

Online Appendix to “How Important Are Terms-Of-Trade Shocks?”

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1 Robustness to Alternative Real Exchange-Rate Measure

This subsection presents results based on estimating the SVAR (1) on an alternative measure of the real exchange rate. Specifically, here we use the WDI's real effective exchange rate index 2005 = 100 (series code PX.REX.REER). The following table presents the implied estimated shares of variances explained by terms-of-trade shocks.

**Share of Variance Explained by Terms of Trade Shocks,
Country-Level SVAR, Real Effective Exchange Rate**

Country	<i>tot</i>	<i>tb</i>	<i>y</i>	<i>c</i>	<i>i</i>	<i>RER</i>
Algeria	100	74	28	54	23	20
Bolivia	100	4	2	9	8	34
Burundi	100	15	15	14	13	2
Cameroon	100	11	17	16	15	14
Central African Republic	100	35	1	11	12	31
Chile	100	32	19	14	23	18
China	100	12	15	15	37	25
Colombia	100	5	24	9	27	10
Congo, Dem. Rep.	100	5	1	2	5	12
Costa Rica	100	19	1	2	2	9
Cote d'Ivoire	100	30	48	44	46	80
Dominican Republic	100	16	21	18	31	3
Ecuador	100	42	4	15	10	27
Ghana	100	3	1	2	1	5
Malaysia	100	19	4	13	8	7
Mexico	100	10	19	12	12	47
Morocco	100	3	4	3	6	4
Pakistan	100	19	26	21	13	7
Paraguay	100	9	14	13	13	10
Philippines	100	22	11	15	10	43
South Africa	100	7	13	10	10	8
Tunisia	100	35	48	42	46	40
Uganda	100	41	7	13	29	18
Uruguay	100	17	27	32	9	21
Venezuela, RB	100	41	12	15	11	4
Zambia	100	29	1	39	7	3
Median	100	18	13	14	12	13
Median Absolute Deviation	0	12	9	4	4	9

Note. Shares are expressed in percent. The panel contains 19 countries in common with the panel used in the baseline estimation.

2 Robustness to HP Filtering

In this appendix, we report results for the SVAR estimation when the data is detrended using the Hodrick Prescott filter with a smoothing parameter of $\lambda = 100$ and show that the results reported in tables 1 and 2 are robust to this alternative detrending method.

**Country-by-Country Estimates of the Terms of Trade Process
HP Filtered Data**

$$\widehat{tot}_t = a_{11}\widehat{tot}_{t-1} + \pi_{11}\epsilon_t^1; \quad \epsilon_t^1 \sim (0, 1)$$

Country	a_{11}	π_{11}	R^2
Algeria	0.32	0.18	0.10
Argentina	0.34	0.08	0.13
Bolivia	0.41	0.08	0.17
Botswana	0.51	0.06	0.30
Brazil	0.31	0.07	0.11
Burundi	0.36	0.16	0.13
Cameroon	-0.16	0.12	0.03
Central African Republic	0.56	0.08	0.31
Colombia	0.13	0.08	0.02
Congo, Dem. Rep.	0.20	0.13	0.04
Costa Rica	0.44	0.07	0.20
Cote d'Ivoire	0.17	0.14	0.03
Dominican Republic	0.28	0.08	0.08
Egypt, Arab Rep.	0.69	0.08	0.48
El Salvador	0.28	0.13	0.09
Ghana	0.09	0.09	0.01
Guatemala	-0.53	0.10	0.28
Honduras	0.45	0.09	0.21
India	0.28	0.08	0.08
Indonesia	0.39	0.10	0.15
Jordan	0.37	0.08	0.12
Kenya	0.45	0.06	0.22
Korea, Rep.	0.25	0.04	0.06
Madagascar	0.47	0.08	0.23
Malaysia	0.16	0.04	0.03
Mauritius	0.44	0.04	0.23
Mexico	0.41	0.08	0.17
Morocco	0.32	0.06	0.11
Pakistan	0.46	0.07	0.20
Paraguay	0.22	0.11	0.05
Peru	0.46	0.08	0.21
Philippines	0.44	0.08	0.23
Senegal	0.22	0.07	0.05
South Africa	0.42	0.03	0.24
Sudan	0.40	0.08	0.16
Thailand	0.30	0.03	0.11
Turkey	0.15	0.04	0.02
Uruguay	0.27	0.06	0.10
Median	0.33	0.08	0.12
Median Absolute Deviation	0.11	0.02	0.08

**Share of Variance Explained by Terms of Trade Shocks
Country-Level SVAR Evidence, HP Filtered Data**

Country	<i>tot</i>	<i>tb</i>	<i>y</i>	<i>c</i>	<i>i</i>	<i>RER</i>
Algeria	100	55	19	32	20	33
Argentina	100	28	41	18	27	32
Bolivia	100	18	11	21	26	9
Botswana	100	31	39	29	43	10
Brazil	100	35	48	25	26	48
Burundi	100	10	13	14	4	27
Cameroon	100	10	12	17	10	9
Central African Republic	100	7	18	5	2	27
Colombia	100	7	22	6	12	14
Congo, Dem. Rep.	100	11	11	11	7	19
Costa Rica	100	15	7	2	5	5
Cote d'Ivoire	100	53	22	29	30	68
Dominican Republic	100	24	28	13	41	12
Egypt, Arab Rep.	100	23	5	38	22	39
El Salvador	100	8	10	8	18	38
Ghana	100	12	8	5	7	12
Guatemala	100	8	2	4	6	17
Honduras	100	3	4	7	3	24
India	100	20	31	15	8	9
Indonesia	100	10	13	10	15	11
Jordan	100	20	7	27	2	7
Kenya	100	24	13	26	11	18
Korea, Rep.	100	30	22	10	29	51
Madagascar	100	24	3	9	7	18
Malaysia	100	6	6	1	2	4
Mauritius	100	17	15	20	19	3
Mexico	100	17	38	14	20	25
Morocco	100	8	6	13	15	13
Pakistan	100	4	1	1	4	8
Paraguay	100	3	19	5	14	3
Peru	100	19	35	17	32	11
Philippines	100	16	9	7	11	36
Senegal	100	4	1	5	11	45
South Africa	100	6	2	8	3	4
Sudan	100	5	5	5	5	9
Thailand	100	2	1	0	0	7
Turkey	100	7	11	11	17	11
Uruguay	100	16	29	24	19	19
Median	100	14	12	11	12	13
Median Absolute Deviation	0	7	7	6	7	6

3 SVAR in Growth Rates

Share of Variance Explained by Terms of Trade Shocks						
Country	<i>tot</i>	<i>tb</i>	<i>y</i>	<i>c</i>	<i>i</i>	<i>RER</i>
Algeria	100	77	25	63	34	38
Argentina	100	19	25	11	14	20
Bolivia	100	29	10	26	3	7
Botswana	100	23	24	4	7	17
Brazil	100	2	15	18	11	9
Burundi	100	1	1	3	6	6
Cameroon	100	4	1	32	7	1
Central African Republic	100	10	20	2	14	23
Colombia	100	3	29	16	16	15
Congo, Dem. Rep.	100	9	8	6	7	29
Costa Rica	100	10	5	6	7	8
Cote d'Ivoire	100	25	1	24	8	46
Dominican Republic	100	16	31	9	34	14
Egypt, Arab Rep.	100	66	5	6	28	30
El Salvador	100	2	11	19	30	56
Ghana	100	5	36	9	8	19
Guatemala	100	4	7	12	11	18
Honduras	100	1	4	1	14	1
India	100	1	9	1	12	1
Indonesia	100	3	8	2	7	5
Jordan	100	10	4	15	3	6
Kenya	100	7	8	10	21	13
Korea, Rep.	100	7	39	9	27	30
Madagascar	100	15	1	7	14	18
Malaysia	100	2	23	10	11	7
Mauritius	100	32	32	34	14	2
Mexico	100	54	55	46	47	52
Morocco	100	2	3	4	21	11
Pakistan	100	3	2	6	1	2
Paraguay	100	5	7	2	17	8
Peru	100	25	15	10	13	10
Philippines	100	10	10	6	11	6
Senegal	100	0	2	2	9	47
South Africa	100	3	8	9	8	3
Sudan	100	9	7	11	1	2
Thailand	100	1	3	2	2	22
Turkey	100	6	16	9	14	6
Uruguay	100	6	9	6	6	9
Median	100	6	9	9	11	11
Median Absolute Deviation	0	4	6	5	4	8

Note. Shares are expressed in percent. All variables in the SVAR are in growth rates, except for the trade balance, which is scaled by output.

