.190)	(0.167)	(0.150)

Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.111	0.154	0.193	0.263	0.322
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	-0.650	-0.527*	-0.551**	-0.558***	-0.591***	-0.556***	-0.503***
	(0.425)	(0.307)	(0.229)	(0.189)	(0.190)	(0.180)	(0.162)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.146	0.201	0.125	0.140	0.186*	0.187*	0.249***
	(0.142)	(0.125)	(0.112)	(0.0992)	(0.101)	(0.105)	(0.0934)
GPR_{t-1}^{US}	-0.001	0.012	0.016	0.018	0.011	0.023	0.029*
	(0.049)	(0.029)	(0.021)	(0.021)	(0.018)	(0.016)	(0.016)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.055*	-0.039	-0.027	-0.031	-0.023	-0.002	-0.004
	(0.033)	(0.029)	(0.026)	(0.025)	(0.025)	(0.023)	(0.021)
Constant	-0.128	-0.166	-0.186	-0.197	-0.246	-0.325	-0.355*
	(0.500)	(0.458)	(0.400)	(0.345)	(0.307)	(0.248)	(0.209)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.057	0.077	0.096	0.132	0.159

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the exchange rate regime (FXREGIME) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C37 to C40 of the online Appendix C.

Table 10

Cross-sectional effects of geopolitical uncertainty and cross-border portfolio flows at multiple horizons: The role of macroprudential policies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
Panel A: Equity inflows							
$GPR_{i,t-1}^{RoW}$	-0.136	-0.132	-0.185**	-0.170**	-0.161**	-0.140**	-0.120**
	(0.102)	(0.086)	(0.072)	(0.070)	(0.068)	(0.063)	(0.059)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.210	-0.141	-0.193	-0.266*	-0.232*	-0.171	-0.221**
	(0.154)	(0.155)	(0.147)	(0.146)	(0.136)	(0.104)	(0.100)
GPR_{t-1}^{US}	0.038**	0.037**	0.042***	0.029**	0.015	0.014	0.011
	(0.019)	(0.017)	(0.014)	(0.012)	(0.013)	(0.013)	(0.013)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.024	-0.032	-0.022	-0.028	-0.056*	-0.062**	-0.051**
	(0.029)	(0.034)	(0.030)	(0.029)	(0.031)	(0.025)	(0.025)
Constant	-0.160	-0.117	-0.084	-0.092	-0.054	-0.051	-0.065
	(0.279)	(0.263)	(0.233)	(0.211)	(0.198)	(0.181)	(0.155)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.016	0.044	0.081	0.116	0.092	0.064	0.079
Panel B: Equity outflows							
$GPR_{i,t-1}^{RoW}$	0.180*	0.223**	0.168	0.123	0.115	0.122*	0.131***
	(0.099)	(0.110)	(0.107)	(0.090)	(0.079)	(0.062)	(0.046)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.277*	-0.247	-0.248*	-0.216*	-0.196*	-0.146	-0.104
	(0.156)	(0.161)	(0.145)	(0.116)	(0.109)	(0.105)	(0.094)
GPR_{t-1}^{US}	-0.028	-0.020	-0.006	-0.001	-0.007	-0.004	0.003
	(0.021)	(0.020)	(0.015)	(0.013)	(0.013)	(0.0130)	(0.012)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.009	-0.001	0.019	0.017	0.002	-0.008	-0.010
	(0.029)	(0.031)	(0.022)	(0.018)	(0.016)	(0.015)	(0.014)
Constant	0.276	0.226	0.174	0.186	0.193	0.0930	0.0292
	(0.403)	(0.372)	(0.335)	(0.312)	(0.292)	(0.246)	(0.220)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.025	0.060	0.103	0.139	0.175	0.230	0.278
Panel C: Bond inflows							
$GPR_{i,t-1}^{RoW}$	-0.106	-0.073	-0.015	-0.014	-0.043	-0.056	-0.058*
	(0.083)	(0.078)	(0.057)	(0.047)	(0.039)	(0.035)	(0.034)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.292*	-0.202	-0.156	-0.155	-0.158	-0.093	-0.049
	(0.169)	(0.156)	(0.136)	(0.134)	(0.118)	(0.114)	(0.101)
GPR_{t-1}^{US}	0.049**	0.057***	0.050***	0.050**	0.054**	0.058**	0.059**
	(0.019)	(0.020)	(0.019)	(0.021)	(0.023)	(0.023)	(0.023)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.029	0.037	0.037	0.045	0.054	0.044	0.030

	(0.047)	(0.043)	(0.041)	(0.039)	(0.035)	(0.031)	(0.030)
Constant	0.567	0.593*	0.632**	0.613**	0.584**	0.578***	0.600***
	(0.371)	(0.343)	(0.296)	(0.266)	(0.240)	(0.208)	(0.190)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.046	0.102	0.174	0.224	0.276	0.364	0.433
Panel D: Bond outflows							
$GPR_{i,t-1}^{RoW}$	0.033	0.223**	0.066	0.090	0.127	0.158	0.231**
	(0.204)	(0.110)	(0.108)	(0.094)	(0.095)	(0.121)	(0.115)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.530**	-0.247	-0.454***	-0.409***	-0.352***	-0.297**	-0.270**
	(0.205)	(0.161)	(0.129)	(0.116)	(0.126)	(0.120)	(0.111)
GPR_{t-1}^{US}	0.0009	-0.020	0.023	0.021	0.020	0.032	0.029
	(0.041)	(0.020)	(0.023)	(0.026)	(0.024)	(0.019)	(0.018)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.006	-0.001	0.031	0.024	0.014	0.018	0.016
	(0.038)	(0.031)	(0.027)	(0.027)	(0.027)	(0.028)	(0.024)
Constant	-0.708	0.226	-0.628	-0.571	-0.555	-0.619**	-0.636***
	(0.495)	(0.372)	(0.412)	(0.373)	(0.345)	(0.286)	(0.242)
Controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.018	0.060	0.081	0.110	0.136	0.187	0.234

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows (Panel A), equity outflows (Panel B), bond inflows (Panel C) and bond outflows (Panel D) as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the aggregate measure of macroprudential policy from Cerutti et al. (2017), which is the "sum of the cumulative version of the nine prudential instruments they design" is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 2000 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively. The full set of results is provided in Tables C41 to C44 of the online Appendix C.

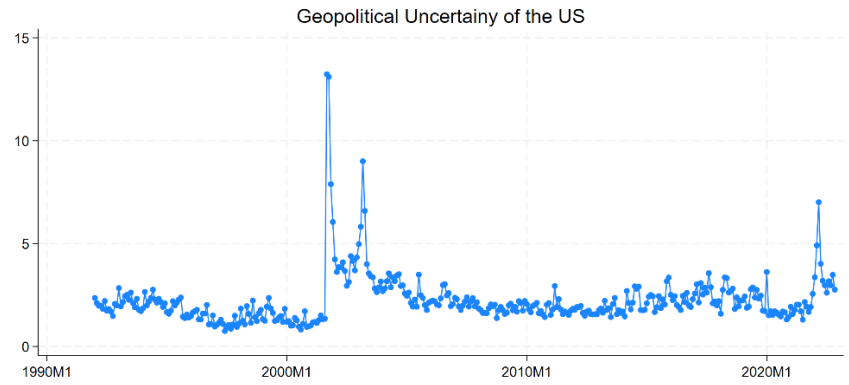
Table 11

Channels of the link between geopolitical uncertainty and equity inflows to the US

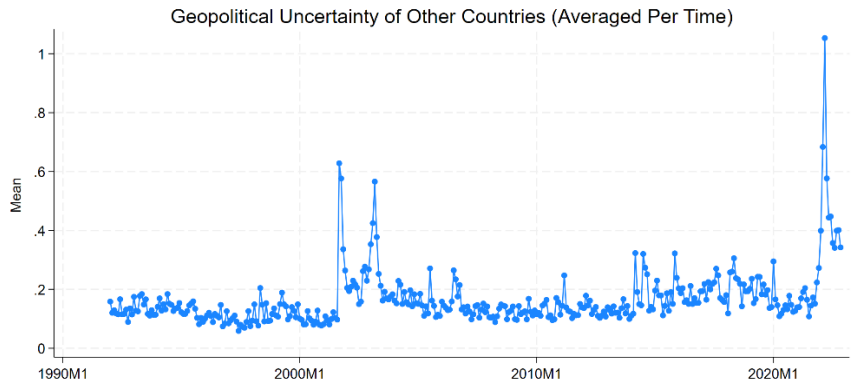
Specification	(1)	(2)	(3)	(4)
Dependent Variable: $y_{i,t}$	$RETURN_{i,t}^{RoW}$	$FXRATE_{i,t}^{RoW}$	$VOLUME_{i,t}^{RoW}$	$DIVIDEND_{i,t}^{RoW}$
$y_{i,t-1}$	0.096***	0.0815***	-0.227*	-0.356***
	(0.035)	(0.030)	(0.119)	(0.032)
$GPR_{i,t-1}^{RoW}$	-0.432**	0.516**	-13.72**	1.251***
	(0.195)	(0.264)	(5.750)	(0.451)
GPR_{t-1}^{US}	0.025	-0.138	-4.961***	-0.069
	(0.201)	(0.086)	(1.150)	(0.063)
$INTEREST_{i,t-1}$	-0.004***	-0.003***	0.0008	-0.0003
	(0.001)	(0.001)	(0.0009)	(0.0002)
$GROWTH_{i,t-1}$	-0.018	0.019**	-0.244	-0.151***
	(0.038)	(0.008)	(0.440)	(0.044)
$VIX_{i,t-1}$	-0.162**		0.817**	-0.077***
	(0.073)		(0.345)	(0.008)
$ICRG_{i,t-1}$	0.249*		-0.868*	0.014
	(0.132)		(0.451)	(0.018)
$FINOPEN_{i,t-1}$	-0.101		1.544	0.059
	(0.070)		(1.511)	(0.075)
$FXREGIME_{i,t-1}$	0.045**		0.239	-0.052**
	(0.018)		(0.469)	(0.022)
Constant	0.399	2.300***	0.838	0.207
	(0.600)	(0.415)	(9.697)	(0.508)
Observations	10,476	12,056	793	879
R-squared	0.053	0.109	0.136	0.232

Notes: This table presents the estimates of our model, presented as Eq. (5), with stock returns ($RETURN^{RoW}$) (Model 1), exchange rate changes ($FXRATE^{RoW}$) (Model 2), the change in the value of stocks traded (as a % of GDP) ($VOLUME^{RoW}$) (Model 3) and the change in dividend yields ($DIVIDEND^{RoW}$) (Model 4) in other countries as the dependent variable and restricting $\tau = 0$. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the other variables are provided in Table A2 (Appendix A). The data used are monthly from January 1992 to November 2022 for Models (1) and (2) and annual from 1992 to 2022 for Models (3) and (4). *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

(a)



(b)



(c)

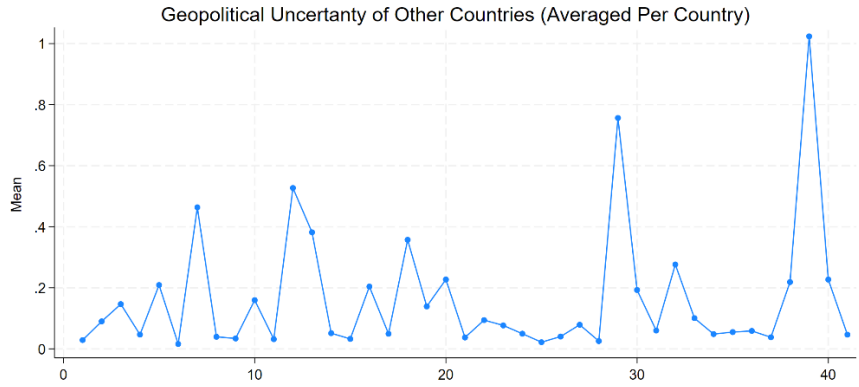


Figure 1. Geopolitical uncertainty of the US and other countries over the sample period.

This figure shows the evolution of geopolitical uncertainty of the US (Panel (a)) and other countries (Panel (b)), as well as the average of geopolitical uncertainty of other countries (Panel (c)) (see Table A1 (Appendix A) for the order and classification of these countries). Data source: Caldara and Iacoviello (2022).

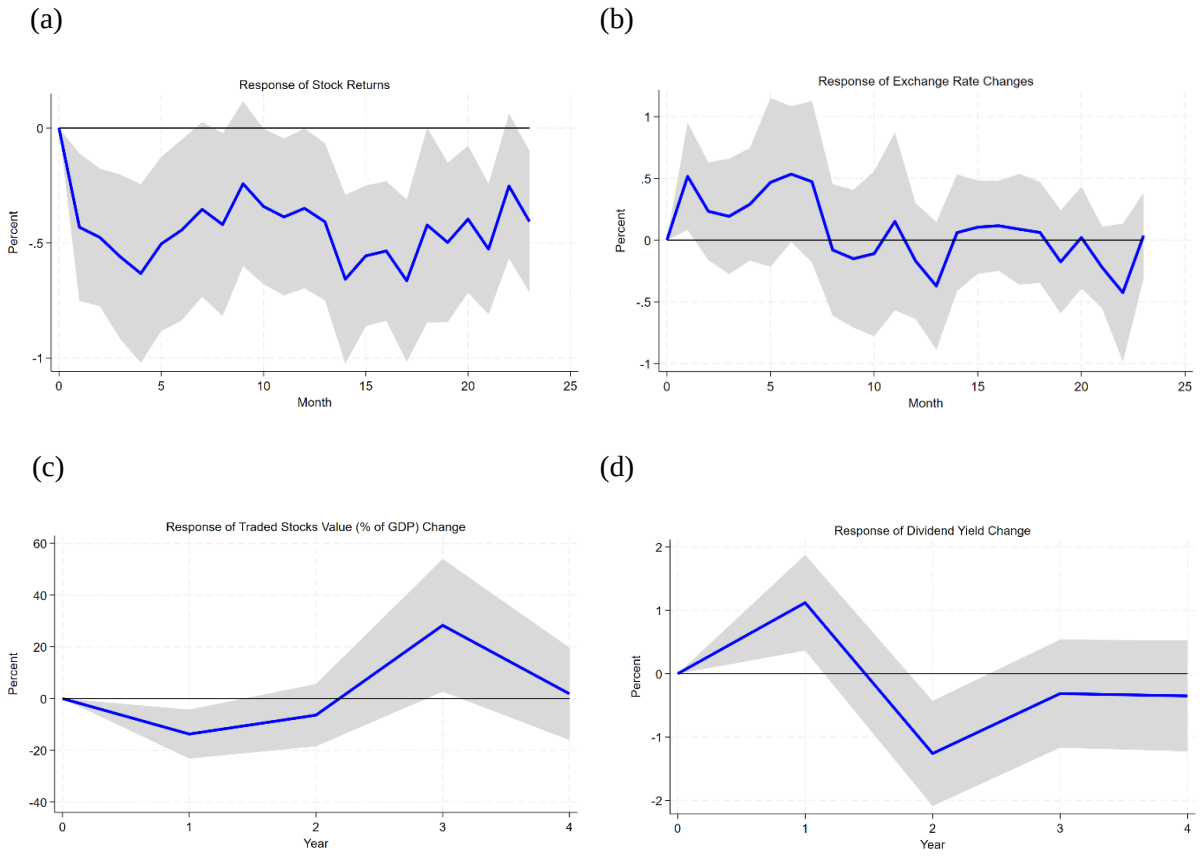


Figure 2. The impact of geopolitical uncertainty in other or counterpart countries on the stock market return, the change in the exchange rate, the change in the value of stocks traded (as a % of GDP), and the change in dividend yields in these countries.