4 Scaling the Trade Balance by Output Instead of the Output Trend

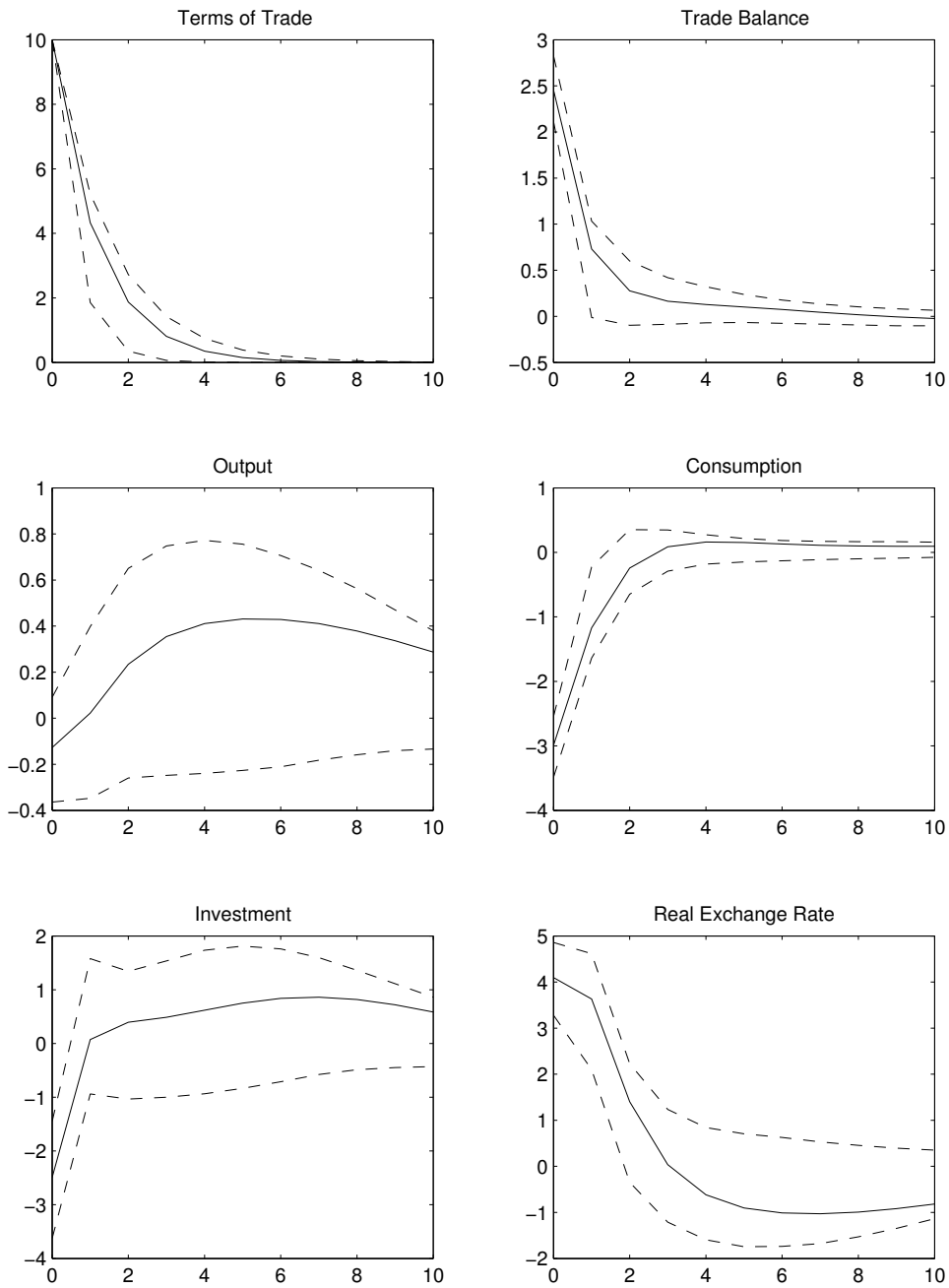
Share of Variance Explained by Terms of Trade Shocks						
Country	<i>tot</i>	<i>tb</i>	<i>y</i>	<i>c</i>	<i>i</i>	<i>RER</i>
Algeria	100	69	1	58	3	18
Argentina	100	27	25	16	18	30
Bolivia	100	4	6	7	9	6
Botswana	100	33	47	42	44	8
Brazil	100	49	16	4	28	57
Burundi	100	5	2	4	1	8
Cameroon	100	11	13	13	13	15
Central African Republic	100	41	6	14	12	53
Colombia	100	7	17	6	12	13
Congo, Dem. Rep.	100	7	1	1	7	11
Costa Rica	100	20	3	1	2	2
Cote d'Ivoire	100	29	40	35	42	69
Dominican Republic	100	20	18	16	30	14
Egypt, Arab Rep.	100	59	58	44	65	47
El Salvador	100	9	2	3	5	22
Ghana	100	4	3	2	3	4
Guatemala	100	5	0	2	2	11
Honduras	100	7	6	2	7	15
India	100	3	13	18	1	1
Indonesia	100	15	22	18	25	16
Jordan	100	32	11	30	4	4
Kenya	100	12	3	12	14	2
Korea, Rep.	100	16	2	3	28	32
Madagascar	100	10	8	1	3	5
Malaysia	100	5	5	3	5	2
Mauritius	100	11	2	7	2	5
Mexico	100	9	18	17	12	31
Morocco	100	2	2	2	3	10
Pakistan	NaN	NaN	NaN	NaN	NaN	NaN
Paraguay	100	10	8	8	10	1
Peru	100	14	16	13	20	13
Philippines	100	23	11	14	10	38
Senegal	100	4	8	3	19	57
South Africa	100	12	12	10	10	25
Sudan	100	13	36	10	21	18
Thailand	100	12	11	12	3	21
Turkey	100	4	14	19	32	3
Uruguay	100	21	39	39	18	33
Median	100	12	11	10	10	14
Median Absolute Deviation	0	7	7	7	7	10

Note. Shares are expressed in percent. The estimate for Pakistan yields a matrix \mathbf{A} with eigenvalues outside the unit circle.

5 Country-Level Impulse Responses to a Ten-Percent Terms-of-Trade Innovation And 66-Percent Confidence Bands In the Six-Variable SVAR Model

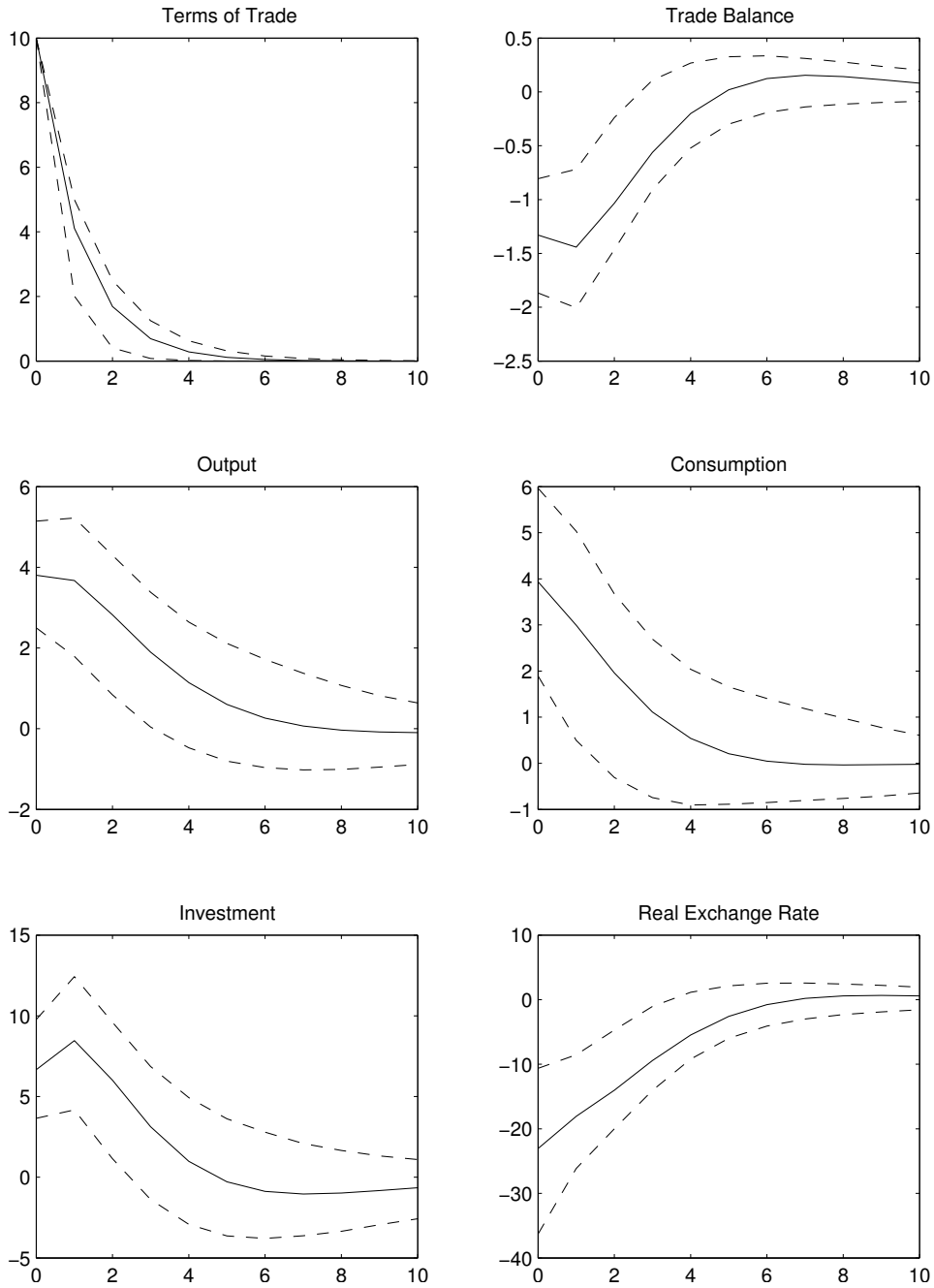
The following 38 figures pertain to the SVAR specification of section 2 of the paper, which includes as variables the terms of trade, the trade balance, output, consumption, investment, and the real exchange rate. The confidence bands are computed by bootstrapping.

Impulse Response to a ToT Shock: Algeria



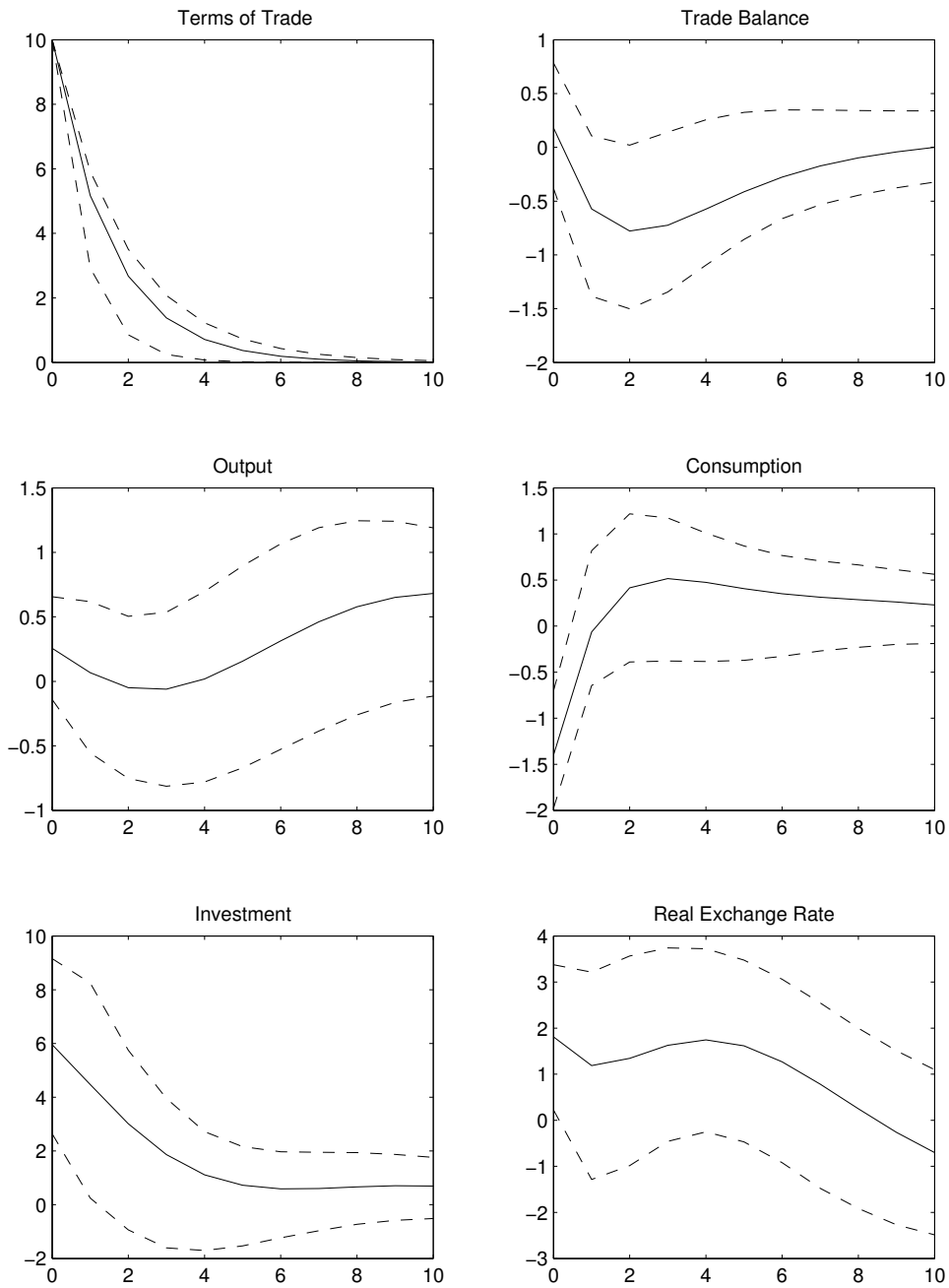
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Argentina



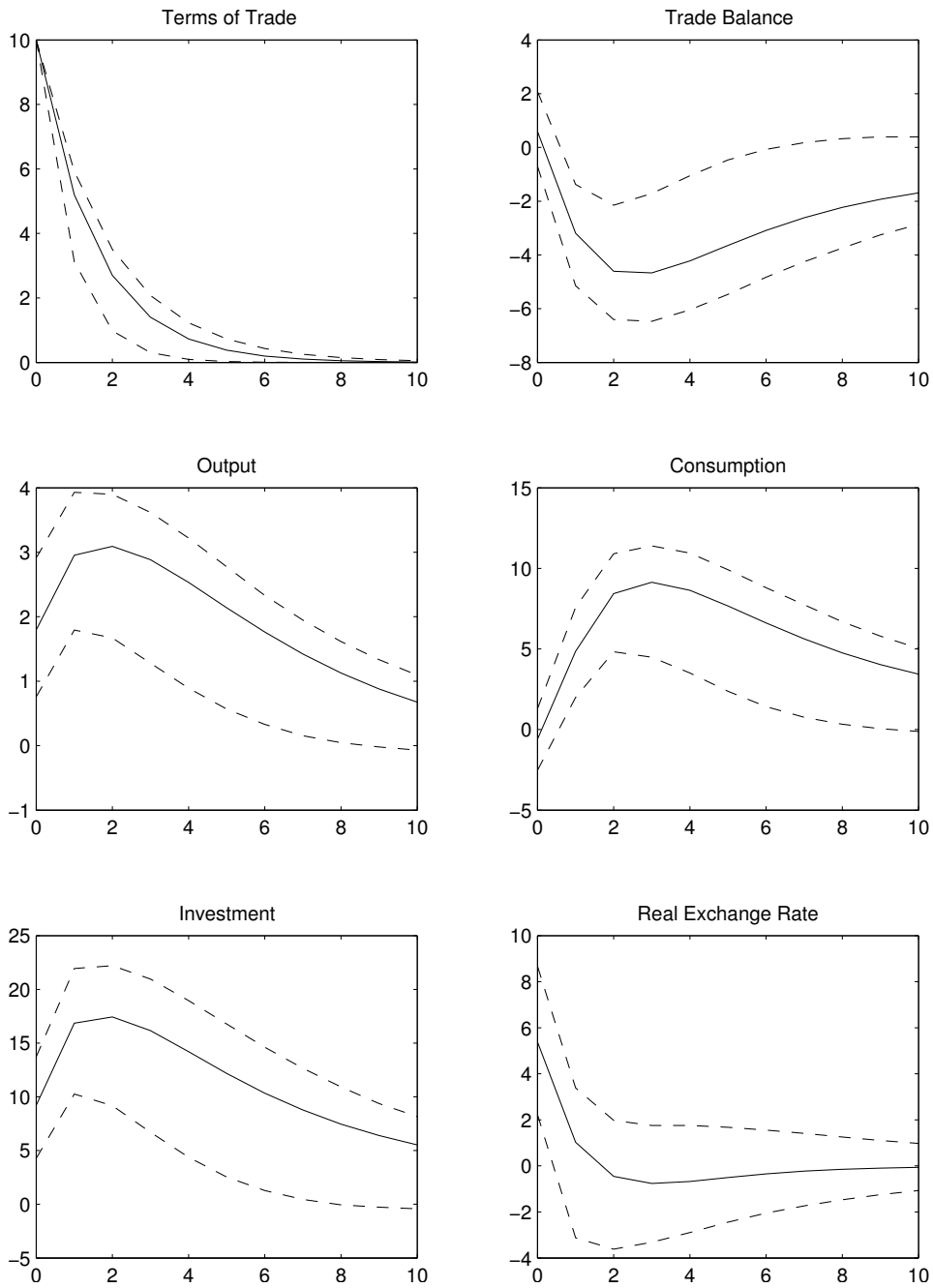
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Bolivia



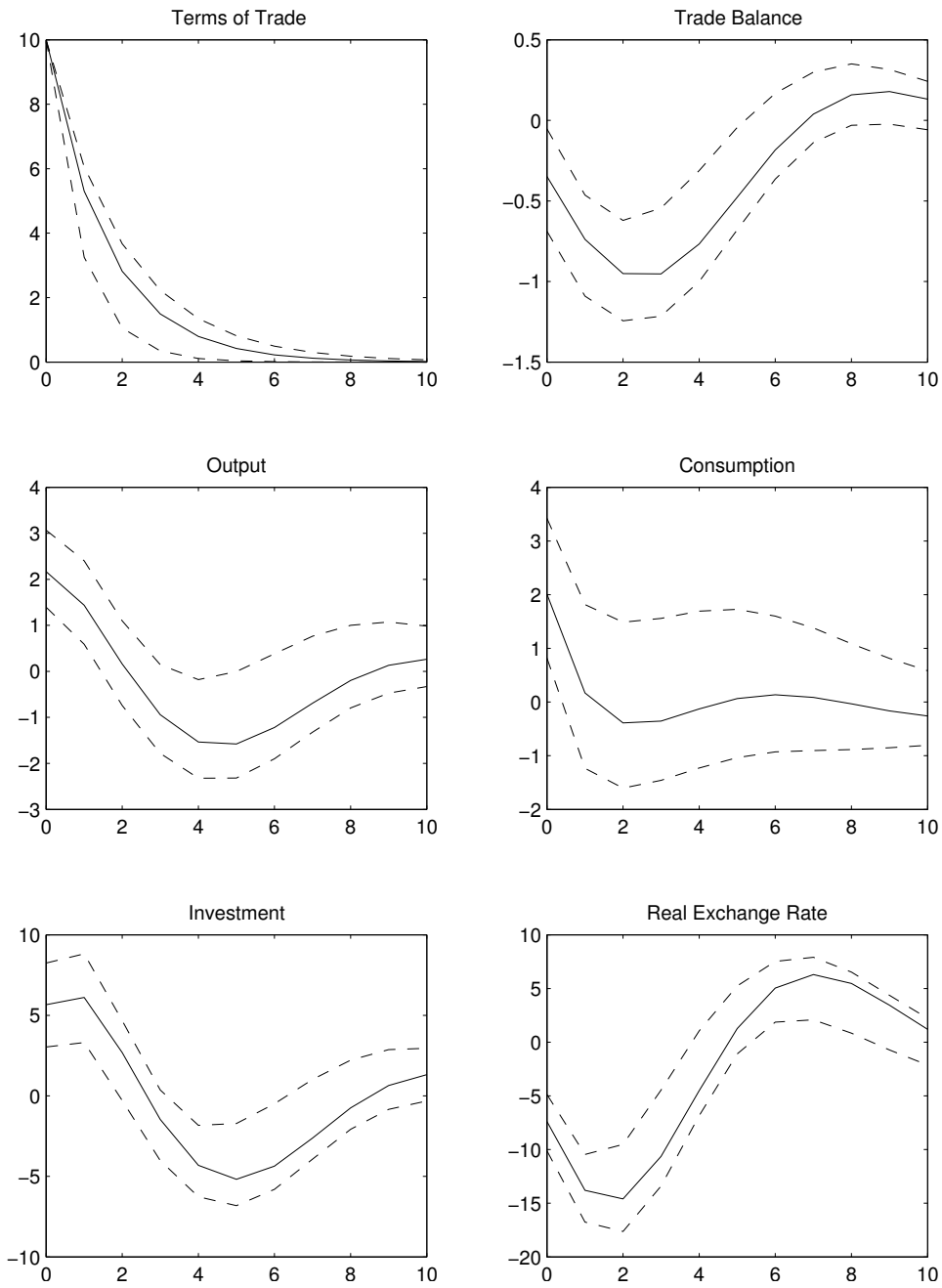
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Botswana