This figure displays the estimated cumulative impulse responses based on the local projection method of Jordà (2005), Eq. (5), along with their 90% confidence intervals of each of the variables, namely the stock market return (Panel (a)), the change in the exchange rate (Panel (b)), the change in the value of traded stocks (as a % of GDP) (Panel (c)), and the change in dividend yields (Panel (d)) in other countries, to a shock to geopolitical uncertainty in these countries. All estimated models include control variables and fixed effects according to the specification in Eq. (5), where $\tau = 0, \dots, 24$ for the monthly variables in Panels (a) and (b) and $\tau = 0, \dots, 4$ for the annual variables in Panels (c) and (d). Driscoll-Kraay standard errors are used.

APPENDIX C (ONLINE). Detailed Estimation of the Specified Models

Table C1

Geopolitical uncertainty and equity inflows to the US at multiple horizons: Sample excludes Russian-Ukrainian war

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.213**	-0.249**	-0.270**	-0.268**	-0.235**	-0.184**	-0.168**
	(0.102)	(0.126)	(0.125)	(0.122)	(0.116)	(0.092)	(0.084)
GPR_{t-1}^{US}	-0.002	0.012	0.024	0.011	-0.006	-0.008	-0.008
	(0.028)	(0.020)	(0.020)	(0.017)	(0.019)	(0.018)	(0.017)
$VIX_{i,t-1}$	0.001	-0.006	-0.0009	-0.003	-0.004	-0.001	0.0008
	(0.009)	(0.008)	(0.004)	(0.003)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.2e-05	-1.6e-05	-2.0e-05	2.9e-05	5.9e-05	6.0e-05*	4.8e-05*
	(7.6e-05)	(6.8e-05)	(6.4e-05)	(6.1e-05)	(5.3e-05)	(3.6e-05)	(2.7e-05)
$GROWTH_{i,t-1}$	0.014	0.002	0.002	0.0007	0.0008	0.001	0.0003
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.008*	-0.003	-0.004	-0.004	-0.0008	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.065	-0.074	-0.043	-0.036*	-0.020	-0.022*	0.003
	(0.074)	(0.050)	(0.026)	(0.019)	(0.017)	(0.013)	(0.016)
$FINOPEN_{i,t-1}$	0.009	-0.001	-0.009	-0.011	-0.007	-0.007	-0.006
	(0.058)	(0.053)	(0.049)	(0.045)	(0.042)	(0.037)	(0.033)
$CABGDP_{i,t-1}$	0.023**	0.021**	0.020**	0.020**	0.020***	0.0236***	0.026***
	(0.010)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.020	0.024	0.027*	0.032**	0.036***	0.042***	0.045***
	(0.016)	(0.015)	(0.014)	(0.013)	(0.012)	(0.010)	(0.009)
Constant	-0.249	-0.326	-0.380	-0.364	-0.347	-0.379**	-0.379**
	(0.292)	(0.265)	(0.244)	(0.228)	(0.213)	(0.184)	(0.168)
Observations	10,290	10,294	10,300	10,306	10,311	10,317	10,323
R-squared	0.004	0.011	0.019	0.028	0.036	0.052	0.069

Notes: This table presents the estimates of our main model, presented as Eq. (1), while removing data related to the Russia-Ukraine war (i.e., from February 2014 to November 2022), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C2

Geopolitical uncertainty and equity outflows from the US at multiple horizons: Sample excludes Russian-Ukrainian war

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.025	0.039	0.001	-0.017	-0.028	-0.011	0.005
	(0.108)	(0.120)	(0.110)	(0.092)	(0.089)	(0.077)	(0.066)
GPR_{t-1}^{US}	-0.022	-0.013	0.002	0.004	0.002	0.008	0.019
	(0.026)	(0.027)	(0.021)	(0.019)	(0.020)	(0.020)	(0.020)
$VIX_{i,t-1}$	-0.0002	-0.006*	-0.003	-0.002	-0.004*	-0.003	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	3.2e-05	3.4e-05	3.9e-05	3.4e-05	3.4e-05	-1.6e-06	-3.2e-05
	(5.5e-05)	(4.5e-05)	(4.5e-05)	(4.2e-05)	(3.7e-05)	(3.0e-05)	(2.4e-05)
$GROWTH_{i,t-1}$	0.005	-0.003	0.001	0.0003	-0.0009	0.0004	-4.4e-05
	(0.007)	(0.003)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.005**	-0.005**	-0.002	-0.001	-0.0002	-0.0005
	(0.004)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.027	0.020	0.008	0.012	0.009	0.001	0.005
	(0.021)	(0.013)	(0.0131)	(0.012)	(0.010)	(0.009)	(0.008)
$FINOPEN_{i,t-1}$	-0.282***	-0.278***	-0.267***	-0.249***	-0.239***	-0.227***	-0.214***
	(0.057)	(0.055)	(0.051)	(0.043)	(0.039)	(0.034)	(0.031)
$CABGDP_{i,t-1}$	-0.023**	-0.023**	-0.023**	-0.022**	-0.022***	-0.022***	-0.021***
	(0.010)	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.017	0.019	0.018	0.016	0.013	0.008	0.004
	(0.013)	(0.012)	(0.012)	(0.011)	(0.010)	(0.007)	(0.006)
Constant	-0.386	-0.411	-0.440	-0.410	-0.374	-0.391	-0.426**
	(0.382)	(0.362)	(0.342)	(0.317)	(0.292)	(0.241)	(0.207)
Observations	10,286	10,290	10,296	10,302	10,307	10,313	10,319
R-squared	0.021	0.051	0.083	0.106	0.128	0.161	0.192

Notes: This table presents the estimates of our main model, presented as Eq. (1), while removing data related to the Russia-Ukraine war (i.e., from February 2014 to November 2022), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C3

Geopolitical uncertainty and bond inflows to the US at multiple horizons: Sample excludes Russian-Ukrainian war

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.059	-0.082	-0.042	-0.045	-0.073	-0.080*	-0.070
	(0.096)	(0.0870)	(0.066)	(0.064)	(0.055)	(0.047)	(0.043)
GPR_{t-1}^{US}	0.0009	0.012	0.015	0.017	0.024	0.026	0.025
	(0.029)	(0.022)	(0.018)	(0.018)	(0.017)	(0.016)	(0.016)
$VIX_{i,t-1}$	-0.006	-0.007	-0.003	-0.002	-0.002	0.0001	-0.0006
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	7.1e-05	6.0e-05	8.2e-05**	0.0001***	5.0e-05	-0.0001**	-0.0002***
	(9.7e-05)	(7.6e-05)	(4.0e-05)	(3.4e-05)	(5.3e-05)	(4.4e-05)	(3.2e-05)
$GROWTH_{i,t-1}$	0.010*	0.004	0.005**	0.006***	0.003*	0.004**	0.002**
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.007	-0.005*	-0.002	-0.003	-0.003	-0.001	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.065**	0.005	0.001	0.0033	-0.011	-0.006	-0.008
	(0.029)	(0.029)	(0.017)	(0.015)	(0.012)	(0.010)	(0.010)
$FINOPEN_{i,t-1}$	0.003	-0.012	-0.044	-0.060	-0.066*	-0.066**	-0.071***
	(0.061)	(0.055)	(0.045)	(0.040)	(0.036)	(0.029)	(0.022)
$CABGDP_{i,t-1}$	0.042***	0.044***	0.045***	0.046***	0.045***	0.044***	0.043***
	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)	(0.006)
$FXREGIME_{i,t-1}$	0.0007	0.003	0.006	0.005	0.004	0.002	0.004
	(0.012)	(0.011)	(0.009)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	0.582*	0.523*	0.448*	0.415*	0.386*	0.384**	0.349**
	(0.327)	(0.298)	(0.256)	(0.220)	(0.199)	(0.177)	(0.158)
Observations	10,299	10,303	10,309	10,315	10,320	10,325	10,325
R-squared	0.025	0.055	0.111	0.153	0.193	0.262	0.321

Notes: This table presents the estimates of our main model, presented as Eq. (1), while removing data related to the Russia-Ukraine war (i.e., from February 2014 to November 2022), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C4

Geopolitical uncertainty and bond outflows from the US at multiple horizons: Sample excludes Russian-Ukrainian war

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.039	0.020	-0.042	-0.039	-0.015	-0.003	0.042
	(0.173)	(0.124)	(0.093)	(0.082)	(0.089)	(0.098)	(0.080)
GPR_{t-1}^{US}	-0.038	-0.023	-0.014	-0.015	-0.013	0.003	0.007
	(0.030)	(0.021)	(0.020)	(0.020)	(0.019)	(0.017)	(0.016)
$VIX_{i,t-1}$	-0.007	0.003	0.0002	-0.0001	-0.002	-0.002	-0.002
	(0.011)	(0.005)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001**	-0.001**	-0.0008*	-0.0007*	-0.0006*	-0.0004*	-0.0003*
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0001)
$GROWTH_{i,t-1}$	-0.014	0.001	-0.0001	0.0007	0.0006	-0.0007	0.0001
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	-0.0008	-0.007	0.003	-0.005	-0.007	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.038	0.008	0.018	0.009	0.007	0.013	0.023*
	(0.035)	(0.022)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.157	-0.158	-0.180**	-0.186***	-0.206***	-0.220***	-0.231***
	(0.107)	(0.097)	(0.085)	(0.070)	(0.068)	(0.063)	(0.059)
$CABGDP_{i,t-1}$	-0.041*	-0.042*	-0.042**	-0.043***	-0.044***	-0.047***	-0.049***
	(0.024)	(0.022)	(0.018)	(0.015)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.012	0.013	0.013	0.015	0.019	0.024**	0.027***
	(0.030)	(0.027)	(0.023)	(0.019)	(0.015)	(0.011)	(0.009)
Constant	-0.279	-0.321	-0.333	-0.366	-0.444	-0.577*	-0.649***
	(0.589)	(0.539)	(0.482)	(0.417)	(0.368)	(0.297)	(0.246)
Observations	10,292	10,296	10,302	10,308	10,313	10,319	10,325
R-squared	0.015	0.034	0.056	0.076	0.096	0.132	0.157

Notes: This table presents the estimates of our main model, presented as Eq. (1), while removing data related to the Russia-Ukraine war (i.e., from February 2014 to November 2022), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C5

Geopolitical uncertainty and equity inflows to the US at multiple horizons: Sample excludes financial centres

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.262**	-0.323**	-0.326**	-0.365**	-0.335**	-0.258*	-0.283**
	(0.118)	(0.157)	(0.165)	(0.180)	(0.170)	(0.142)	(0.123)
GPR_{t-1}^{US}	0.0005	0.018	0.030	0.014	-0.002	-0.003	-0.003
	(0.029)	(0.021)	(0.021)	(0.018)	(0.019)	(0.0175)	(0.017)
$VIX_{i,t-1}$	0.002	-0.007	-0.0006	-0.003	-0.004	-0.001	0.0003
	(0.010)	(0.009)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.3e-05	-1.5e-05	-1.6e-05	4.1e-05	7.1e-05	6.7e-05**	5.4e-05***
	(7.5e-05)	(6.6e-05)	(6.1e-05)	(5.3e-05)	(4.4e-05)	(2.9e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.013	0.001	0.001	0.0002	0.0004	0.001	0.0003
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009*	-0.007	-0.002	-0.003	-0.003	-0.0002	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.002)
$ICRG_{i,t-1}$	-0.075	-0.085	-0.046	-0.040*	-0.024	-0.025*	0.003
	(0.084)	(0.056)	(0.029)	(0.021)	(0.018)	(0.014)	(0.019)
$FINOPEN_{i,t-1}$	0.025	0.004	-0.018	-0.027	-0.023	-0.017	0.006
	(0.057)	(0.055)	(0.050)	(0.045)	(0.042)	(0.039)	(0.034)
$CABGDP_{i,t-1}$	0.014	0.013	0.013	0.013*	0.014*	0.017**	0.018***
	(0.010)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.025	0.030*	0.036**	0.041***	0.045***	0.049***	0.047***
	(0.017)	(0.017)	(0.015)	(0.014)	(0.013)	(0.012)	(0.010)
Constant	-0.319	-0.419	-0.505**	-0.501**	-0.478**	-0.483**	-0.416**
	(0.302)	(0.272)	(0.247)	(0.227)	(0.211)	(0.187)	(0.172)
Observations	9,217	9,221	9,227	9,233	9,238	9,244	9,245
R-squared	0.004	0.011	0.019	0.028	0.036	0.052	0.069

Notes: This table presents the estimates of our main model, presented as Eq. (1), while excluding from the sample countries that are considered financial centres (i.e., Hong Kong, Japan, Switzerland, and the UK), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C6

Geopolitical uncertainty and equity outflows from the US at multiple horizons: Sample excludes financial centres

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.047	-0.072	-0.103	-0.111	-0.109	-0.079	-0.062
	(0.155)	(0.179)	(0.166)	(0.141)	(0.136)	(0.117)	(0.097)
GPR_{t-1}^{US}	-0.024	-0.017	-0.001	0.001	-0.0006	0.004	0.013
	(0.025)	(0.025)	(0.019)	(0.018)	(0.019)	(0.019)	(0.018)
$VIX_{i,t-1}$	-0.001	-0.006*	-0.003	-0.002	-0.003*	-0.003	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.1e-05	2.8e-05	4.3e-05	4.3e-05	4.0e-05	1.8e-06	-2.8e-05
	(5.7e-05)	(4.5e-05)	(3.8e-05)	(3.4e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.002	0.0009	-0.0005	0.0006	0.0002
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.0004	-0.005*	-0.004**	-0.002	-0.0007	0.0001	-0.0004
	(0.004)	(0.002)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.018	0.003	-0.003	0.004	0.001	-0.005	0.0006
	(0.024)	(0.012)	(0.012)	(0.013)	(0.010)	(0.009)	(0.008)
$FINOPEN_{i,t-1}$	-0.266***	-0.261***	-0.257***	-0.243***	-0.236***	-0.221***	-0.200***
	(0.062)	(0.060)	(0.055)	(0.047)	(0.042)	(0.037)	(0.033)
$CABGDP_{i,t-1}$	-0.023**	-0.022**	-0.021**	-0.019**	-0.019**	-0.018**	-0.016**
	(0.011)	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.006)
$FXREGIME_{i,t-1}$	0.020	0.022*	0.023*	0.020	0.018*	0.013	0.006
	(0.014)	(0.013)	(0.013)	(0.012)	(0.011)	(0.008)	(0.007)
Constant	-0.376	-0.405	-0.454	-0.431	-0.402	-0.411*	-0.407*
	(0.388)	(0.367)	(0.348)	(0.324)	(0.298)	(0.246)	(0.211)
Observations	9,213	9,217	9,223	9,229	9,234	9,240	9,245
R-squared	0.020	0.048	0.080	0.103	0.124	0.155	0.183

Notes: This table presents the estimates of our main model, presented as Eq. (1), while excluding from the sample countries that are considered financial centres (i.e., Hong Kong, Japan, Switzerland, and the UK), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C7

Geopolitical uncertainty and bond inflows to the US at multiple horizons: Sample excludes financial centres