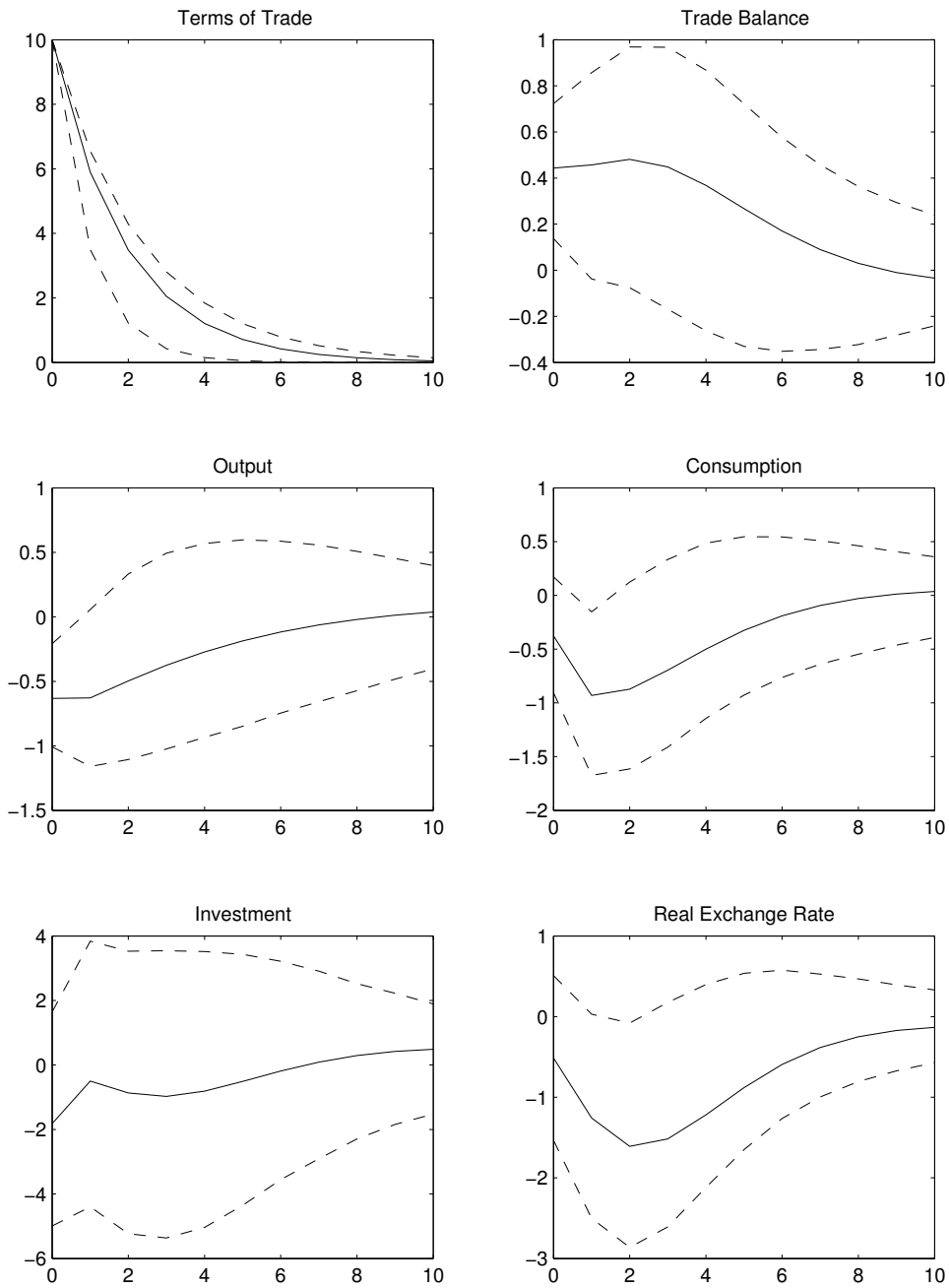
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Brazil



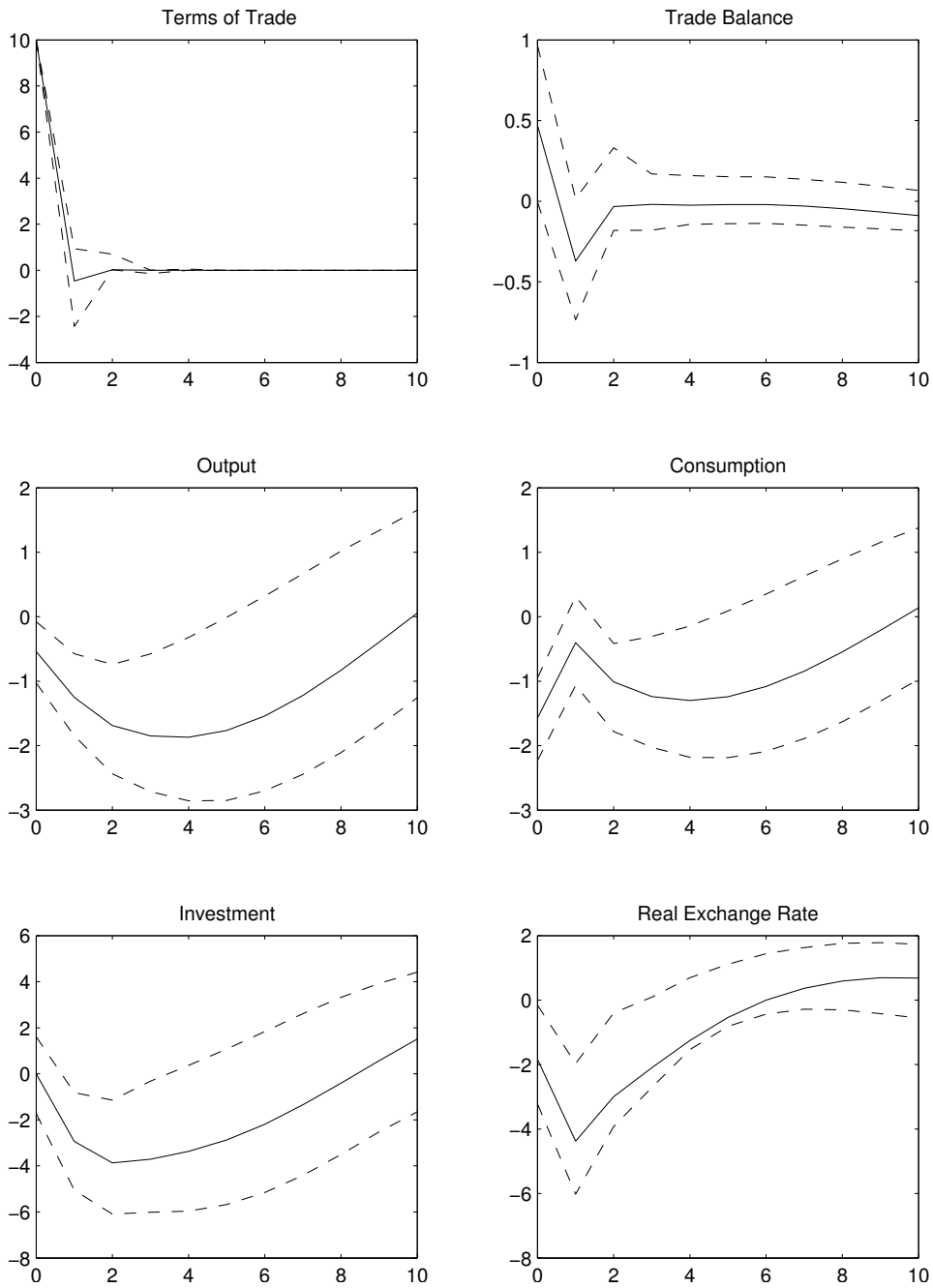
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Burundi



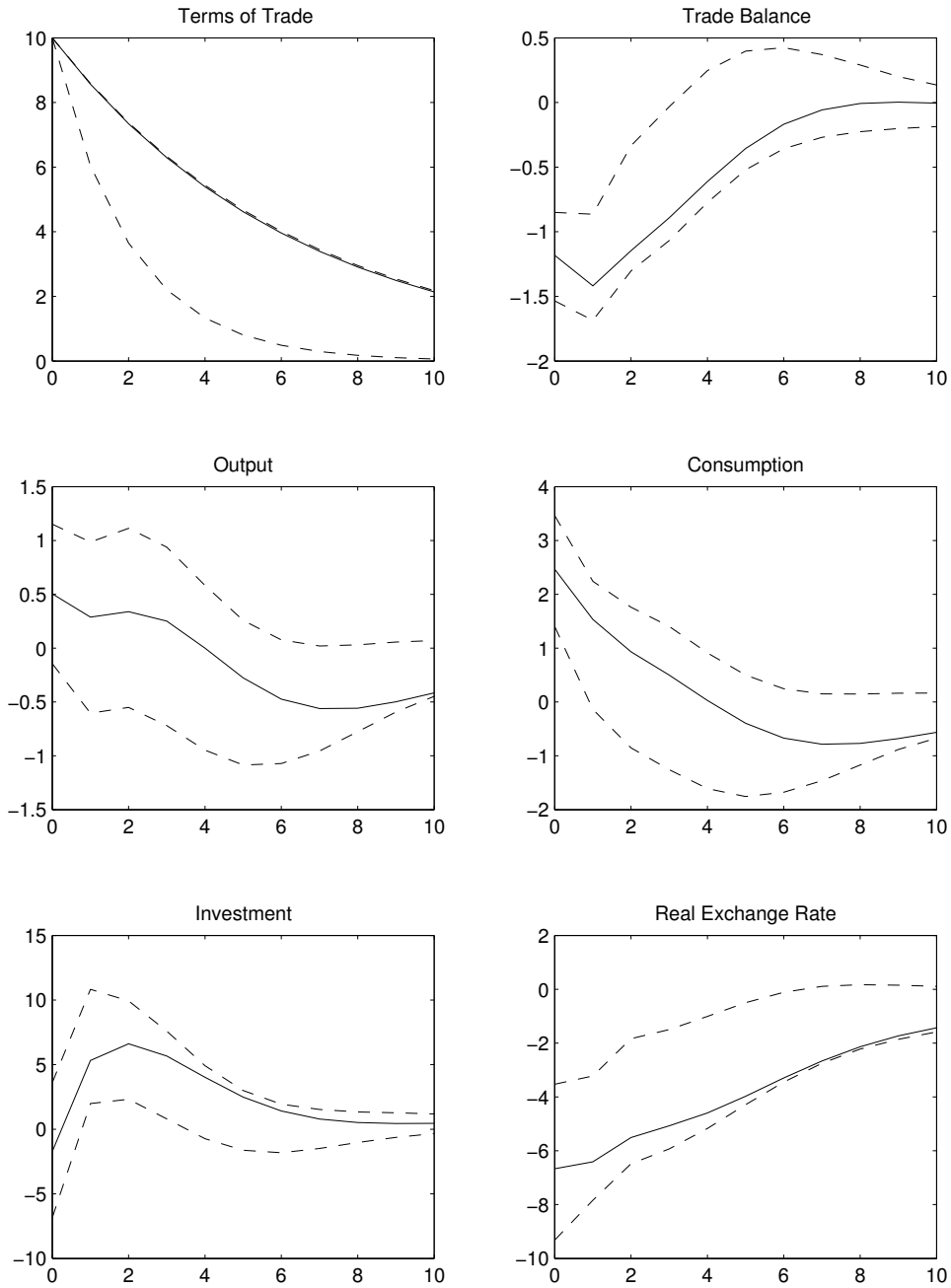
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Cameroon