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.196	-0.167	-0.129	-0.126	-0.146*	-0.155**	-0.131**
	(0.162)	(0.135)	(0.105)	(0.102)	(0.086)	(0.072)	(0.064)
GPR_{t-1}^{US}	0.002	0.014	0.017	0.018	0.024	0.027	0.025
	(0.031)	(0.024)	(0.020)	(0.019)	(0.018)	(0.017)	(0.017)
$VIX_{i,t-1}$	-0.005	-0.007	-0.003	-0.003	-0.001	0.0001	-0.0007
	(0.008)	(0.006)	(0.004)	(0.004)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	5.4e-05	-0.0001**	-0.0002***
	(5.5e-05)	(3.7e-05)	(3.4e-05)	(3.4e-05)	(5.5e-05)	(4.6e-05)	(3.3e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002**
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009*	-0.006*	-0.002	-0.002	-0.002	-0.0009	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	0.074**	0.004	0.0003	0.001	-0.012	-0.008	-0.009
	(0.033)	(0.033)	(0.019)	(0.016)	(0.014)	(0.011)	(0.011)
$FINOPEN_{i,t-1}$	0.022	0.003	-0.028	-0.047	-0.055	-0.066**	-0.078***
	(0.064)	(0.058)	(0.047)	(0.043)	(0.039)	(0.031)	(0.023)
$CABGDP_{i,t-1}$	0.039***	0.041***	0.044***	0.044***	0.043***	0.042***	0.042***
	(0.012)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	-0.004	-0.0001	0.004	0.003	0.002	0.002	0.005
	(0.01)	(0.012)	(0.010)	(0.008)	(0.008)	(0.008)	(0.007)
Constant	0.641*	0.561*	0.480*	0.445**	0.415**	0.387**	0.325**
	(0.330)	(0.301)	(0.256)	(0.218)	(0.198)	(0.179)	(0.161)
Observations	9,226	9,230	9,236	9,242	9,245	9,245	9,245
R-squared	0.023	0.050	0.102	0.142	0.179	0.246	0.303

Notes: This table presents the estimates of our main model, presented as Eq. (1), while excluding from the sample countries that are considered financial centres (i.e., Hong Kong, Japan, Switzerland, and the UK), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C8

Geopolitical uncertainty and bond outflows from the US at multiple horizons: Sample excludes financial centres

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.153	-0.0424	-0.110	-0.104	-0.067	-0.062	7.6e-05
	(0.216)	(0.168)	(0.125)	(0.110)	(0.122)	(0.124)	(0.0950)
GPR_{t-1}^{US}	-0.045	-0.028	-0.015	-0.016	-0.016	0.002	0.005
	(0.034)	(0.023)	(0.021)	(0.021)	(0.020)	(0.019)	(0.017)
$VIX_{i,t-1}$	-0.006	0.005	2.0e-05	-0.0002	-0.003	-0.002	-0.002
	(0.011)	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.001*	-0.0008*	-0.0007*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.016	0.0003	-0.0002	0.0003	-8.0e-05	-0.001	9.4e-05
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.001	-0.007	0.005	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.006)	(0.005)	(0.007)	(0.005)
$ICRG_{i,t-1}$	0.040	0.007	0.016	0.005	0.003	0.007	0.021
	(0.037)	(0.024)	(0.031)	(0.020)	(0.017)	(0.013)	(0.014)
$FINOPEN_{i,t-1}$	-0.166	-0.167	-0.189**	-0.194**	-0.215***	-0.225***	-0.243***
	(0.120)	(0.109)	(0.095)	(0.077)	(0.075)	(0.069)	(0.064)
$CABGDP_{i,t-1}$	-0.045*	-0.047*	-0.047**	-0.048***	-0.049***	-0.051***	-0.051***
	(0.027)	(0.024)	(0.021)	(0.017)	(0.014)	(0.012)	(0.011)
$FXREGIME_{i,t-1}$	0.016	0.017	0.016	0.017	0.022	0.029**	0.034***
	(0.034)	(0.031)	(0.027)	(0.022)	(0.017)	(0.012)	(0.010)
Constant	-0.307	-0.359	-0.366	-0.402	-0.485	-0.636**	-0.722***
	(0.619)	(0.565)	(0.505)	(0.434)	(0.380)	(0.303)	(0.248)
Observations	9,219	9,223	9,229	9,235	9,240	9,245	9,245
R-squared	0.013	0.031	0.054	0.072	0.091	0.127	0.154

Notes: This table presents the estimates of our main model, presented as Eq. (1), while excluding from the sample countries that are considered financial centres (i.e., Hong Kong, Japan, Switzerland, and the UK), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C9

Three-month moving average of geopolitical uncertainty and equity inflows to the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.371**	-0.399**	-0.379**	-0.358*	-0.315*	-0.246*	-0.231*
	(0.186)	(0.195)	(0.181)	(0.183)	(0.165)	(0.129)	(0.118)
GPR_{t-1}^{US}	0.020	0.035	0.035	0.009	-0.010	-0.006	-0.013
	(0.02)	(0.027)	(0.027)	(0.025)	(0.026)	(0.023)	(0.023)
$VIX_{i,t-1}$	0.0008	-0.007	-0.0008	-0.003	-0.004	-0.001	0.000
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.1e-05	-1.4e-05	-1.5e-05	4.2e-05	7.3e-05*	6.9e-05**	5.6e-05***
	(7.5e-05)	(6.5e-05)	(6.0e-05)	(5.2e-05)	(4.4e-05)	(2.9e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.013	0.002	0.002	0.0006	0.0008	0.001	0.0005
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.007	-0.002	-0.003	-0.003	-0.0002	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.064	-0.074	-0.042	-0.037*	-0.022	-0.023*	0.002
	(0.076)	(0.051)	(0.027)	(0.020)	(0.017)	(0.013)	(0.017)
$FINOPEN_{i,t-1}$	0.021	0.0009	-0.020	-0.029	-0.025	-0.021	0.003
	(0.057)	(0.055)	(0.050)	(0.046)	(0.042)	(0.039)	(0.034)
$CABGDP_{i,t-1}$	0.021**	0.019**	0.019**	0.020**	0.021***	0.023***	0.024***
	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.023	0.028*	0.033**	0.038***	0.042***	0.046***	0.045***
	(0.016)	(0.016)	(0.015)	(0.014)	(0.012)	(0.011)	(0.010)
Constant	-0.322	-0.416	-0.467*	-0.437*	-0.409*	-0.438**	-0.355**
	(0.286)	(0.269)	(0.250)	(0.230)	(0.216)	(0.187)	(0.174)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.037	0.053	0.070

Notes: This table presents the estimates of our main model, presented as Eq. (1), but using the previous three-month moving average of geopolitical uncertainty indices, with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C10

Three-month moving average of geopolitical uncertainty and equity outflows from the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.062	0.072	-0.006	-0.035	-0.028	0.0100	0.010
	(0.174)	(0.181)	(0.148)	(0.133)	(0.126)	(0.106)	(0.089)
GPR_{t-1}^{US}	-0.022	-0.016	0.007	0.003	0.001	0.010	0.020
	(0.035)	(0.030)	(0.023)	(0.024)	(0.024)	(0.024)	(0.022)
$VIX_{i,t-1}$	-0.0008	-0.006*	-0.003	-0.002	-0.004*	-0.004	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.4e-05	2.8e-05	4.3e-05	4.2e-05	3.9e-05	1.0e-06	-2.9e-05
	(5.5e-05)	(4.4e-05)	(3.7e-05)	(3.3e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0004	-0.0007	0.0005	0.0001
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.005*	-0.004**	-0.002	-0.0007	0.0001	-0.0003
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.024	0.014	0.004	0.009	0.004	-0.003	0.001
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.007)
$FINOPEN_{i,t-1}$	-0.271***	-0.266***	-0.262***	-0.246***	-0.238***	-0.224***	-0.204***
	(0.062)	(0.060)	(0.055)	(0.047)	(0.042)	(0.038)	(0.034)
$CABGDP_{i,t-1}$	-0.025**	-0.024**	-0.022**	-0.021**	-0.020**	-0.019**	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.018	0.020	0.020	0.017	0.015	0.009	0.003
	(0.014)	(0.013)	(0.013)	(0.012)	(0.010)	(0.008)	(0.007)
Constant	-0.384	-0.410	-0.465	-0.416	-0.386	-0.402*	-0.402*
	(0.391)	(0.368)	(0.348)	(0.324)	(0.297)	(0.244)	(0.210)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.080	0.102	0.123	0.155	0.184

Notes: This table presents the estimates of our main model, presented as Eq. (1), but using the previous three-month moving average of geopolitical uncertainty indices, with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C11

Three-month moving average of geopolitical uncertainty and bond inflows to the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.102	-0.108	-0.047	-0.076	-0.104	-0.107	-0.092
	(0.129)	(0.111)	(0.096)	(0.088)	(0.077)	(0.067)	(0.059)
GPR_{t-1}^{US}	0.017	0.020	0.020	0.027	0.037	0.035	0.036*
	(0.030)	(0.024)	(0.023)	(0.023)	(0.023)	(0.021)	(0.022)
$VIX_{i,t-1}$	-0.007	-0.007	-0.003	-0.003	-0.001	6.6e-05	-0.0007
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	5.5e-05	-0.0001**	-0.0002***
	(5.4e-05)	(3.6e-05)	(3.4e-05)	(3.4e-05)	(5.5e-05)	(4.7e-05)	(3.3e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002*
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008	-0.006*	-0.002	-0.002	-0.002	-0.0009	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	0.070**	0.009	0.004	0.004	-0.008	-0.006	-0.007
	(0.029)	(0.030)	(0.018)	(0.015)	(0.013)	(0.011)	(0.011)
$FINOPEN_{i,t-1}$	0.015	-0.0007	-0.032	-0.051	-0.060	-0.070**	-0.082***
	(0.065)	(0.058)	(0.047)	(0.042)	(0.039)	(0.031)	(0.023)
$CABGDP_{i,t-1}$	0.042***	0.044***	0.046***	0.046***	0.045***	0.044***	0.043***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	-0.001	0.0006	0.004	0.004	0.003	0.003	0.006
	(0.012)	(0.011)	(0.010)	(0.008)	(0.007)	(0.007)	(0.007)
Constant	0.579*	0.546*	0.474*	0.424*	0.382*	0.360*	0.298*
	(0.333)	(0.302)	(0.260)	(0.223)	(0.203)	(0.184)	(0.166)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.193	0.262	0.322

Notes: This table presents the estimates of our main model, presented as Eq. (1), but using the previous three-month moving average of geopolitical uncertainty indices, with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C12

Three-month moving average of geopolitical uncertainty and bond outflows from the US at multiple horizons

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.013	-0.032	-0.095	-0.035	-0.041	-0.0006	0.085
	(0.182)	(0.149)	(0.118)	(0.118)	(0.138)	(0.145)	(0.111)
GPR_{t-1}^{US}	-0.026	-0.011	-0.009	-0.016	-0.011	0.008	0.011
	(0.032)	(0.027)	(0.026)	(0.026)	(0.025)	(0.022)	(0.020)
$VIX_{i,t-1}$	-0.006	0.004	-0.0001	-0.0002	-0.002	-0.002	-0.001
	(0.011)	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0007*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.015	0.0008	0.0002	0.0008	0.0003	-0.0007	0.0003
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.002	-0.007	0.005	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.035	0.007	0.014	0.006	0.003	0.007	0.019
	(0.036)	(0.023)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.174	-0.171	-0.191**	-0.197**	-0.218***	-0.230***	-0.248***
	(0.119)	(0.109)	(0.094)	(0.077)	(0.075)	(0.069)	(0.065)
$CABGDP_{i,t-1}$	-0.04*	-0.044*	-0.044**	-0.045***	-0.046***	-0.048***	-0.048***
	(0.026)	(0.023)	(0.019)	(0.016)	(0.014)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.014	0.014	0.013	0.015	0.020	0.028**	0.032***
	(0.032)	(0.029)	(0.025)	(0.021)	(0.016)	(0.012)	(0.009)
Constant	-0.336	-0.369	-0.351	-0.378	-0.475	-0.632**	-0.718***
	(0.612)	(0.562)	(0.503)	(0.434)	(0.383)	(0.306)	(0.250)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.056	0.076	0.095	0.131	0.159

Notes: This table presents the estimates of our main model, presented as Eq. (1), but using the previous three-month moving average of geopolitical uncertainty indices, with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. The definitions of the variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C13

Geopolitical uncertainty and equity inflows to the US at multiple horizons: Nonlinear effects using the 50th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	1.195	2.846	4.190	2.571	2.241	1.318	1.141
	(3.844)	(3.380)	(4.093)	(2.827)	(2.099)	(1.537)	(1.362)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.212**	-0.253**	-0.263**	-0.254**	-0.219*	-0.170*	-0.170**
	(0.107)	(0.129)	(0.124)	(0.120)	(0.116)	(0.091)	(0.084)
GPR_{t-1}^{US}	0.063	0.011	-0.003	0.035	0.002	0.001	-0.011
	(0.097)	(0.072)	(0.075)	(0.056)	(0.048)	(0.041)	(0.037)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	0.013	0.015	0.023	0.019	-0.001	-0.005	-0.008
	(0.020)	(0.021)	(0.016)	(0.014)	(0.018)	(0.018)	(0.018)
$VIX_{i,t-1}$	-0.0003	-0.006	0.0001	-0.003	-0.004	-0.001	0.0005
	(0.010)	(0.007)	(0.004)	(0.003)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.1e-05	-1.2e-05	-1.3e-05	4.2e-05	7.3e-05*	6.9e-05**	5.6e-05***
	(7.4e-05)	(6.5e-05)	(6.0e-05)	(5.2e-05)	(4.3e-05)	(2.9e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.012	0.002	0.002	0.0006	0.0008	0.001	0.0005
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.007	-0.002	-0.003	-0.003	-0.0002	0.001
	(0.004)	(0.005)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.065	-0.077	-0.045	-0.038*	-0.022	-0.024*	0.001
	(0.075)	(0.053)	(0.027)	(0.020)	(0.017)	(0.013)	(0.017)
$FINOPEN_{i,t-1}$	0.024	0.001	-0.021	-0.030	-0.027	-0.021	0.001
	(0.058)	(0.055)	(0.050)	(0.046)	(0.042)	(0.039)	(0.034)
$CABGDP_{i,t-1}$	0.021**	0.020**	0.019**	0.020**	0.020***	0.023***	0.024***
	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.023	0.028*	0.033**	0.039***	0.042***	0.047***	0.045***
	(0.016)	(0.016)	(0.015)	(0.013)	(0.012)	(0.011)	(0.010)
Constant	-0.368	-0.424	-0.504**	-0.528**	-0.485**	-0.474**	-0.394**
	(0.300)	(0.280)	(0.248)	(0.220)	(0.214)	(0.194)	(0.179)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.020	0.029	0.037	0.053	0.070

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 50th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C14

Geopolitical uncertainty and equity outflows from the US at multiple horizons: Nonlinear effects using the 50th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-3.237*	-2.141	-0.479	-0.274	0.385	0.968*	0.763
	(1.655)	(1.362)	(1.045)	(0.806)	(0.666)	(0.558)	(0.501)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	0.005	0.021	-0.003	-0.020	-0.026	-0.001	0.015
	(0.111)	(0.124)	(0.113)	(0.094)	(0.089)	(0.076)	(0.064)
GPR_{t-1}^{US}	-0.086	-0.096**	-0.060	-0.060*	-0.050	-0.027	-0.004
	(0.054)	(0.046)	(0.039)	(0.033)	(0.034)	(0.034)	(0.034)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.039*	-0.035	-0.014	-0.011	-0.010	-0.001	0.010
	(0.023)	(0.022)	(0.016)	(0.014)	(0.016)	(0.017)	(0.017)
$VIX_{i,t-1}$	8.2e-05	-0.005	-0.002	-0.001	-0.003	-0.003	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.4e-05	2.8e-05	4.3e-05	4.3e-05	4.0e-05	1.9e-06	-2.8e-05
	(5.6e-05)	(4.5e-05)	(3.8e-05)	(3.4e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0006	-0.0006	0.0007	0.0002
	(0.007)	(0.003)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.0009	-0.004*	-0.004**	-0.002	-0.0005	0.0002	-0.0003
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.023	0.013	0.002	0.007	0.003	-0.005	0.0004
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.007)
$FINOPEN_{i,t-1}$	-0.274***	-0.270***	-0.264***	-0.249***	-0.241***	-0.225***	-0.204***
	(0.062)	(0.060)	(0.055)	(0.047)	(0.042)	(0.037)	(0.034)
$CABGDP_{i,t-1}$	-0.025**	-0.024**	-0.022**	-0.021**	-0.020**	-0.019***	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.017	0.019	0.019	0.017	0.014	0.009	0.003
	(0.013)	(0.012)	(0.013)	(0.012)	(0.010)	(0.008)	(0.007)
Constant	-0.247	-0.279	-0.370	-0.343	-0.335	-0.370	-0.379*
	(0.376)	(0.363)	(0.344)	(0.320)	(0.296)	(0.248)	(0.215)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.021	0.050	0.081	0.104	0.124	0.156	0.184

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 50th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C15

Geopolitical uncertainty and bond inflows to the US at multiple horizons: Nonlinear effects using the 50th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-1.337	0.679	-0.230	-0.509	-0.079	-0.559	-1.286
	(2.868)	(1.963)	(1.506)	(1.376)	(1.226)	(1.153)	(1.032)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.060	-0.062	-0.031	-0.043	-0.070	-0.078	-0.068
	(0.099)	(0.090)	(0.069)	(0.066)	(0.056)	(0.049)	(0.044)
GPR_{t-1}^{US}	0.046	0.033	0.048	0.025	0.035	0.028	0.021
	(0.068)	(0.048)	(0.047)	(0.043)	(0.040)	(0.034)	(0.032)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	0.009	0.017	0.022	0.019	0.026*	0.027*	0.024
	(0.026)	(0.019)	(0.016)	(0.015)	(0.016)	(0.014)	(0.015)
$VIX_{i,t-1}$	-0.008	-0.007	-0.004	-0.003	-0.002	-2.0e-05	-0.0007
	(0.008)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	0.0001**	0.0002***	0.0001***	0.0001***	5.5e-05	-0.0001**	-0.0002***
	(5.4e-05)	(3.7e-05)	(3.4e-05)	(3.4e-05)	(5.5e-05)	(4.7e-05)	(3.4e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002**
	(0.006)	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008*	-0.006*	-0.002	-0.002	-0.002	-0.001	-0.001
	(0.005)	(0.003)	(0.002)	(0.0024	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	0.071**	0.009	0.004	0.004	-0.009	-0.006	-0.008
	(0.029)	(0.029)	(0.017)	(0.015)	(0.013)	(0.011)	(0.010)
$FINOPEN_{i,t-1}$	0.018	0.0007	-0.030	-0.050	-0.058	-0.069**	-0.082***
	(0.065)	(0.059)	(0.047)	(0.042)	(0.039)	(0.031)	(0.023)
$CABGDP_{i,t-1}$	0.042***	0.044***	0.046***	0.046***	0.045***	0.045***	0.044***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	-0.001	0.0006	0.004	0.003	0.002	0.002	0.005
	(0.012)	(0.011)	(0.010)	(0.008)	(0.007)	(0.007)	(0.007)
Constant	0.597*	0.527*	0.455*	0.448**	0.402*	0.389**	0.353**
	(0.346)	(0.297)	(0.263)	(0.225)	(0.209)	(0.189)	(0.169)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.192	0.262	0.322

Notes: This table presents the estimates of our model, presented as Eq. (2), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 50th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C16

Geopolitical uncertainty and bond outflows from the US at multiple horizons: Nonlinear effects using the 50th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-2.503	0.570	-1.295	-0.578	-0.832	-0.882	-0.0373
	(3.859)	(1.779)	(1.435)	(1.148)	(0.985)	(0.992)	(0.892)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.096	-0.001	-0.067	-0.050	-0.020	-0.008	0.053
	(0.176)	(0.123)	(0.094)	(0.084)	(0.094)	(0.102)	(0.083)
GPR_{t-1}^{US}	-0.260***	-0.160**	-0.134**	-0.096**	-0.088**	-0.057	-0.039
	(0.082)	(0.072)	(0.056)	(0.045)	(0.041)	(0.038)	(0.036)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.086**	-0.051*	-0.039*	-0.032*	-0.031*	-0.010	-0.004
	(0.034)	(0.026)	(0.020)	(0.018)	(0.016)	(0.015)	(0.014)
$VIX_{i,t-1}$	-0.002	0.007	0.002	0.001	-0.001	-0.001	-0.0009
	(0.011)	(0.005)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0006*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.014	0.001	0.0005	0.001	0.0005	-0.0006	0.0005
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.002	-0.006	0.005	-0.004	-0.006	-0.011*	-0.010**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.029	0.003	0.011	0.003	0.0014	0.006	0.018
	(0.036)	(0.023)	(0.028)	(0.018)	(0.016)	(0.012)	(0.013)
$FINOPEN_{i,t-1}$	-0.182	-0.177	-0.198**	-0.201***	-0.222***	-0.232***	-0.249***
	(0.120)	(0.109)	(0.095)	(0.077)	(0.075)	(0.069)	(0.064)
$CABGDP_{i,t-1}$	-0.043*	-0.044*	-0.044**	-0.045***	-0.046***	-0.048***	-0.048***
	(0.026)	(0.023)	(0.019)	(0.016)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.012	0.013	0.012	0.014	0.019	0.027**	0.031***
	(0.032)	(0.029)	(0.025)	(0.020)	(0.016)	(0.012)	(0.009)
Constant	-0.015	-0.206	-0.191	-0.285	-0.372	-0.535*	-0.649***
	(0.555)	(0.524)	(0.462)	(0.405)	(0.359)	(0.281)	(0.229)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.015	0.034	0.057	0.077	0.096	0.132	0.159

Notes: This table presents the estimates of our model, presented as Eq. (2), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 50th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C17

Geopolitical uncertainty and equity inflows to the US at multiple horizons: Nonlinear effects using the 75th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-2.015	-1.332	-1.198	-1.630	-2.041**	-1.951**	-1.909***
	(1.600)	(1.376)	(1.035)	(1.003)	(0.984)	(0.792)	(0.647)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.297**	-0.295*	-0.307**	-0.315**	-0.287**	-0.239**	-0.234**
	(0.141)	(0.166)	(0.155)	(0.147)	(0.138)	(0.107)	(0.095)
GPR_{t-1}^{US}	-0.035	0.059	0.036	0.031	0.051	0.007	0.013
	(0.071)	(0.061)	(0.054)	(0.046)	(0.058)	(0.053)	(0.050)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.007	0.025	0.029	0.018	0.009	-0.003	-0.002
	(0.028)	(0.021)	(0.018)	(0.015)	(0.020)	(0.019)	(0.017)
$VIX_{i,t-1}$	0.0007	-0.007	-0.001	-0.003	-0.004	-0.001	-4.7e-05
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.0e-05	-1.1e-05	-1.4e-05	4.3e-05	7.5e-05*	7.0e-05**	5.7e-05***
	(7.4e-05)	(6.4e-05)	(6.0e-05)	(5.1e-05)	(4.2e-05)	(2.9e-05)	(2.1e-05)
$GROWTH_{i,t-1}$	0.013	0.002	0.002	0.0007	0.0009	0.001	0.0005
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.008	-0.002	-0.003	-0.003	-0.0002	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.068	-0.076	-0.043	-0.038*	-0.023	-0.025*	0.001
	(0.078)	(0.053)	(0.027)	(0.020)	(0.017)	(0.013)	(0.017)
$FINOPEN_{i,t-1}$	0.018	-0.001	-0.023	-0.034	-0.032	-0.025	-0.001
	(0.057)	(0.055)	(0.050)	(0.045)	(0.041)	(0.038)	(0.033)
$CABGDP_{i,t-1}$	0.021**	0.020**	0.019**	0.012**	0.021***	0.023***	0.024***
	(0.009)	(0.009)	(0.009)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.024	0.027*	0.033**	0.038***	0.042***	0.047***	0.045***
	(0.016)	(0.016)	(0.015)	(0.014)	(0.013)	(0.011)	(0.010)
Constant	-0.191	-0.414	-0.448*	-0.452*	-0.477**	-0.426**	-0.371**
	(0.310)	(0.289)	(0.269)	(0.241)	(0.215)	(0.205)	(0.181)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.029	0.038	0.054	0.071

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 75th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C18

Geopolitical uncertainty and equity outflows from the US at multiple horizons: Nonlinear effects using the 75th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.846	-0.424	-0.192	-0.431	-0.412	-0.220	-0.172
	(0.610)	(0.474)	(0.347)	(0.289)	(0.262)	(0.207)	(0.176)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	0.0005	0.027	0.004	-0.021	-0.029	-0.004	0.014
	(0.113)	(0.122)	(0.108)	(0.092)	(0.088)	(0.077)	(0.064)
GPR_{t-1}^{US}	0.009	0.002	0.029	0.032	0.032	0.036	0.050
	(0.055)	(0.054)	(0.044)	(0.042)	(0.044)	(0.047)	(0.047)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.016	-0.012	0.005	0.008	0.007	0.011	0.022
	(0.030)	(0.030)	(0.023)	(0.021)	(0.022)	(0.022)	(0.021)
$VIX_{i,t-1}$	-0.001	-0.006*	-0.003	-0.002	-0.004**	-0.004*	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.6e-05	2.9e-05	4.4e-05	4.4e-05	4.0e-05	2.3e-06	-2.8e-05
	(5.4e-05)	(4.4e-05)	(3.7e-05)	(3.3e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0005	-0.0007	0.0006	0.0002
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.005*	-0.004**	-0.002	-0.0007	5.6e-05	-0.0004
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.024	0.014	0.003	0.009	0.004	-0.003	0.001
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.008)
$FINOPEN_{i,t-1}$	-0.271***	-0.266***	-0.262***	-0.247***	-0.239***	-0.224***	-0.204***
	(0.062)	(0.060)	(0.055)	(0.047)	(0.042)	(0.037)	(0.034)
$CABGDP_{i,t-1}$	-0.024**	-0.024**	-0.022**	-0.021**	-0.020**	-0.019**	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.018	0.020	0.019	0.017	0.014	0.009	0.003
	(0.014)	(0.013)	(0.013)	(0.012)	(0.010)	(0.008)	(0.007)
Constant	-0.409	-0.425	-0.482	-0.450	-0.421	-0.427*	-0.433*
	(0.393)	(0.370)	(0.353)	(0.324)	(0.300)	(0.255)	(0.222)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.080	0.103	0.124	0.156	0.185

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 75th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C19

Geopolitical uncertainty and bond inflows to the US at multiple horizons: Nonlinear effects using the 75th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.466	0.366	0.727	0.780*	0.622*	0.640**	0.601**
	(0.859)	(0.578)	(0.492)	(0.402)	(0.344)	(0.308)	(0.275)
$GPR_{i,t-1}^{RoW}$	-0.050	-0.063	-0.017	-0.026	-0.063	-0.071	-0.056
$\times I_{high,i,t-1}^{Row}$							
	(0.108)	(0.092)	(0.071)	(0.067)	(0.057)	(0.051)	(0.046)
GPR_{t-1}^{US}	-0.049	-0.062	-0.054	-0.070	-0.089*	-0.115**	-0.094**
	(0.089)	(0.068)	(0.058)	(0.050)	(0.049)	(0.047)	(0.045)
GPR_{t-1}^{US}	-0.010	-0.004	-0.001	-0.002	-0.001	-0.004	-0.0009
$\times I_{high,t-1}^{US}$							
	(0.035)	(0.026)	(0.021)	(0.018)	(0.017)	(0.016)	(0.016)
$VIX_{i,t-1}$	-0.007	-0.006	-0.003	-0.002	-0.0009	0.001	0.0002
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	5.1e-05	-0.0001**	-0.0001***
	(5.4e-05)	(3.6e-05)	(3.2e-05)	(3.2e-05)	(5.2e-05)	(4.5e-05)	(3.4e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002*
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008	-0.005*	-0.002	-0.002	-0.002	-0.0009	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.069**	0.008	0.003	0.003	-0.010	-0.007	-0.009
	(0.029)	(0.029)	(0.017)	(0.015)	(0.012)	(0.010)	(0.010)
$FINOPEN_{i,t-1}$	0.017	0.0005	-0.030	-0.049	-0.057	-0.068**	-0.080***
	(0.064)	(0.057)	(0.047)	(0.042)	(0.038)	(0.030)	(0.022)
$CABGDP_{i,t-1}$	0.042***	0.043***	0.046***	0.046***	0.045***	0.044***	0.043***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	-0.001	0.001	0.004	0.004	0.003	0.004	0.006
	(0.012)	(0.012)	(0.010)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	0.684**	0.663**	0.572**	0.559***	0.564***	0.571***	0.484***
	(0.338)	(0.292)	(0.240)	(0.197)	(0.177)	(0.174)	(0.160)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.112	0.155	0.195	0.267	0.326

Notes: This table presents the estimates of our model, presented as Eq. (2), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 75th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C20

Geopolitical uncertainty and bond outflows from the US at multiple horizons: Nonlinear effects using the 75th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	1.623	0.178	0.921*	0.927**	1.031**	0.882**	0.897***
	(1.135)	(0.726)	(0.499)	(0.459)	(0.414)	(0.342)	(0.315)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	0.026	0.033	-0.007	-0.002	0.031	0.034	0.089
	(0.178)	(0.125)	(0.092)	(0.082)	(0.090)	(0.097)	(0.080)
GPR_{t-1}^{US}	0.097	0.052	-0.002	-0.022	-0.011	-0.007	-0.004
	(0.110)	(0.088)	(0.066)	(0.058)	(0.057)	(0.052)	(0.049)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.0105	-0.006	-0.012	-0.017	-0.015	-0.0002	0.002
	(0.043)	(0.030)	(0.025)	(0.024)	(0.023)	(0.020)	(0.018)
$VIX_{i,t-1}$	-0.007	0.003	-0.0001	-3.9e-05	-0.002	-0.002	-0.001
	(0.012)	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0006*	-0.0005*	-0.0004*	-0.0003
	(0.000)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.015	0.0009	0.0002	0.0008	0.0003	-0.0007	0.0003
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.0025	-0.007	0.005	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.036	0.007	0.015	0.006	0.004	0.008	0.020
	(0.036)	(0.023)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.169	-0.171	-0.190**	-0.196**	-0.216***	-0.228***	-0.246***
	(0.119)	(0.109)	(0.094)	(0.077)	(0.075)	(0.069)	(0.065)
$CABGDP_{i,t-1}$	-0.041	-0.043*	-0.043**	-0.045***	-0.045***	-0.048***	-0.048***
	(0.026)	(0.023)	(0.0199)	(0.016)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.011	0.013	0.012	0.014	0.019	0.027**	0.031***
	(0.031)	(0.029)	(0.025)	(0.020)	(0.016)	(0.012)	(0.009)
Constant	-0.523	-0.453	-0.377	-0.389	-0.491	-0.617*	-0.700***
	(0.648)	(0.590)	(0.515)	(0.444)	(0.397)	(0.321)	(0.264)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.057	0.076	0.096	0.132	0.160

Notes: This table presents the estimates of our model, presented as Eq. (2), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 75th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C21