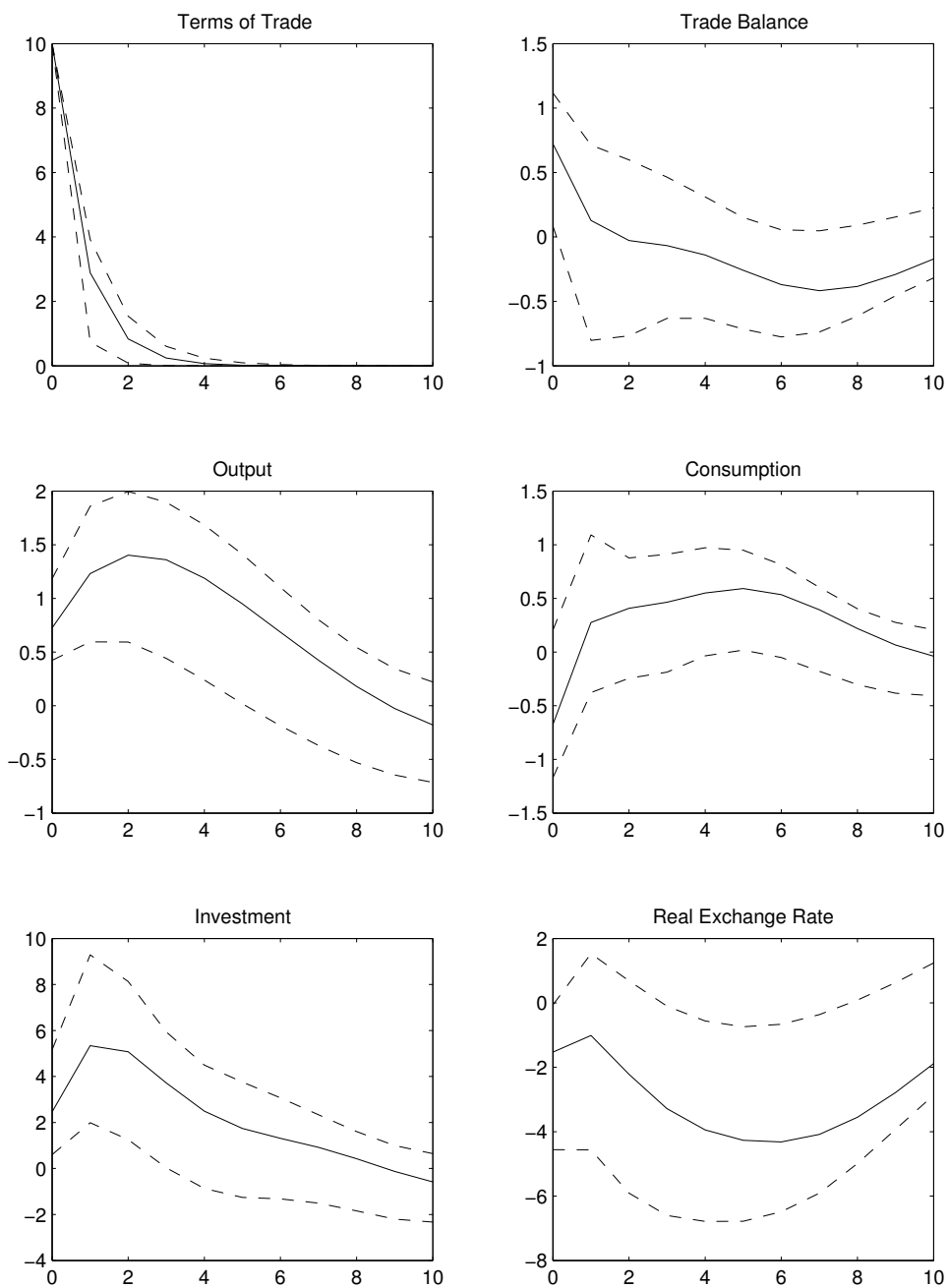
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Central African Republic



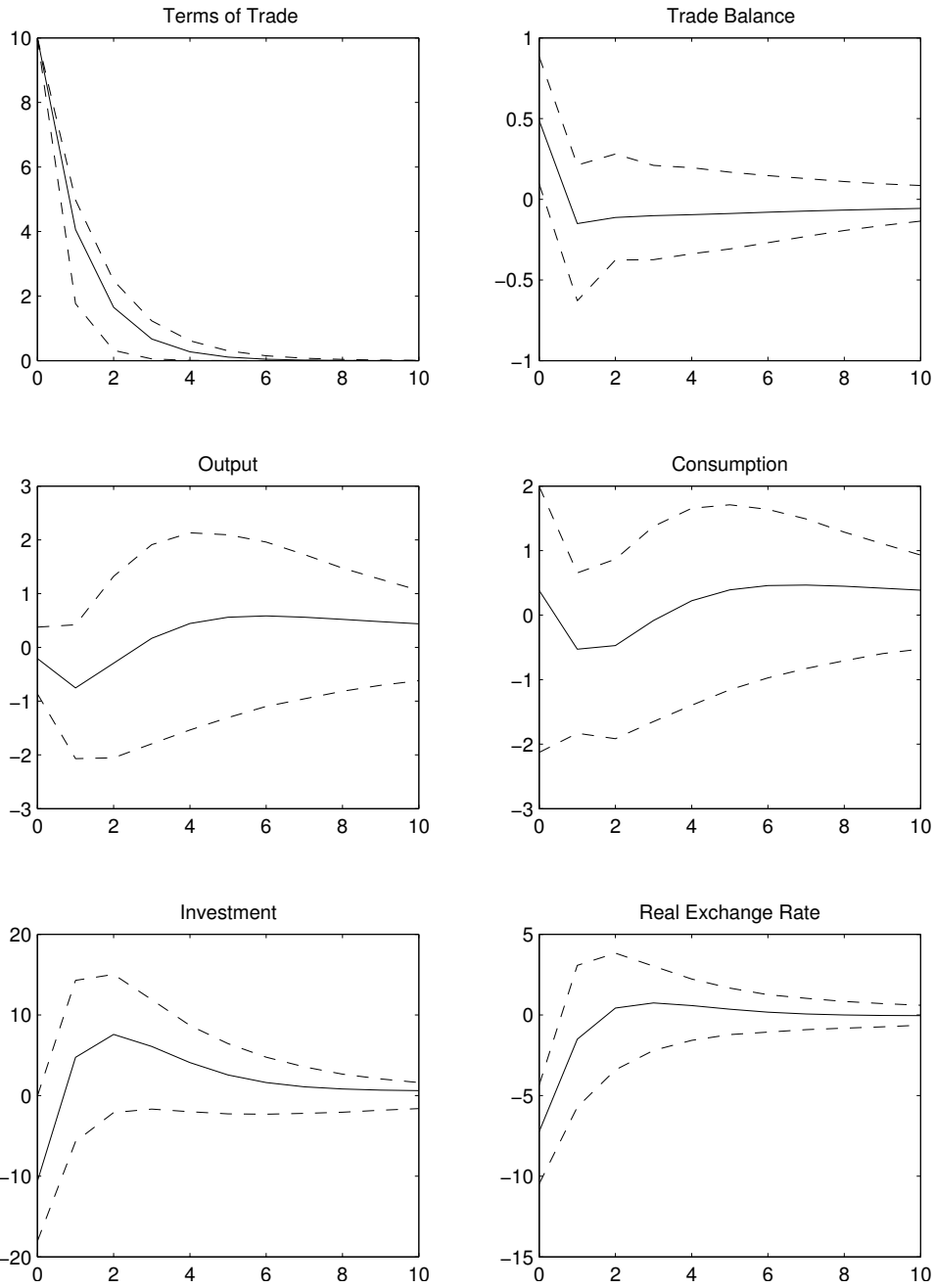
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Colombia