Geopolitical uncertainty and equity inflows to the US at multiple horizons: Nonlinear effects using the 90th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.997**	-0.754	-0.473	-0.522	-0.511	-0.261	-0.342
	(0.495)	(0.489)	(0.466)	(0.434)	(0.412)	(0.341)	(0.276)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.274**	-0.292**	-0.290*	-0.291*	-0.258*	-0.191*	-0.191**
	(0.126)	(0.149)	(0.159)	(0.150)	(0.141)	(0.111)	(0.096)
GPR_{t-1}^{US}	-0.120*	-0.071	0.014	0.029	0.031	0.041	0.016
	(0.065)	(0.106)	(0.132)	(0.106)	(0.088)	(0.077)	(0.056)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.013	0.005	0.026	0.016	0.002	-0.0004	-0.004
	(0.027)	(0.028)	(0.036)	(0.029)	(0.027)	(0.023)	(0.020)
$VIX_{i,t-1}$	-0.0005	-0.008	-0.0009	-0.003	-0.003	-0.0009	0.0005
	(0.009)	(0.008)	(0.004)	(0.003)	(0.003)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.7e-05	-1.8e-05	-1.5e-05	4.3e-05	7.4e-05*	7.1e-05**	5.7e-05***
	(7.4e-05)	(6.5e-05)	(5.9e-05)	(5.2e-05)	(4.3e-05)	(2.8e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.012	0.002	0.002	0.0006	0.0007	0.001	0.0004
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.008	-0.002	-0.003	-0.003	-0.0001	0.001
	(0.004)	(0.005)	(0.004)	(0.003)	(0.002)	(0.002)	(0.002)
$ICRG_{i,t-1}$	-0.069	-0.078	-0.043	-0.038*	-0.022	-0.023*	0.002
	(0.078)	(0.052)	(0.027)	(0.020)	(0.017)	(0.014)	(0.017)
$FINOPEN_{i,t-1}$	0.037	0.012	-0.019	-0.033	-0.031	-0.027	-0.0008
	(0.058)	(0.056)	(0.052)	(0.047)	(0.043)	(0.039)	(0.034)
$CABGDP_{i,t-1}$	0.021**	0.020**	0.019**	0.020**	0.020***	0.023***	0.024***
	(0.009)	(0.009)	(0.009)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.025	0.029*	0.033**	0.038***	0.041***	0.046***	0.044***
	(0.016)	(0.016)	(0.015)	(0.014)	(0.012)	(0.011)	(0.010)
Constant	-0.018	-0.187	-0.420	-0.476*	-0.495**	-0.531***	-0.417***
	(0.292)	(0.297)	(0.319)	(0.275)	(0.233)	(0.183)	(0.151)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.005	0.011	0.019	0.028	0.037	0.053	0.070

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 90th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C22

Geopolitical uncertainty and equity outflows from the US at multiple horizons: Nonlinear effects using the 90th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.312	-0.266	-0.252	-0.301	-0.343	-0.243	-0.220
	(0.346)	(0.279)	(0.232)	(0.220)	(0.216)	(0.180)	(0.144)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.007	0.010	-0.021	-0.043	-0.057	-0.028	-0.011
	(0.121)	(0.127)	(0.114)	(0.099)	(0.097)	(0.082)	(0.069)
GPR_{t-1}^{US}	0.023	0.031	0.049	0.073	0.073	0.062	0.070*
	(0.062)	(0.060)	(0.052)	(0.048)	(0.047)	(0.042)	(0.039)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.015	-0.008	0.007	0.014	0.012	0.014	0.023
	(0.029)	(0.029)	(0.023)	(0.020)	(0.020)	(0.012)	(0.018)
$VIX_{i,t-1}$	-0.0003	-0.006*	-0.002	-0.001	-0.003	-0.003	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.7e-05	3.1e-05	4.6e-05	4.7e-05	4.3e-05	4.5e-06	-2.6e-05
	(5.5e-05)	(4.4e-05)	(3.7e-05)	(3.3e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0004	-0.0007	0.0005	0.0001
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.0009	-0.004*	-0.004**	-0.002	-0.0005	0.0002	-0.0002
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.024	0.015	0.004	0.009	0.005	-0.003	0.001
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.007)
$FINOPEN_{i,t-1}$	-0.274***	-0.270***	-0.267***	-0.254***	-0.246***	-0.229***	-0.209***
	(0.062)	(0.056)	(0.055)	(0.046)	(0.041)	(0.037)	(0.033)
$CABGDP_{i,t-1}$	-0.024**	-0.024**	-0.022**	-0.021**	-0.020**	-0.019**	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.017	0.019	0.019	0.016	0.013	0.008	0.002
	(0.013)	(0.012)	(0.013)	(0.012)	(0.010)	(0.008)	(0.007)
Constant	-0.462	-0.493	-0.537	-0.548	-0.519*	-0.495**	-0.490**
	(0.420)	(0.397)	(0.372)	(0.339)	(0.308)	(0.251)	(0.215)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.049	0.081	0.105	0.127	0.158	0.187

Notes: This table presents the estimates of our model, presented as Eq. (2), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 90th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C23

Geopolitical uncertainty and bond inflows to the US at multiple horizons: Nonlinear effects using the 90th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.403	0.135	0.217	0.220	0.103	0.153	0.211
	(0.375)	(0.276)	(0.234)	(0.217)	(0.188)	(0.155)	(0.135)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.003	-0.037	0.0003	-0.005	-0.040	-0.040	-0.020
	(0.118)	(0.099)	(0.075)	(0.071)	(0.059)	(0.053)	(0.048)
GPR_{t-1}^{US}	-0.153*	-0.095	-0.094	-0.095*	-0.102*	-0.106**	-0.120**
	(0.083)	(0.063)	(0.058)	(0.054)	(0.052)	(0.053)	(0.049)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.024	-0.004	-0.002	-0.0001	0.004	0.006	0.003
	(0.033)	(0.025)	(0.021)	(0.019)	(0.018)	(0.017)	(0.016)
$VIX_{i,t-1}$	-0.009	-0.008	-0.004	-0.004	-0.003	-0.001	-0.00221
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	4.8e-05	-0.0001**	-0.0002***
	(5.5e-05)	(3.7e-05)	(3.4e-05)	(3.4e-05)	(5.5e-05)	(4.6e-05)	(3.3e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002*
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008*	-0.006*	-0.002	-0.003	-0.002	-0.001	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.068**	0.007	0.002	0.003	-0.011	-0.008	-0.010
	(0.029)	(0.030)	(0.017)	(0.015)	(0.012)	(0.010)	(0.009)
$FINOPEN_{i,t-1}$	0.032	0.011	-0.020	-0.039	-0.045	-0.055*	-0.066***
	(0.065)	(0.058)	(0.046)	(0.042)	(0.038)	(0.031)	(0.022)
$CABGDP_{i,t-1}$	0.042***	0.044***	0.046***	0.046***	0.045***	0.044***	0.043***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	8.5e-05	0.002	0.005	0.005	0.004	0.004	0.007
	(0.012)	(0.012)	(0.010)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	0.912**	0.772**	0.696***	0.663***	0.658***	0.637***	0.606***
	(0.357)	(0.310)	(0.257)	(0.216)	(0.188)	(0.174)	(0.155)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.026	0.056	0.112	0.155	0.195	0.267	0.328

Notes: This table presents the estimates of our model, presented as Eq. (2), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 90th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C24

Geopolitical uncertainty and bond outflows from the US at multiple horizons: Nonlinear effects using the 90th percentile of geopolitical uncertainty indices as a threshold

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.524	0.147	-0.0620	-0.0985	-0.00764	-0.0729	-0.00478
	(0.441)	(0.424)	(0.309)	(0.262)	(0.223)	(0.166)	(0.138)
$GPR_{i,t-1}^{RoW} \times I_{high,i,t-1}^{Row}$	-0.0101	0.028	-0.0491	-0.0437	-0.006	-0.002	0.05
	(0.179)	(0.138)	(0.104)	(0.0903)	(0.094)	(0.098)	(0.081)
GPR_{t-1}^{US}	-0.015	-0.028	0.009	-0.001	-0.0183	0.00181	-0.0143
	(0.085)	(0.070)	(0.071)	(0.065)	(0.056)	(0.058)	(0.053)
$GPR_{t-1}^{US} \times I_{high,t-1}^{US}$	-0.039	-0.024	-0.010	-0.012	-0.015	0.003	0.002
	(0.036)	(0.027)	(0.026)	(0.025)	(0.023)	(0.022)	(0.020)
$VIX_{i,t-1}$	-0.006	0.004	4.8e-05	-7.4e-05	-0.003	-0.002	-0.002
	(0.011)	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0007*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.015	0.0008	0.0002	0.0008	0.0003	-0.0007	0.0003
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.002	-0.007	0.005	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.035	0.006	0.014	0.005	0.003	0.007	0.019
	(0.036)	(0.023)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.176	-0.170	-0.194**	-0.199**	-0.218***	-0.229***	-0.245***
	(0.122)	(0.110)	(0.096)	(0.078)	(0.076)	(0.070)	(0.066)
$CABGDP_{i,t-1}$	-0.042	-0.044*	-0.043**	-0.045***	-0.045***	-0.048***	-0.048***
	(0.026)	(0.023)	(0.019)	(0.016)	(0.014)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.013	0.014	0.012	0.014	0.020	0.027**	0.032***
	(0.032)	(0.029)	(0.025)	(0.020)	(0.016)	(0.01)	(0.009)
Constant	-0.360	-0.334	-0.388	-0.408	-0.460	-0.612*	-0.659**
	(0.672)	(0.602)	(0.553)	(0.477)	(0.421)	(0.352)	(0.299)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.056	0.076	0.095	0.131	0.159

Notes: This table presents the estimates of our model, presented as Eq. (2), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I_{high}^{Row} and I_{high}^{US} are dummy variables that take the value of 1 when GPR^{RoW} and GPR^{US} respectively are above the specified threshold of the 90th percentile, and 0 otherwise. Thus, I_{high}^{Row} and I_{high}^{US} vary across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C25

Cross-sectional effects of geopolitical uncertainty and equity inflows to the US at multiple horizons: Emerging vs developed economies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.241***	-0.160*	-0.087	-0.047	-0.016	0.016	0.047
	(0.089)	(0.090)	(0.087)	(0.082)	(0.078)	(0.075)	(0.073)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.370	-0.588	-0.718*	-0.889**	-0.875**	-0.732***	-0.792***
	(0.364)	(0.405)	(0.391)	(0.382)	(0.360)	(0.240)	(0.193)
GPR_{t-1}^{US}	0.028	0.014	0.002	2.0e-05	-0.010	-0.017	-0.022
	(0.030)	(0.031)	(0.0293)	(0.0275)	(0.02)	(0.0206)	(0.0214)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.033	0.014	0.051	0.025	-0.0008	0.0006	0.004
	(0.04)	(0.028)	(0.0357)	(0.030)	(0.035)	(0.030)	(0.026)
$VIX_{i,t-1}$	0.0007	-0.007	-0.0009	-0.003	-0.004	-0.001	0.0002
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-4.9e-05	-1.3e-05	-1.5e-05	4.2e-05	7.3e-05*	6.9e-05**	5.6e-05***
	(7.4e-05)	(6.5e-05)	(6.0e-05)	(5.2e-05)	(4.3e-05)	(2.9e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.012	0.002	0.002	0.0004	0.0005	0.001	0.0003
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.007	-0.002	-0.003	-0.003	-0.0001	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.066	-0.076	-0.044	-0.039*	-0.023	-0.0255*	0.0007
	(0.077)	(0.052)	(0.027)	(0.020)	(0.0178)	(0.0138)	(0.017)
$FINOPEN_{i,t-1}$	0.022	0.001	-0.020	-0.029	-0.0259	-0.020	0.003
	(0.057)	(0.055)	(0.050)	(0.045)	(0.041)	(0.038)	(0.033)
$CABGDP_{i,t-1}$	0.021**	0.019**	0.019**	0.019**	0.020***	0.022***	0.0238***
	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.023	0.028*	0.033**	0.039***	0.043***	0.048***	0.046***
	(0.016)	(0.016)	(0.015)	(0.014)	(0.012)	(0.011)	(0.010)
Constant	-0.210	-0.366	-0.496**	-0.472**	-0.435**	-0.451**	-0.394**
	(0.313)	(0.274)	(0.251)	(0.232)	(0.218)	(0.189)	(0.172)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.020	0.029	0.037	0.053	0.071

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if a country is classified as an emerging market economy (see Table A1), and 0 otherwise. Thus, I^{high} varies across countries only. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C26

Cross-sectional effects of geopolitical uncertainty and equity outflows from the US at multiple horizons: Emerging vs developed economies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.149	0.257***	0.260***	0.212***	0.168**	0.136**	0.120**
	(0.105)	(0.090)	(0.079)	(0.070)	(0.069)	(0.062)	(0.058)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.339	-0.605***	-0.641***	-0.558***	-0.530***	-0.436***	-0.343***
	(0.216)	(0.216)	(0.178)	(0.160)	(0.146)	(0.119)	(0.102)
GPR_{t-1}^{US}	-0.028	-0.023	-0.026	-0.023	-0.014	0.004	0.018
	(0.036)	(0.035)	(0.031)	(0.028)	(0.026)	(0.024)	(0.025)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.021	-0.012	0.022	0.026	0.013	0.003	0.008
	(0.029)	(0.026)	(0.023)	(0.020)	(0.019)	(0.017)	(0.015)
$VIX_{i,t-1}$	-0.0009	-0.006*	-0.003	-0.002	-0.004**	-0.004*	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	2.4e-05	2.8e-05	4.2e-05	4.2e-05	3.9e-05	1.6e-06	-2.8e-05
	(5.5e-05)	(4.4e-05)	(3.7e-05)	(3.3e-05)	(3.1e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.003	0.001	0.0003	-0.0008	0.0004	-1.4e-05
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.004*	-0.004**	-0.002	-0.0005	0.0001	-0.0003
	(0.004)	(0.002)	(0.002)	(0.00203)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.023	0.013	0.0021	0.007	0.003	-0.004	0.0005
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.007)
$FINOPEN_{i,t-1}$	-0.268***	-0.263***	-0.259***	-0.244***	-0.236***	-0.221***	-0.202***
	(0.062)	(0.060)	(0.055)	(0.048)	(0.043)	(0.038)	(0.034)
$CABGDP_{i,t-1}$	-0.025**	-0.024**	-0.023**	-0.021**	-0.020**	-0.020***	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.0191	0.021*	0.021	0.018	0.016	0.010	0.004
	(0.013)	(0.012)	(0.013)	(0.012)	(0.010)	(0.008)	(0.006)
Constant	-0.380	-0.412	-0.486	-0.460	-0.404	-0.383	-0.37*
	(0.389)	(0.365)	(0.346)	(0.321)	(0.295)	(0.242)	(0.206)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.051	0.083	0.106	0.127	0.158	0.187

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if a country is classified as an emerging market economy (see Table A1), and 0 otherwise. Thus, I^{high} varies across countries only. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C27