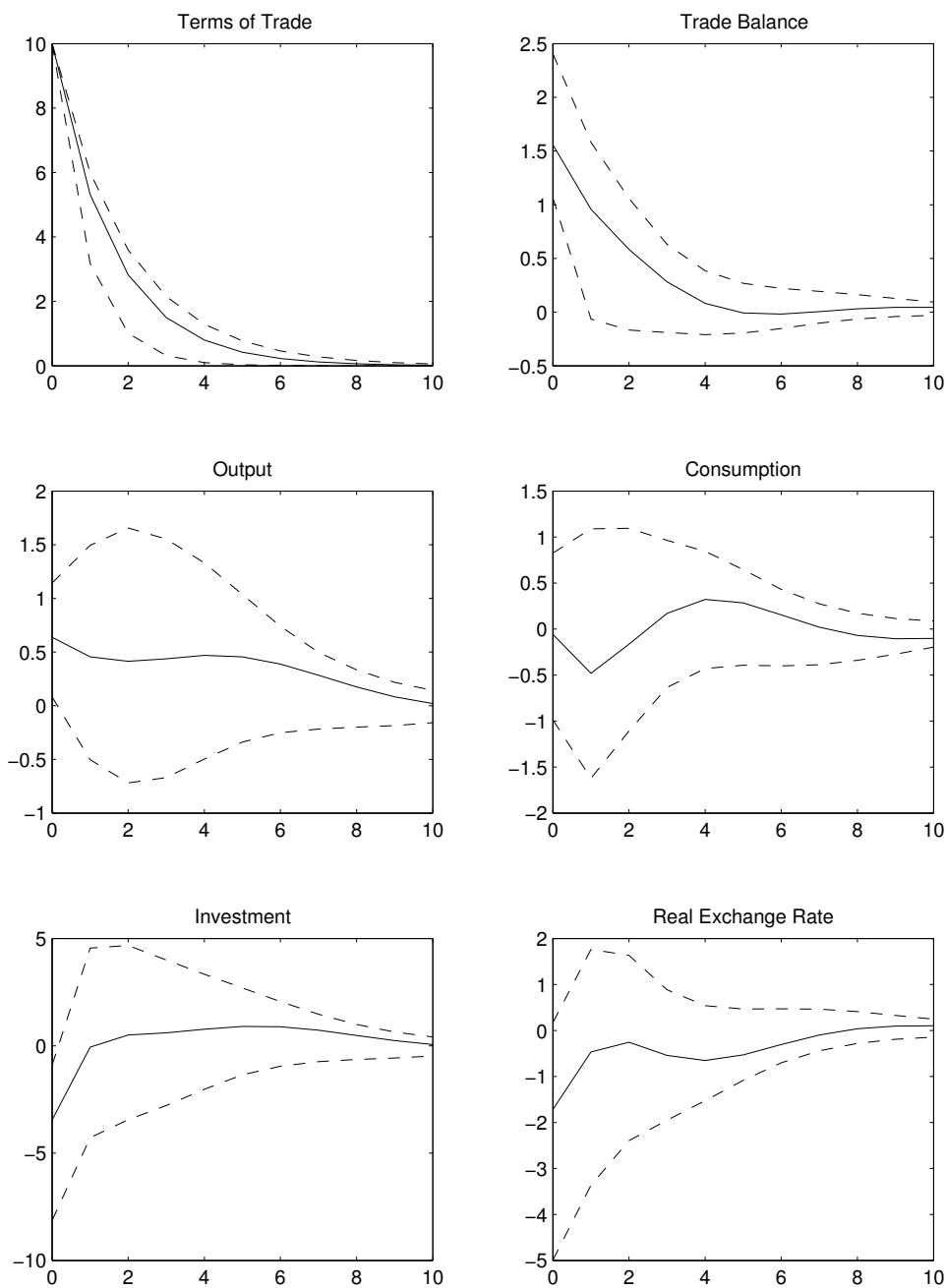
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Congo, Dem. Rep.



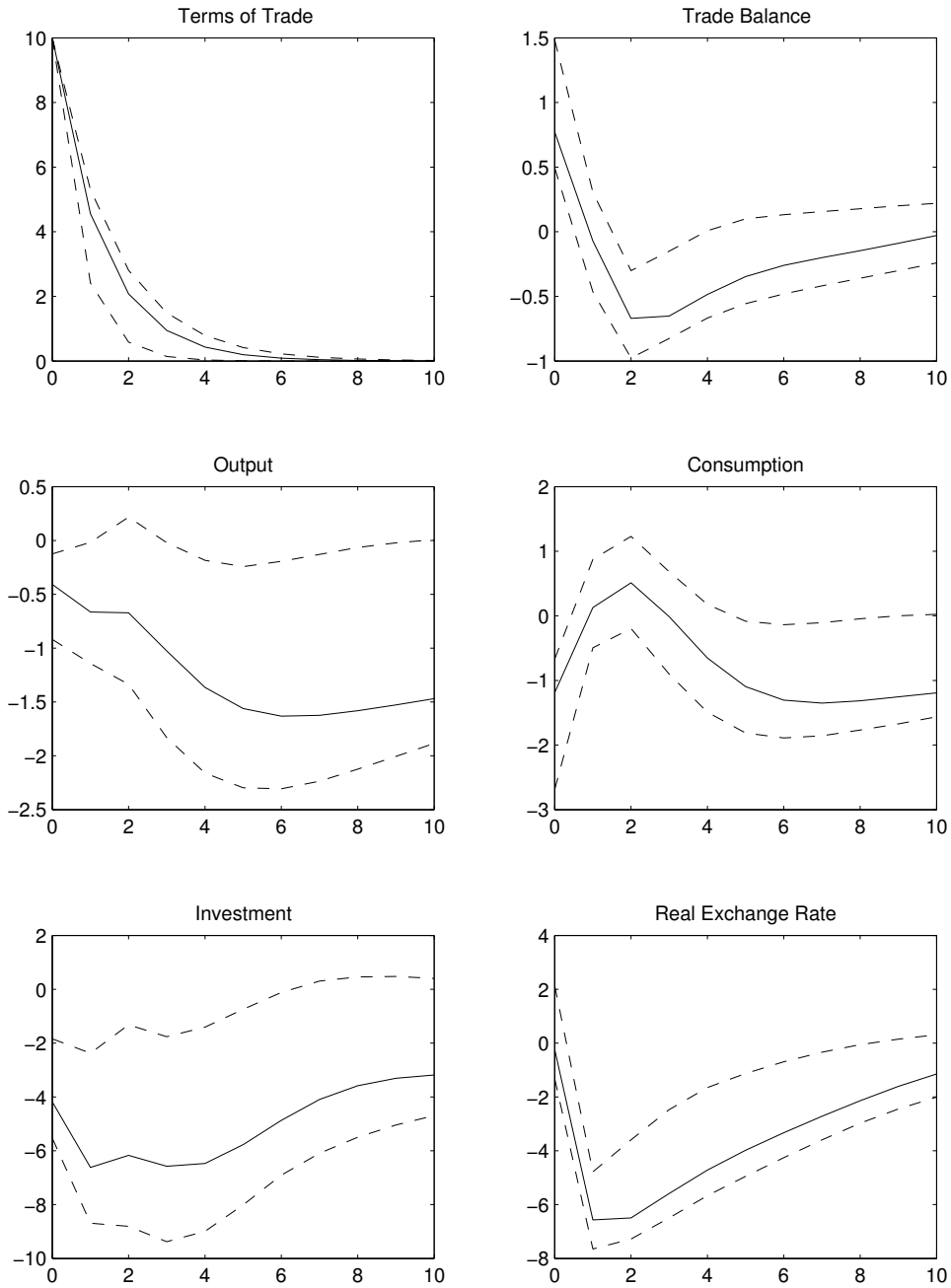
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Costa Rica



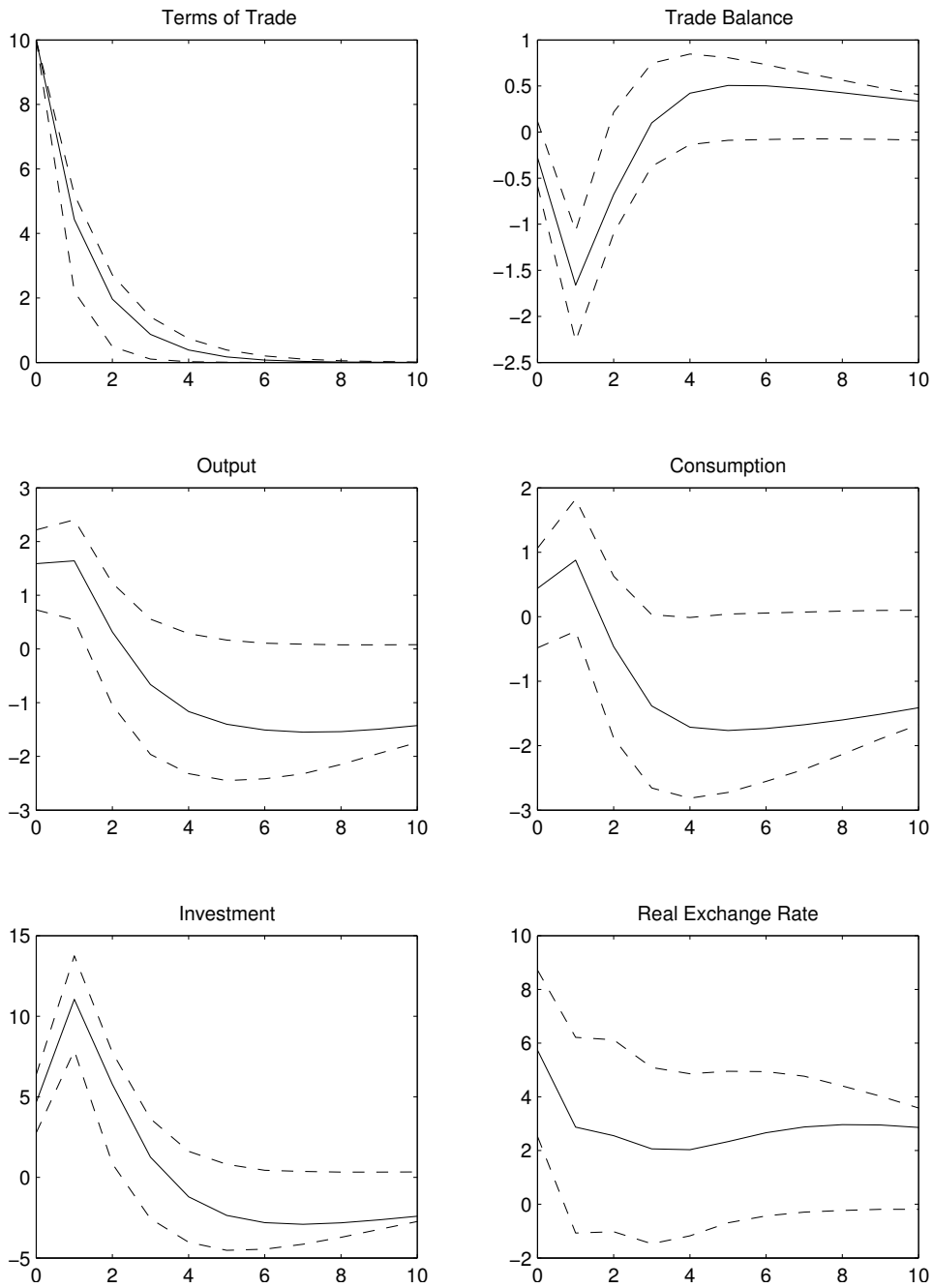
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Cote d'Ivoire



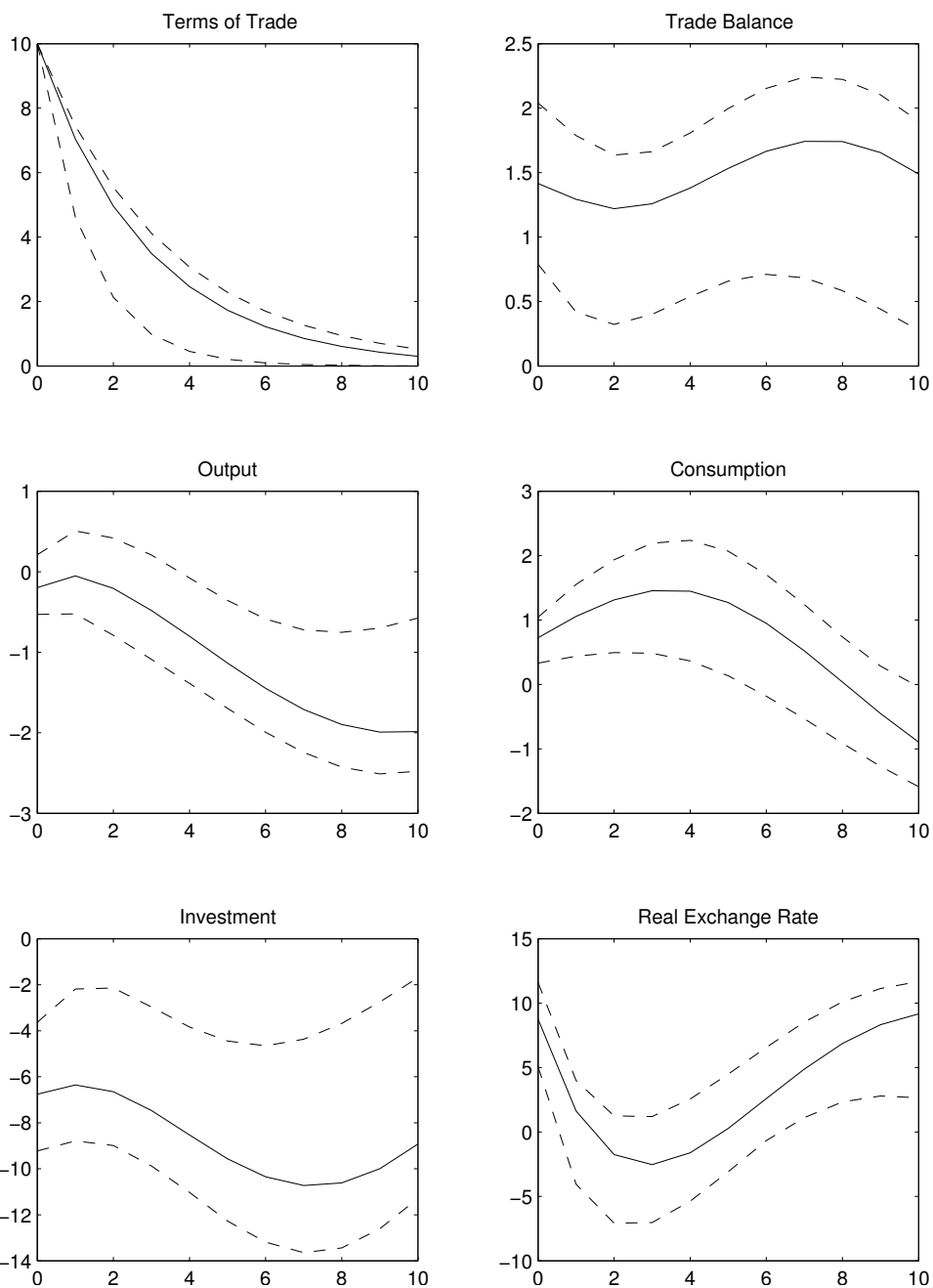
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Dominican Republic



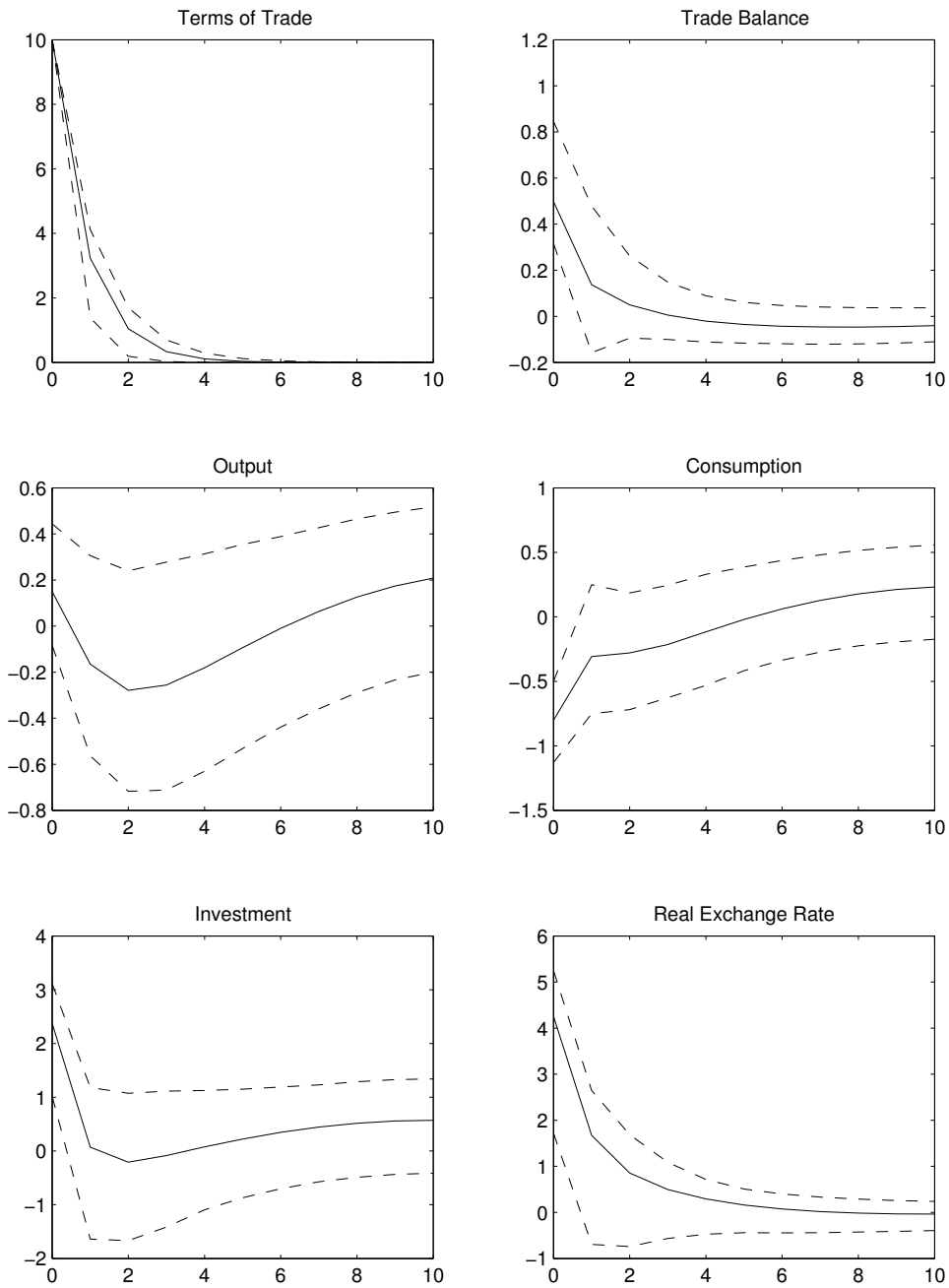
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Egypt, Arab Rep.