Cross-sectional effects of geopolitical uncertainty and bond inflows to the US at multiple horizons: Emerging vs developed economies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.082	0.107	0.141*	0.115*	0.080	0.067	0.048
	(0.078)	(0.086)	(0.073)	(0.063)	(0.059)	(0.062)	(0.049)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.481*	-0.561**	-0.511***	-0.450***	-0.431***	-0.421***	-0.332**
	(0.288)	(0.224)	(0.168)	(0.150)	(0.142)	(0.135)	(0.128)
GPR_{t-1}^{US}	-0.005	0.002	0.001	0.003	0.004	0.008	0.012
	(0.021)	(0.019)	(0.018)	(0.016)	(0.016)	(0.014)	(0.015)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.007	0.022	0.028	0.033	0.044*	0.045**	0.040*
	(0.051)	(0.038)	(0.028)	(0.025)	(0.023)	(0.022)	(0.022)
$VIX_{i,t-1}$	-0.007	-0.007	-0.003	-0.003	-0.002	-2.6e-05	-0.0008
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	5.5e-05	-0.0001**	-0.0001***
	(5.4e-05)	(3.6e-05)	(3.4e-05)	(3.4e-05)	(5.5e-05)	(4.7e-05)	(3.3e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002*
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008	-0.005*	-0.001	-0.002	-0.002	-0.0008	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.0688**	0.00800	0.00278	0.00324	-0.0106	-0.00751	-0.00923
	(0.030)	(0.030)	(0.017)	(0.015)	(0.013)	(0.011)	(0.010)
$FINOPEN_{i,t-1}$	0.018	0.001	-0.029	-0.049	-0.058	-0.068**	-0.080***
	(0.064)	(0.058)	(0.046)	(0.042)	(0.038)	(0.031)	(0.023)
$CABGDP_{i,t-1}$	0.041***	0.043***	0.045***	0.046***	0.045***	0.044***	0.043***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	-0.001	0.001	0.005	0.004	0.003	0.003	0.006
	(0.012)	(0.011)	(0.010)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	0.611*	0.548*	0.464*	0.420*	0.377*	0.347*	0.299*
	(0.339)	(0.307)	(0.259)	(0.221)	(0.200)	(0.182)	(0.163)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.112	0.154	0.193	0.263	0.322

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if a country is classified as an emerging market economy (see Table A1), and 0 otherwise. Thus, I^{high} varies across countries only. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C28

Cross-sectional effects of geopolitical uncertainty and bond outflows from the US at multiple horizons: Emerging vs developed economies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.290*	0.257***	-0.169*	-0.160*	-0.104	-0.055	-0.017
	(0.157)	(0.090)	(0.096)	(0.082)	(0.076)	(0.072)	(0.063)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.132	-0.605***	0.057	0.062	0.0358	-0.019	0.054
	(0.340)	(0.216)	(0.204)	(0.177)	(0.203)	(0.189)	(0.162)
GPR_{t-1}^{US}	0.050*	-0.023	0.032	0.030	0.027	0.036	0.045**
	(0.030)	(0.035)	(0.021)	(0.025)	(0.025)	(0.025)	(0.021)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.132***	-0.012	-0.063**	-0.063**	-0.059**	-0.032	-0.037*
	(0.042)	(0.026)	(0.029)	(0.026)	(0.026)	(0.024)	(0.020)
$VIX_{i,t-1}$	-0.006	-0.006*	-0.0001	-0.0002	-0.002	-0.002	-0.001
	(0.011)	(0.003)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	2.8e-05	-0.0008*	-0.0007*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(4.4e-05)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.016	-0.003	3.9e-05	0.0006	0.0001	-0.0009	0.0001
	(0.019)	(0.003)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	0.001	-0.004*	0.005	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.002)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.036	0.013	0.015	0.006	0.004	0.007	0.020
	(0.036)	(0.012)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.170	-0.263***	-0.191**	-0.197**	-0.217***	-0.228***	-0.246***
	(0.120)	(0.0603)	(0.0947)	(0.0774)	(0.0754)	(0.0694)	(0.0651)
$CABGDP_{i,t-1}$	-0.041	-0.024**	-0.043**	-0.044***	-0.045***	-0.047***	-0.047***
	(0.026)	(0.010)	(0.019)	(0.016)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.015	0.022*	0.014	0.016	0.021	0.028**	0.032***
	(0.032)	(0.012)	(0.025)	(0.020)	(0.016)	(0.012)	(0.009)
Constant	-0.119	-0.412	-0.249	-0.288	-0.381	-0.548*	-0.617**
	(0.616)	(0.365)	(0.504)	(0.435)	(0.382)	(0.306)	(0.250)
Observations	10,138	10,136	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.051	0.057	0.077	0.096	0.132	0.161

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if a country is classified as an emerging market economy (see Table A1), and 0 otherwise. Thus, I^{high} varies across countries only. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C29

Cross-sectional effects of geopolitical uncertainty and equity inflows to the US at multiple horizons: The role of financial openness

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.092	-0.237	-0.304	-0.490	-0.420	-0.204	-0.251
	(0.356)	(0.480)	(0.510)	(0.482)	(0.449)	(0.347)	(0.288)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.320***	-0.272***	-0.258***	-0.218***	-0.196***	-0.175***	-0.161***
	(0.103)	(0.087)	(0.073)	(0.064)	(0.057)	(0.054)	(0.052)
GPR_{t-1}^{US}	-0.044	0.010	0.042	0.032	0.003	-0.006	-0.008
	(0.045)	(0.037)	(0.049)	(0.043)	(0.047)	(0.039)	(0.037)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.020	0.016	0.017	0.002	-0.008	-0.009	-0.008
	(0.032)	(0.031)	(0.028)	(0.025)	(0.023)	(0.019)	(0.018)
$VIX_{i,t-1}$	0.0008	-0.007	-0.0008	-0.003	-0.004	-0.001	0.0003
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-4.9e-05	-1.4e-05	-1.8e-05	3.7e-05	6.7e-05	6.4e-05**	5.6e-05**
	(7.5e-05)	(6.6e-05)	(6.3e-05)	(5.6e-05)	(4.7e-05)	(3.2e-05)	(2.2e-05)
$GROWTH_{i,t-1}$	0.013	0.002	0.002	0.0007	0.0008	0.001	0.0004
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.008	-0.002	-0.003	-0.003	-0.0003	0.001
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.065	-0.076	-0.043	-0.038*	-0.022	-0.024*	0.002
	(0.077)	(0.052)	(0.027)	(0.020)	(0.017)	(0.013)	(0.017)
$CABGDP_{i,t-1}$	0.021**	0.020**	0.019**	0.019**	0.020***	0.022***	0.024***
	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.0220	0.0275*	0.0334**	0.0383***	0.0417***	0.0464***	0.0450***
	(0.016)	(0.016)	(0.015)	(0.014)	(0.013)	(0.011)	(0.010)
Constant	-0.228	-0.362	-0.455*	-0.445**	-0.410*	-0.416**	-0.371**
	(0.292)	(0.255)	(0.237)	(0.222)	(0.209)	(0.180)	(0.167)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.037	0.052	0.070

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of financial openness (FINOPEN) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C30

Cross-sectional effects of geopolitical uncertainty and equity outflows from the US at multiple horizons: The role of financial openness

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.191	-0.405	-0.489**	-0.453**	-0.459***	-0.344**	-0.262**
	(0.287)	(0.258)	(0.224)	(0.196)	(0.166)	(0.134)	(0.123)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.052	0.108	0.101	0.081	0.062	0.053	0.058
	(0.107)	(0.118)	(0.106)	(0.089)	(0.087)	(0.075)	(0.065)
GPR_{t-1}^{US}	0.021	0.032	0.064**	0.070***	0.058**	0.049**	0.053**
	(0.037)	(0.036)	(0.026)	(0.021)	(0.023)	(0.024)	(0.021)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.054**	-0.047**	-0.040**	-0.038**	-0.035**	-0.022	-0.010
	(0.025)	(0.022)	(0.019)	(0.018)	(0.017)	(0.017)	(0.016)
$VIX_{i,t-1}$	-0.001	-0.006*	-0.003	-0.002	-0.004**	-0.004*	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-2.3e-05	-1.8e-05	-1.7e-06	1.0e-06	-1.3e-06	-3.7e-05	-6.4e-05***
	(6.7e-05)	(5.3e-05)	(4.7e-05)	(4.2e-05)	(3.9e-05)	(3.1e-05)	(2.5e-05)
$GROWTH_{i,t-1}$	0.006	-0.002	0.001	0.0008	-0.0003	0.0009	0.0004
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.005**	-0.005**	-0.002	-0.001	-0.0006	-0.0009
	(0.0045)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.023	0.013	0.002	0.007	0.003	-0.004	0.0006
	(0.022)	(0.0126)	(0.0120)	(0.012)	(0.009)	(0.008)	(0.007)
$CABGDP_{i,t-1}$	-0.029***	-0.029***	-0.027***	-0.025***	-0.025***	-0.023***	-0.021***
	(0.011)	(0.010)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.015	0.017	0.017	0.015	0.012	0.007	0.001
	(0.014)	(0.013)	(0.014)	(0.013)	(0.012)	(0.009)	(0.008)
Constant	-0.176	-0.207	-0.279	-0.272	-0.231	-0.230	-0.242
	(0.372)	(0.354)	(0.337)	(0.318)	(0.298)	(0.252)	(0.218)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.016	0.040	0.067	0.088	0.105	0.130	0.157

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of financial openness (FINOPEN) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C31

Cross-sectional effects of geopolitical uncertainty and bond inflows to the US at multiple horizons: The role of financial openness

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.378	0.235	0.302*	0.414**	0.400***	0.385***	0.381***
	(0.281)	(0.240)	(0.176)	(0.161)	(0.152)	(0.143)	(0.134)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.105	-0.088	-0.070	-0.106	-0.134**	-0.137***	-0.122***
	(0.092)	(0.083)	(0.079)	(0.077)	(0.062)	(0.049)	(0.042)
GPR_{t-1}^{US}	0.023	0.039	0.038	0.037	0.049**	0.054**	0.0543**
	(0.045)	(0.036)	(0.027)	(0.025)	(0.0240)	(0.024)	(0.024)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.013	-0.004	-0.001	0.0028	0.006	0.007	0.005
	(0.028)	(0.022)	(0.020)	(0.019)	(0.018)	(0.017)	(0.017)
$VIX_{i,t-1}$	-0.007	-0.007	-0.003	-0.003	-0.001	5.6e-05	-0.0007
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	4.5e-05	-0.0001**	-0.0002***
	(5.3e-05)	(3.6e-05)	(3.1e-05)	(3.1e-05)	(5.2e-05)	(4.3e-05)	(3.2e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005**	0.006***	0.003*	0.004***	0.003**
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008	-0.005*	-0.001	-0.002	-0.002	-0.0009	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.069**	0.008	0.003	0.003	-0.010	-0.007	-0.009
	(0.029)	(0.030)	(0.017)	(0.015)	(0.013)	(0.011)	(0.010)
$CABGDP_{i,t-1}$	0.042***	0.044***	0.046***	0.045***	0.044***	0.043***	0.042***
	(0.011)	(0.0111)	(0.009)	(0.008)	(0.007)	(0.006)	(0.006)
$FXREGIME_{i,t-1}$	-4.2e-05	0.002	0.005	0.004	0.003	0.003	0.006
	(0.012)	(0.011)	(0.010)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	0.549*	0.506*	0.464*	0.447**	0.412**	0.387**	0.340**
	(0.330)	(0.299)	(0.256)	(0.218)	(0.196)	(0.170)	(0.149)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.112	0.155	0.194	0.265	0.324

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of financial openness (FINOPEN) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C32

Cross-sectional effects of geopolitical uncertainty and bond outflows from the US at multiple horizons: The role of financial openness

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.109	-0.238	-0.341	-0.330	-0.294	-0.366	-0.249
	(0.480)	(0.314)	(0.257)	(0.218)	(0.237)	(0.227)	(0.192)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.134	0.0039	-0.048	-0.045	-0.028	-0.004	0.035
	(0.143)	(0.121)	(0.097)	(0.086)	(0.084)	(0.084)	(0.074)
GPR_{t-1}^{US}	-0.084	-0.037	-0.021	-0.026	-0.033	-0.013	-0.014
	(0.062)	(0.046)	(0.043)	(0.035)	(0.029)	(0.024)	(0.021)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.016	-0.017	-0.011	-0.011	-0.007	0.008	0.011
	(0.037)	(0.030)	(0.027)	(0.026)	(0.024)	(0.021)	(0.018)
$VIX_{i,t-1}$	-0.006	0.004	-0.0004	-0.0004	-0.003	-0.003	-0.002
	(0.011)	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001**	-0.001*	-0.0008*	-0.0007*	-0.0006*	-0.0004*	-0.0003*
	(0.000)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0002)
$GROWTH_{i,t-1}$	-0.0154	0.0009	0.0003	0.0009	0.0004	-0.0005	0.0005
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	0.001	-0.008	0.004	-0.005	-0.007	-0.012*	-0.012**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.007)	(0.005)
$ICRG_{i,t-1}$	0.035	0.007	0.014	0.006	0.003	0.008	0.020
	(0.036)	(0.024)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$CABGDP_{i,t-1}$	-0.046*	-0.047**	-0.047**	-0.049***	-0.050***	-0.052***	-0.052***
	(0.024)	(0.021)	(0.018)	(0.015)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.008	0.010	0.009	0.011	0.015	0.023*	0.026**
	(0.032)	(0.029)	(0.025)	(0.020)	(0.016)	(0.012)	(0.010)
Constant	-0.0408	-0.135	-0.126	-0.153	-0.205	-0.346	-0.408
	(0.577)	(0.529)	(0.479)	(0.421)	(0.369)	(0.300)	(0.257)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.013	0.032	0.053	0.072	0.088	0.121	0.144

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of financial openness (FINOPEN) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C33

Cross-sectional effects of geopolitical uncertainty and equity inflows to the US at multiple horizons: The role of institutions

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.209	-0.321	-0.436	-0.493*	-0.438*	-0.311	-0.346*
	(0.199)	(0.248)	(0.264)	(0.255)	(0.250)	(0.200)	(0.176)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.240**	-0.213**	-0.162*	-0.121	-0.101	-0.090	-0.076
	(0.104)	(0.098)	(0.086)	(0.076)	(0.073)	(0.070)	(0.060)
GPR_{t-1}^{US}	-0.034	0.008	0.040	0.021	-0.003	-0.005	-0.012
	(0.041)	(0.036)	(0.045)	(0.038)	(0.042)	(0.037)	(0.035)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.022	0.020	0.017	0.005	-0.006	-0.010	-0.008
	(0.028)	(0.023)	(0.019)	(0.019)	(0.019)	(0.016)	(0.016)
$VIX_{i,t-1}$	0.001	-0.006	-0.0006	-0.003	-0.004	-0.001	0.0002
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-5.3e-05	-1.8e-05	-1.8e-05	3.9e-05	7.1e-05	6.7e-05**	5.6e-05***
	(7.5e-05)	(6.7e-05)	(6.1e-05)	(5.3e-05)	(4.4e-05)	(2.9e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.012	0.001	0.002	0.0005	0.0006	0.001	0.0003
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008*	-0.007	-0.002	-0.003	-0.003	-4.2e-05	0.001
	(0.004)	(0.005)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$FINOPEN_{i,t-1}$	0.016	-0.0003	-0.019	-0.030	-0.027	-0.021	0.001
	(0.057)	(0.055)	(0.050)	(0.045)	(0.041)	(0.038)	(0.034)
$CABGDP_{i,t-1}$	0.022**	0.019**	0.018**	0.019**	0.020***	0.022***	0.024***
	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.024	0.028*	0.033**	0.039***	0.043***	0.047***	0.046***
	(0.017)	(0.016)	(0.015)	(0.013)	(0.012)	(0.011)	(0.009)
Constant	-0.223	-0.367	-0.480*	-0.472**	-0.437**	-0.445**	-0.368**
	(0.299)	(0.270)	(0.248)	(0.229)	(0.216)	(0.189)	(0.170)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.010	0.019	0.028	0.037	0.052	0.070

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of institutional quality (ICRG) in level is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C34

Cross-sectional effects of geopolitical uncertainty and equity outflows from the US at multiple horizons: The role of institutions

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.171	-0.218	-0.253	-0.240	-0.212	-0.122	-0.091
	(0.149)	(0.161)	(0.168)	(0.149)	(0.137)	(0.123)	(0.107)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.166	0.216*	0.192*	0.155*	0.116	0.084	0.088
	(0.116)	(0.120)	(0.109)	(0.089)	(0.085)	(0.078)	(0.069)
GPR_{t-1}^{US}	0.025	0.027	0.056**	0.057***	0.042**	0.027	0.031*
	(0.033)	(0.031)	(0.025)	(0.021)	(0.019)	(0.019)	(0.017)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.059*	-0.049*	-0.042	-0.037	-0.030	-0.011	0.001
	(0.031)	(0.029)	(0.026)	(0.024)	(0.023)	(0.022)	(0.022)
$VIX_{i,t-1}$	-0.0009	-0.006*	-0.003	-0.002	-0.004*	-0.004	-0.002
	(0.00622)	(0.00354)	(0.00280)	(0.00229)	(0.00218)	(0.00250)	(0.00237)
$INTEREST_{i,t-1}$	2.3e-05	2.6e-05	3.9e-05	3.9e-05	3.6e-05	-6.9e-07	-3.0e-05
	(5.6e-05)	(4.5e-05)	(3.8e-05)	(3.4e-05)	(3.2e-05)	(2.7e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0006	-0.0005	0.0006	0.0002
	(0.007)	(0.003)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.004*	-0.004**	-0.002	-0.0005	0.0002	-0.0003
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$FINOPEN_{i,t-1}$	-0.263***	-0.259***	-0.253***	-0.238***	-0.232***	-0.220***	-0.201***
	(0.063)	(0.060)	(0.056)	(0.048)	(0.043)	(0.038)	(0.034)
$CABGDP_{i,t-1}$	-0.0266**	-0.0260**	-0.024***	-0.023**	-0.0220**	-0.020***	-0.0180***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.008)	(0.007)	(0.006)
$FXREGIME_{i,t-1}$	0.017	0.019	0.018	0.016	0.014	0.008	0.003
	(0.013)	(0.012)	(0.013)	(0.012)	(0.010)	(0.008)	(0.007)
Constant	-0.458	-0.481	-0.542	-0.508	-0.453	-0.426*	-0.414**
	(0.391)	(0.369)	(0.349)	(0.323)	(0.296)	(0.242)	(0.206)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.021	0.050	0.084	0.107	0.127	0.156	0.185

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of institutional quality (ICRG) in level is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C35

Cross-sectional effects of geopolitical uncertainty and bond inflows to the US at multiple horizons: The role of institutions

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.181	-0.087	-0.064	-0.066	-0.090	-0.126	-0.123
	(0.195)	(0.172)	(0.126)	(0.119)	(0.104)	(0.100)	(0.100)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.024	-0.068	-0.019	-0.027	-0.053	-0.041	-0.022
	(0.078)	(0.066)	(0.058)	(0.056)	(0.051)	(0.049)	(0.047)
GPR_{t-1}^{US}	-0.023	-0.002	0.015	0.022	0.032	0.035	0.032
	(0.064)	(0.051)	(0.036)	(0.031)	(0.027)	(0.026)	(0.026)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.013	0.021	0.014	0.014	0.019	0.021	0.021
	(0.020)	(0.017)	(0.016)	(0.017)	(0.017)	(0.015)	(0.014)
$VIX_{i,t-1}$	-0.008	-0.007	-0.003	-0.003	-0.001	7.9e-05	-0.0007
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	0.0001***	0.0001***	0.0001***	0.0001***	5.4e-05	-0.0001**	-0.0001***
	(5.4e-05)	(3.7e-05)	(3.4e-05)	(3.4e-05)	(5.4e-05)	(4.7e-05)	(3.3e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002**
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009*	-0.006*	-0.002	-0.002	-0.002	-0.0009	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$FINOPEN_{i,t-1}$	0.013	-0.002	-0.031	-0.050	-0.057	-0.068**	-0.080***
	(0.062)	(0.056)	(0.047)	(0.042)	(0.039)	(0.031)	(0.024)
$CABGDP_{i,t-1}$	0.043***	0.044***	0.046***	0.046***	0.045***	0.044***	0.043***
	(0.012)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.007)
$FXREGIME_{i,t-1}$	-0.0008	0.001	0.004	0.003	0.002	0.002	0.005
	(0.012)	(0.011)	(0.010)	(0.008)	(0.008)	(0.007)	(0.007)
Constant	0.665*	0.589*	0.486*	0.440**	0.400**	0.368**	0.313**
	(0.350)	(0.314)	(0.259)	(0.218)	(0.195)	(0.175)	(0.157)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.055	0.111	0.153	0.192	0.262	0.321

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of institutional quality (ICRG) in level is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C36

Cross-sectional effects of geopolitical uncertainty and bond outflows from the US at multiple horizons: The role of institutions

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.143	0.0547	-0.0660	-0.112	-0.109	-0.185	-0.117
	(0.252)	(0.195)	(0.149)	(0.130)	(0.155)	(0.151)	(0.117)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.0769	-0.0662	-0.0833	-0.033	0.020	0.093	0.147
	(0.175)	(0.143)	(0.116)	(0.098)	(0.087)	(0.089)	(0.094)
GPR_{t-1}^{US}	-0.152***	-0.125***	-0.0962***	-0.083***	-0.071***	-0.030	-0.016
	(0.049)	(0.039)	(0.032)	(0.027)	(0.026)	(0.026)	(0.030)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.032	0.043	0.0389	0.027	0.020	0.022	0.016
	(0.036)	(0.027)	(0.0267)	(0.027)	(0.024)	(0.020)	(0.019)
$VIX_{i,t-1}$	-0.006	0.004	-0.0004	-0.0004	-0.003	-0.003	-0.002
	(0.011)	(0.005)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0006*	-0.0005*	-0.0004*	-0.0003
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0001)
$GROWTH_{i,t-1}$	-0.016	0.0001	-0.0002	0.0003	-7.8e-05	-0.001	0.0001
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	0.001	-0.007	0.004	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$FINOPEN_{i,t-1}$	-0.185	-0.184*	-0.203**	-0.207***	-0.226***	-0.234***	-0.250***
	(0.118)	(0.107)	(0.094)	(0.077)	(0.076)	(0.069)	(0.063)
$CABGDP_{i,t-1}$	-0.039	-0.040*	-0.041**	-0.043***	-0.044***	-0.047***	-0.047***
	(0.025)	(0.022)	(0.019)	(0.016)	(0.013)	(0.011)	(0.010)
$FXREGIME_{i,t-1}$	0.018	0.017	0.016	0.018	0.022	0.029**	0.033***
	(0.032)	(0.029)	(0.025)	(0.021)	(0.017)	(0.012)	(0.009)
Constant	-0.110	-0.174	-0.208	-0.272	-0.377	-0.565*	-0.666**
	(0.614)	(0.559)	(0.496)	(0.430)	(0.381)	(0.312)	(0.264)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.015	0.035	0.059	0.079	0.098	0.133	0.160

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the measure of institutional quality (ICRG) in level is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C37

Cross-sectional effects of geopolitical uncertainty and equity inflows to the US at multiple horizons: The role of exchange rate regime

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.0440	0.008	0.058	0.027	0.013	-0.007	-0.014
	(0.194)	(0.161)	(0.147)	(0.129)	(0.114)	(0.090)	(0.086)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.274**	-0.346**	-0.386**	-0.364**	-0.308**	-0.233**	-0.228**
	(0.134)	(0.163)	(0.164)	(0.159)	(0.150)	(0.116)	(0.105)
GPR_{t-1}^{US}	-0.004	-0.006	-0.012	-0.024	-0.038	-0.044	-0.045
	(0.043)	(0.038)	(0.034)	(0.032)	(0.031)	(0.029)	(0.029)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.009	0.020	0.046*	0.030	0.010	0.011	0.011
	(0.035)	(0.021)	(0.027)	(0.023)	(0.027)	(0.022)	(0.021)
$VIX_{i,t-1}$	0.0007	-0.007	-0.0008	-0.003	-0.004	-0.001	0.0003
	(0.009)	(0.008)	(0.004)	(0.003)	(0.004)	(0.003)	(0.003)
$INTEREST_{i,t-1}$	-6.2e-05	-2.7e-05	-2.9e-05	2.5e-05	5.4e-05	4.9e-05	3.7e-05
	(7.7e-05)	(6.9e-05)	(6.5e-05)	(5.9e-05)	(5.0e-05)	(3.4e-05)	(2.4e-05)
$GROWTH_{i,t-1}$	0.013	0.002	0.002	0.0009	0.001	0.001	0.0007
	(0.010)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.009**	-0.008*	-0.002	-0.003	-0.003	-0.0004	0.0009
	(0.004)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.067	-0.077	-0.044	-0.038*	-0.023	-0.025*	0.001
	(0.078)	(0.052)	(0.027)	(0.020)	(0.017)	(0.013)	(0.017)
$FINOPEN_{i,t-1}$	0.030	0.010	-0.012	-0.022	-0.019	-0.014	0.008
	(0.058)	(0.055)	(0.051)	(0.047)	(0.044)	(0.041)	(0.035)
$CABGDP_{i,t-1}$	0.018*	0.017*	0.016*	0.016**	0.017**	0.019***	0.021***
	(0.009)	(0.009)	(0.008)	(0.008)	(0.007)	(0.007)	(0.006)
Constant	-0.013	-0.086	-0.140	-0.082	-0.018	0.013	0.059
	(0.255)	(0.212)	(0.188)	(0.182)	(0.178)	(0.167)	(0.160)
Observations	10,136	10,140	10,146	10,152	10,157	10,163	10,164
R-squared	0.004	0.011	0.019	0.028	0.036	0.050	0.067

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the exchange rate regime (FXREGIME) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C38

Cross-sectional effects of geopolitical uncertainty and equity outflows from the US at multiple horizons: The role of exchange rate regime

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.076	0.046	0.012	-0.039	-0.084	-0.070	-0.029
	(0.224)	(0.184)	(0.149)	(0.130)	(0.119)	(0.115)	(0.106)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.010	0.039	0.001	-0.001	0.002	0.023	0.034
	(0.134)	(0.149)	(0.135)	(0.114)	(0.107)	(0.090)	(0.074)
GPR_{t-1}^{US}	-0.038	-0.029	-0.017	-0.006	-0.002	0.006	0.020
	(0.031)	(0.029)	(0.025)	(0.022)	(0.023)	(0.022)	(0.023)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.016	-0.010	0.008	0.007	0.0002	0.003	0.007
	(0.030)	(0.030)	(0.024)	(0.022)	(0.022)	(0.021)	(0.018)
$VIX_{i,t-1}$	-0.0008	-0.006*	-0.003	-0.002	-0.004*	-0.004	-0.002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	1.6e-05	1.9e-05	3.5e-05	3.5e-05	3.3e-05	-2.7e-06	-3.1e-05
	(5.8e-05)	(4.6e-05)	(3.9e-05)	(3.5e-05)	(3.3e-05)	(2.8e-05)	(2.0e-05)
$GROWTH_{i,t-1}$	0.005	-0.002	0.001	0.0005	-0.0007	0.0006	0.0001
	(0.007)	(0.003)	(0.002)	(0.001)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.001	-0.005*	-0.004**	-0.002	-0.0008	-8.9e-06	-0.0004
	(0.004)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.024	0.014	0.003	0.008	0.004	-0.003	0.001
	(0.022)	(0.012)	(0.012)	(0.012)	(0.010)	(0.009)	(0.008)
$FINOPEN_{i,t-1}$	-0.266***	-0.262***	-0.259***	-0.244***	-0.237***	-0.223***	-0.203***
	(0.063)	(0.060)	(0.055)	(0.048)	(0.043)	(0.038)	(0.034)
$CABGDP_{i,t-1}$	-0.026**	-0.025**	-0.023**	-0.022**	-0.021**	-0.020**	-0.017***
	(0.010)	(0.010)	(0.009)	(0.009)	(0.009)	(0.007)	(0.006)
Constant	-0.200	-0.208	-0.255	-0.242	-0.227	-0.287	-0.337*
	(0.353)	(0.338)	(0.313)	(0.290)	(0.270)	(0.223)	(0.187)
Observations	10,132	10,136	10,142	10,148	10,153	10,159	10,164
R-squared	0.020	0.048	0.079	0.101	0.122	0.154	0.184

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the exchange rate regime (FXREGIME) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C39

Cross-sectional effects of geopolitical uncertainty and bond inflows to the US at multiple horizons: The role of exchange rate regime

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.089	0.156	0.232*	0.228*	0.215**	0.178*	0.196**
	(0.186)	(0.177)	(0.136)	(0.124)	(0.105)	(0.097)	(0.079)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.095	-0.132	-0.113	-0.122*	-0.159**	-0.157***	-0.145***
	(0.121)	(0.096)	(0.080)	(0.073)	(0.064)	(0.058)	(0.053)
GPR_{t-1}^{US}	0.018	0.014	0.012	0.013	0.015	0.015	0.0120
	(0.026)	(0.020)	(0.017)	(0.017)	(0.017)	(0.016)	(0.016)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.019	0.003	0.008	0.012	0.022	0.029	0.029
	(0.041)	(0.033)	(0.027)	(0.024)	(0.022)	(0.019)	(0.018)
$VIX_{i,t-1}$	-0.007	-0.007	-0.003	-0.003	-0.001	6.1e-05	-0.0007
	(0.007)	(0.006)	(0.004)	(0.003)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	0.0001**	0.0001***	0.0001***	0.0001***	5.2e-05	-0.0001**	-0.0002***
	(5.5e-05)	(3.8e-05)	(3.5e-05)	(3.51e-05)	(5.5e-05)	(4.8e-05)	(3.4e-05)
$GROWTH_{i,t-1}$	0.009	0.003	0.005*	0.006***	0.003*	0.004**	0.002**
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.008*	-0.005*	-0.002	-0.002	-0.002	-0.0009	-0.001
	(0.005)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)	(0.001)
$ICRG_{i,t-1}$	0.069**	0.008	0.003	0.003	-0.010	-0.007	-0.009
	(0.030)	(0.030)	(0.017)	(0.015)	(0.013)	(0.011)	(0.010)
$FINOPEN_{i,t-1}$	0.023	0.005	-0.024	-0.044	-0.053	-0.064**	-0.076***
	(0.065)	(0.059)	(0.048)	(0.043)	(0.039)	(0.031)	(0.023)
$CABGDP_{i,t-1}$	0.040***	0.042***	0.044***	0.044***	0.044***	0.043***	0.042***
	(0.011)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.006)
Constant	0.646**	0.592**	0.548**	0.502**	0.451**	0.409**	0.381**
	(0.309)	(0.280)	(0.242)	(0.211)	(0.190)	(0.167)	(0.150)
Observations	10,145	10,149	10,155	10,161	10,164	10,164	10,164
R-squared	0.025	0.056	0.111	0.154	0.193	0.263	0.322

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the exchange rate regime (FXREGIME) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C40

Cross-sectional effects of geopolitical uncertainty and bond outflows from the US at multiple horizons: The role of exchange rate regime

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.650	-0.527*	-0.551**	-0.558***	-0.591***	-0.556***	-0.503***
	(0.425)	(0.307)	(0.229)	(0.189)	(0.190)	(0.180)	(0.162)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	0.146	0.201	0.125	0.140	0.186*	0.187*	0.249***
	(0.142)	(0.125)	(0.112)	(0.0992)	(0.101)	(0.105)	(0.0934)
GPR_{t-1}^{US}	-0.001	0.012	0.016	0.018	0.011	0.023	0.029*
	(0.049)	(0.029)	(0.021)	(0.021)	(0.018)	(0.016)	(0.016)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.055*	-0.039	-0.027	-0.031	-0.023	-0.002	-0.004
	(0.033)	(0.029)	(0.026)	(0.025)	(0.025)	(0.023)	(0.021)
$VIX_{i,t-1}$	-0.006	0.004	-0.000269	-0.000307	-0.00296	-0.00289	-0.00194
	(0.011)	(0.005)	(0.004)	(0.004)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.001*	-0.0009*	-0.0008*	-0.0007*	-0.0005*	-0.0004*	-0.0003*
	(0.0006)	(0.0005)	(0.0004)	(0.0003)	(0.0003)	(0.0002)	(0.0001)
$GROWTH_{i,t-1}$	-0.015	0.0007	0.0001	0.0007	0.0002	-0.0007	0.0003
	(0.019)	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.002)
$RETURN_{i,t-1}$	0.002	-0.007	0.004	-0.004	-0.006	-0.012*	-0.011**
	(0.008)	(0.006)	(0.007)	(0.005)	(0.005)	(0.006)	(0.005)
$ICRG_{i,t-1}$	0.035	0.007	0.015	0.006	0.004	0.008	0.020
	(0.036)	(0.023)	(0.029)	(0.019)	(0.016)	(0.013)	(0.013)
$FINOPEN_{i,t-1}$	-0.176	-0.174*	-0.196**	-0.201***	-0.223***	-0.234***	-0.250***
	(0.116)	(0.105)	(0.092)	(0.075)	(0.074)	(0.069)	(0.066)
$CABGDP_{i,t-1}$	-0.042*	-0.044**	-0.043**	-0.045***	-0.045***	-0.048***	-0.048***
	(0.024)	(0.022)	(0.019)	(0.016)	(0.013)	(0.011)	(0.010)
Constant	-0.128	-0.166	-0.186	-0.197	-0.246	-0.325	-0.355*
	(0.500)	(0.458)	(0.400)	(0.345)	(0.307)	(0.248)	(0.209)
Observations	10,138	10,142	10,148	10,154	10,159	10,164	10,164
R-squared	0.014	0.033	0.057	0.077	0.096	0.132	0.159

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the exchange rate regime (FXREGIME) is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 1992 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C41

Cross-sectional effects of geopolitical uncertainty and equity inflows to the US at multiple horizons: The role of macroprudential policies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.136	-0.132	-0.185**	-0.170**	-0.161**	-0.140**	-0.120**
	(0.102)	(0.086)	(0.072)	(0.070)	(0.068)	(0.063)	(0.059)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.210	-0.141	-0.193	-0.266*	-0.232*	-0.171	-0.221**
	(0.154)	(0.155)	(0.147)	(0.146)	(0.136)	(0.104)	(0.100)
GPR_{t-1}^{US}	0.038**	0.037**	0.042***	0.029**	0.015	0.014	0.011
	(0.019)	(0.017)	(0.014)	(0.012)	(0.013)	(0.013)	(0.013)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.024	-0.032	-0.022	-0.028	-0.056*	-0.062**	-0.051**
	(0.029)	(0.034)	(0.030)	(0.029)	(0.031)	(0.025)	(0.025)
$VIX_{i,t-1}$	0.001	0.0003	0.002	-0.001	0.001	0.002	0.004
	(0.010)	(0.005)	(0.003)	(0.002)	(0.003)	(0.004)	(0.004)
$INTEREST_{i,t-1}$	0.0002	0.001	0.004	0.004	0.006	0.009**	0.009***
	(0.007)	(0.006)	(0.006)	(0.006)	(0.005)	(0.003)	(0.003)
$GROWTH_{i,t-1}$	0.004	0.002	-0.0007	2.8e-05	-0.001	-0.0007	-0.0005
	(0.008)	(0.004)	(0.002)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	-0.004	-0.001	0.001	-0.001	-0.001	0.002	0.003
	(0.005)	(0.005)	(0.003)	(0.002)	(0.002)	(0.003)	(0.003)
$ICRG_{i,t-1}$	-0.027	-0.024	-0.023	-0.014	-0.012	-0.024	0.017
	(0.034)	(0.040)	(0.025)	(0.018)	(0.017)	(0.018)	(0.027)
$FINOPEN_{i,t-1}$	-0.079	-0.098	-0.104	-0.095	-0.081	-0.066	-0.049
	(0.088)	(0.084)	(0.075)	(0.065)	(0.057)	(0.048)	(0.041)
$CABGDP_{i,t-1}$	0.015	0.017	0.018*	0.019**	0.019**	0.018**	0.020***
	(0.012)	(0.011)	(0.010)	(0.009)	(0.008)	(0.007)	(0.007)
$FXREGIME_{i,t-1}$	-0.013	-0.013	-0.010	-0.003	0.003	0.013	0.019*
	(0.018)	(0.016)	(0.014)	(0.013)	(0.012)	(0.010)	(0.009)
Constant	-0.160	-0.117	-0.084	-0.092	-0.054	-0.051	-0.065
	(0.279)	(0.263)	(0.233)	(0.211)	(0.198)	(0.181)	(0.155)
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.016	0.044	0.081	0.116	0.092	0.064	0.079

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the aggregate measure of macroprudential policy from Cerutti et al. (2017), which is the "sum of the cumulative version of the nine prudential instruments they design" is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 2000 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C42

Cross-sectional effects of geopolitical uncertainty and equity outflows from the US at multiple horizons: The role of macroprudential policies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.180*	0.223**	0.168	0.123	0.115	0.122*	0.131***
	(0.099)	(0.110)	(0.107)	(0.090)	(0.079)	(0.062)	(0.046)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.277*	-0.247	-0.248*	-0.216*	-0.196*	-0.146	-0.104
	(0.156)	(0.161)	(0.145)	(0.116)	(0.109)	(0.105)	(0.094)
GPR_{t-1}^{US}	-0.028	-0.020	-0.006	-0.001	-0.007	-0.004	0.003
	(0.021)	(0.020)	(0.015)	(0.013)	(0.013)	(0.0130)	(0.012)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	-0.009	-0.001	0.019	0.017	0.002	-0.008	-0.010
	(0.029)	(0.031)	(0.022)	(0.018)	(0.016)	(0.015)	(0.014)
$VIX_{i,t-1}$	0.002	-0.003	-0.001	-0.002	-0.004**	-0.004*	-0.003
	(0.006)	(0.003)	(0.002)	(0.001)	(0.001)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.005	-0.004	-0.004	-0.003	-0.004	-0.010***	-0.013***
	(0.005)	(0.005)	(0.004)	(0.004)	(0.003)	(0.003)	(0.002)
$GROWTH_{i,t-1}$	0.006	4.3e-05	0.002	0.0008	-0.001	0.0003	-0.0002
	(0.006)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$RETURN_{i,t-1}$	0.002	-0.001	-0.002	-0.002	-3.4e-05	-0.0003	-8.4e-05
	(0.007)	(0.003)	(0.002)	(0.002)	(0.001)	(0.001)	(0.001)
$ICRG_{i,t-1}$	0.012	0.007	-0.003	-0.001	0.001	-0.005	-0.006
	(0.029)	(0.015)	(0.015)	(0.016)	(0.010)	(0.007)	(0.006)
$FINOPEN_{i,t-1}$	0.006	0.011	0.027	0.034	0.028	0.034	0.046
	(0.060)	(0.060)	(0.053)	(0.046)	(0.043)	(0.040)	(0.037)
$CABGDP_{i,t-1}$	-0.009	-0.007	-0.004	-0.001	-0.0005	-0.0003	-0.0003
	(0.009)	(0.008)	(0.007)	(0.006)	(0.006)	(0.004)	(0.003)
$FXREGIME_{i,t-1}$	-0.015	-0.010	-0.011	-0.013	-0.016	-0.022**	-0.029***
	(0.020)	(0.018)	(0.015)	(0.013)	(0.011)	(0.009)	(0.008)
Constant	0.276	0.226	0.174	0.186	0.193	0.0930	0.0292
	(0.403)	(0.372)	(0.335)	(0.312)	(0.292)	(0.246)	(0.220)
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.025	0.060	0.103	0.139	0.175	0.230	0.278

Notes: This table presents the estimates of our model, presented as Eq. (4), with equity outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the aggregate measure of macroprudential policy from Cerutti et al. (2017), which is the "sum of the cumulative version of the nine prudential instruments they design" is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 2000 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C43

Cross-sectional effects of geopolitical uncertainty and bond inflows to the US at multiple horizons: The role of macroprudential policies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	-0.106	-0.073	-0.015	-0.014	-0.043	-0.056	-0.058*
	(0.083)	(0.078)	(0.057)	(0.047)	(0.039)	(0.035)	(0.034)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.292*	-0.202	-0.156	-0.155	-0.158	-0.093	-0.049
	(0.169)	(0.156)	(0.136)	(0.134)	(0.118)	(0.114)	(0.101)
GPR_{t-1}^{US}	0.049**	0.057***	0.050***	0.050**	0.054**	0.058**	0.059**
	(0.019)	(0.020)	(0.019)	(0.021)	(0.023)	(0.023)	(0.023)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.029	0.037	0.037	0.045	0.054	0.044	0.030
	(0.047)	(0.043)	(0.041)	(0.039)	(0.035)	(0.031)	(0.030)
$VIX_{i,t-1}$	-0.005	-0.007	-0.005	-0.003	-0.002	-0.001	-0.001
	(0.008)	(0.007)	(0.004)	(0.004)	(0.003)	(0.003)	(0.002)
$INTEREST_{i,t-1}$	0.0006	0.0003	-0.003	-0.004	-0.004	-0.006	-0.007**
	(0.008)	(0.007)	(0.007)	(0.006)	(0.005)	(0.004)	(0.003)
$GROWTH_{i,t-1}$	0.008	0.004	0.005*	0.004*	0.002	0.002	0.0007
	(0.006)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)	(0.001)
$RETURN_{i,t-1}$	-0.010	-0.009**	-0.007**	-0.006**	-0.006**	-0.004**	-0.004**
	(0.006)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)	(0.002)
$ICRG_{i,t-1}$	0.044	0.030	0.023	0.029	0.008	0.003	-0.001
	(0.035)	(0.027)	(0.021)	(0.019)	(0.018)	(0.015)	(0.016)
$FINOPEN_{i,t-1}$	-0.059	-0.067	-0.057	-0.057	-0.060	-0.067	-0.058
	(0.079)	(0.073)	(0.064)	(0.057)	(0.051)	(0.042)	(0.036)
$CABGDP_{i,t-1}$	0.044***	0.046***	0.050***	0.053***	0.054***	0.056***	0.057***
	(0.016)	(0.015)	(0.014)	(0.012)	(0.010)	(0.008)	(0.008)
$FXREGIME_{i,t-1}$	-0.016	-0.022	-0.024	-0.024*	-0.024**	-0.026***	-0.030***
	(0.020)	(0.018)	(0.016)	(0.013)	(0.011)	(0.008)	(0.005)
Constant	0.567	0.593*	0.632**	0.613**	0.584**	0.578***	0.600***
	(0.371)	(0.343)	(0.296)	(0.266)	(0.240)	(0.208)	(0.190)
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.046	0.102	0.174	0.224	0.276	0.364	0.433

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond inflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the aggregate measure of macroprudential policy from Cerutti et al. (2017), which is the "sum of the cumulative version of the nine prudential instruments they design" is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 2000 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.

Table C44

Cross-sectional effects of geopolitical uncertainty and bond outflows from the US at multiple horizons: The role of macroprudential policies

Specification	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Horizon τ	0	2	5	8	11	17	23
$GPR_{i,t-1}^{RoW}$	0.033	0.223**	0.066	0.090	0.127	0.158	0.231**
	(0.204)	(0.110)	(0.108)	(0.094)	(0.095)	(0.121)	(0.115)
$GPR_{t-1}^{RoW} \times I_{t-1}^{high}$	-0.530**	-0.247	-0.454***	-0.409***	-0.352***	-0.297**	-0.270**
	(0.205)	(0.161)	(0.129)	(0.116)	(0.126)	(0.120)	(0.111)
GPR_{t-1}^{US}	0.0009	-0.020	0.023	0.021	0.020	0.032	0.029
	(0.041)	(0.020)	(0.023)	(0.026)	(0.024)	(0.019)	(0.018)
$GPR_{i,t-1}^{US} \times I_{t-1}^{high}$	0.006	-0.001	0.031	0.024	0.014	0.018	0.016
	(0.038)	(0.031)	(0.027)	(0.027)	(0.027)	(0.028)	(0.024)
$VIX_{i,t-1}$	-0.0004	-0.003	-0.002	-0.001	-0.002	-0.003	-0.002
	(0.009)	(0.003)	(0.004)	(0.003)	(0.003)	(0.002)	(0.002)
$INTEREST_{i,t-1}$	-0.007	-0.004	-0.004	-0.006	-0.008	-0.013**	-0.017***
	(0.009)	(0.005)	(0.007)	(0.006)	(0.006)	(0.005)	(0.005)
$GROWTH_{i,t-1}$	0.0006	4.3e-05	-0.0003	-0.001	-0.001	-0.001	-0.0008
	(0.010)	(0.003)	(0.003)	(0.002)	(0.002)	(0.002)	(0.001)
$RETURN_{i,t-1}$	-0.010*	-0.001	-0.006**	-0.003	-0.003	-0.002	-0.003**
	(0.005)	(0.003)	(0.002)	(0.002)	(0.00223)	(0.002)	(0.001)
$ICRG_{i,t-1}$	-0.013	0.008	-0.002	0.001	0.001	0.004	0.010
	(0.044)	(0.015)	(0.022)	(0.015)	(0.014)	(0.012)	(0.009)
$FINOPEN_{i,t-1}$	-0.088	0.011	-0.072	-0.080	-0.071	-0.071*	-0.067**
	(0.085)	(0.060)	(0.068)	(0.059)	(0.052)	(0.040)	(0.033)
$CABGDP_{i,t-1}$	-0.017	-0.007	-0.011	-0.007	-0.006	-0.007	-0.009**
	(0.012)	(0.008)	(0.008)	(0.007)	(0.006)	(0.005)	(0.004)
$FXREGIME_{i,t-1}$	0.050*	-0.010	0.044**	0.036**	0.030**	0.025**	0.016*
	(0.028)	(0.018)	(0.021)	(0.017)	(0.014)	(0.011)	(0.009)
Constant	-0.708	0.226	-0.628	-0.571	-0.555	-0.619**	-0.636***
	(0.495)	(0.372)	(0.412)	(0.373)	(0.345)	(0.286)	(0.242)
Observations	7,633	7,635	7,638	7,641	7,643	7,643	7,643
R-squared	0.018	0.060	0.081	0.110	0.136	0.187	0.234

Notes: This table presents the estimates of our model, presented as Eq. (4), with bond outflows as the dependent variable. Driscoll-Kraay standard errors (in parentheses) are used. I^{high} is an indicator variable that takes the value of 1 if the aggregate measure of macroprudential policy from Cerutti et al. (2017), which is the "sum of the cumulative version of the nine prudential instruments they design" is above its sample median, and 0 otherwise. Thus, I^{high} varies across countries and over time. The definitions of the other variables are provided in Table A2 (Appendix A). The sample period is from January 2000 to November 2022. *, ** and *** indicate statistical significance at the 10%, 5%, and 1% levels, respectively.