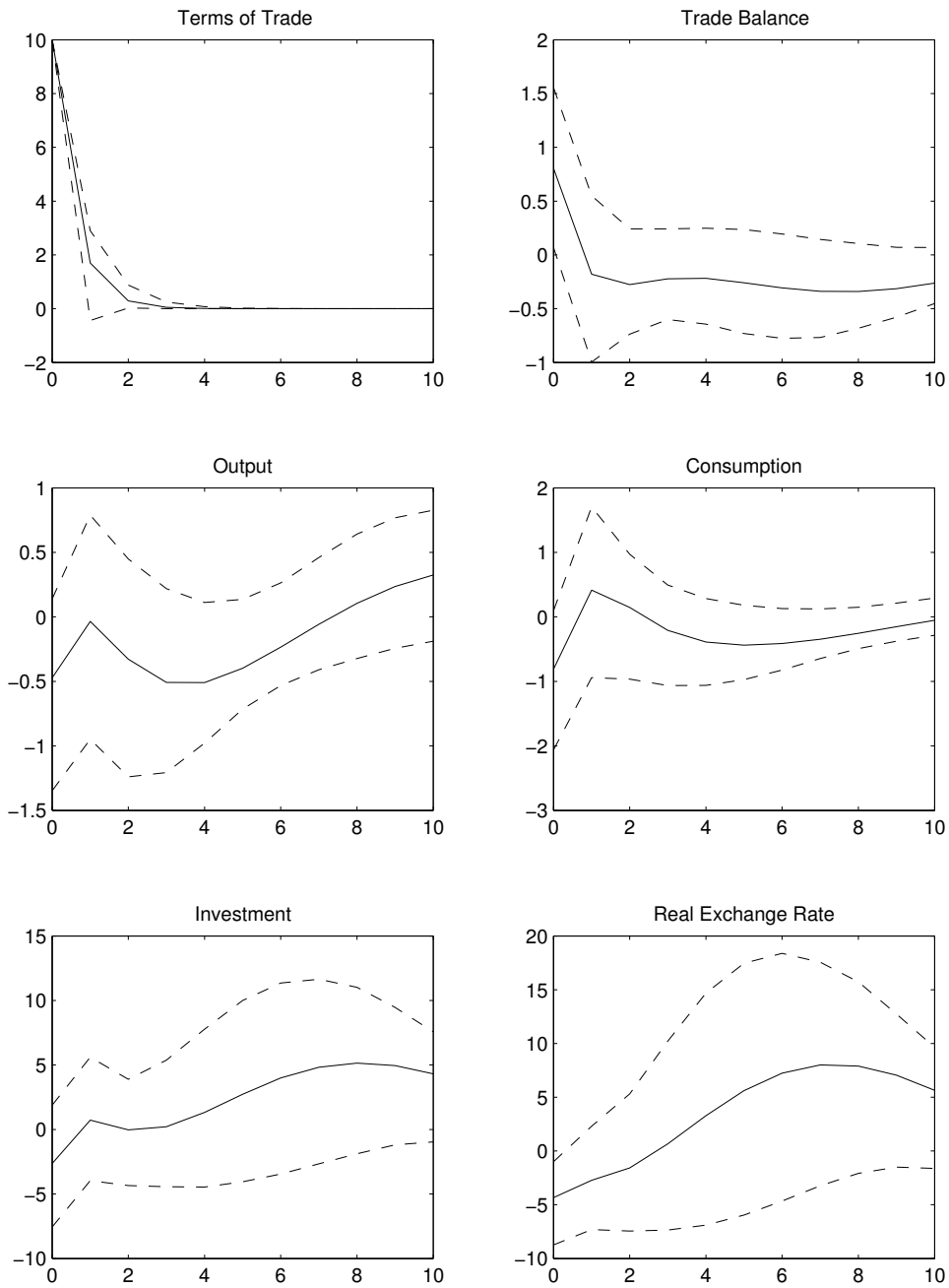
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: El Salvador



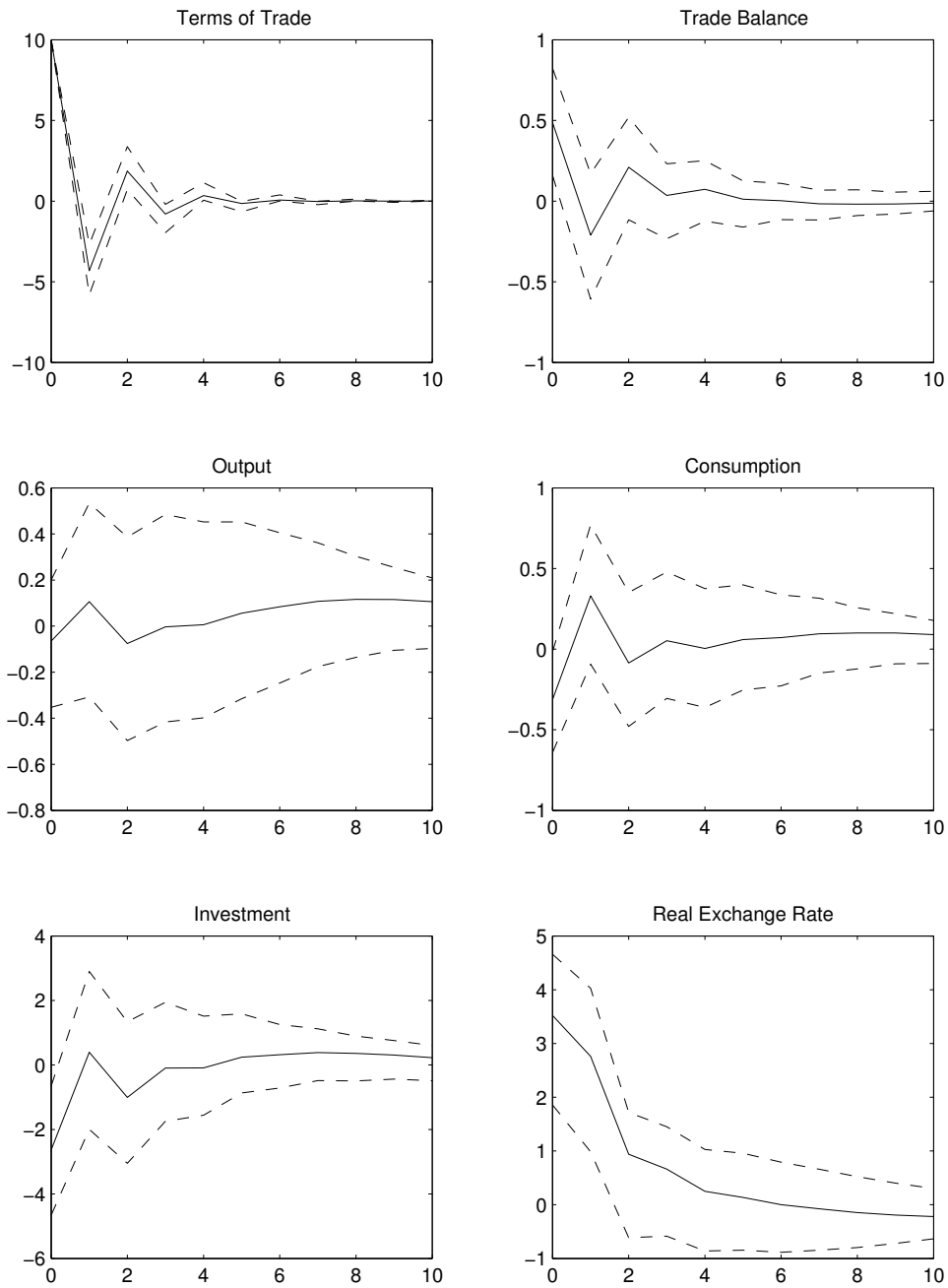
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Ghana



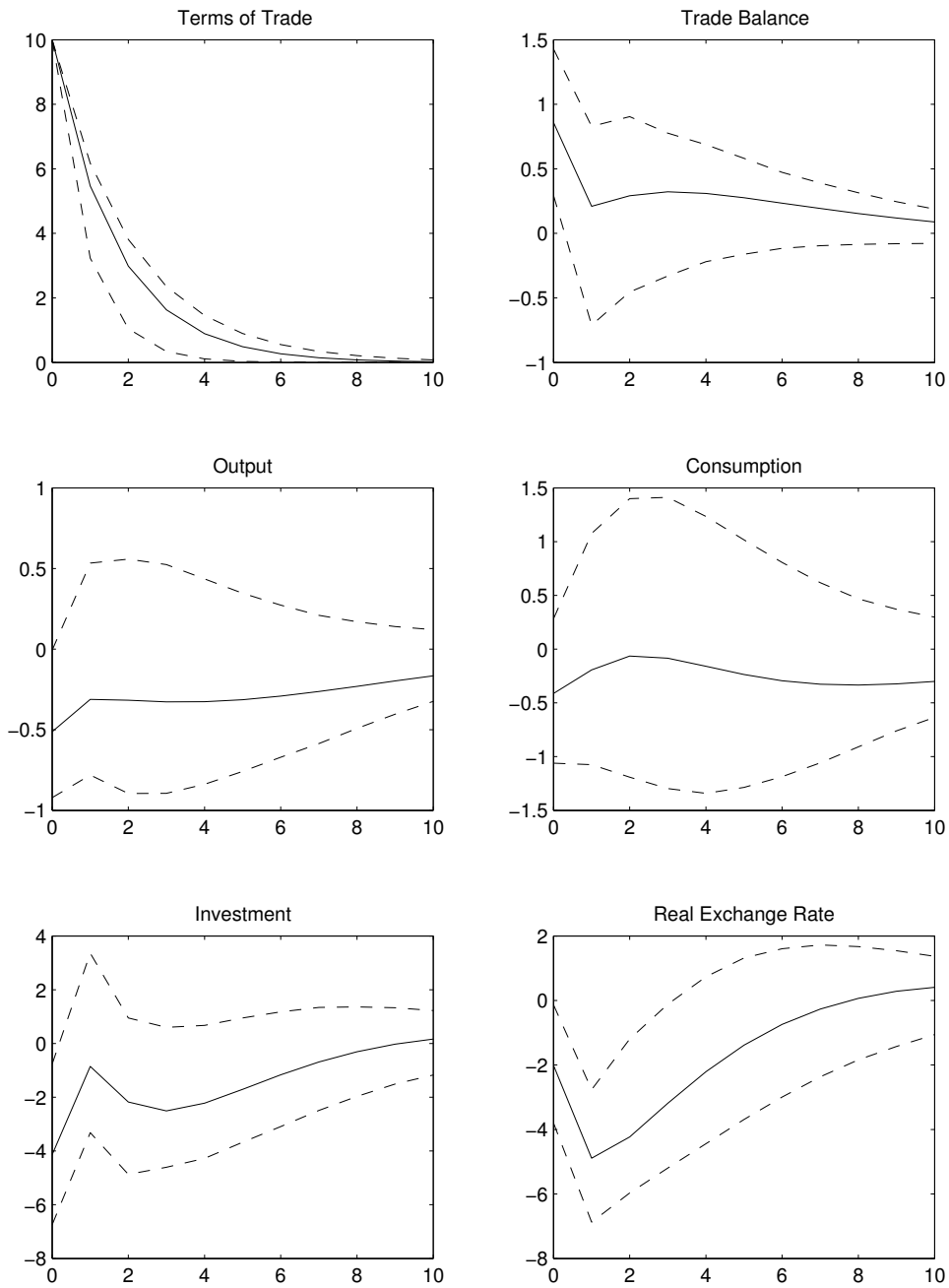
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Guatemala



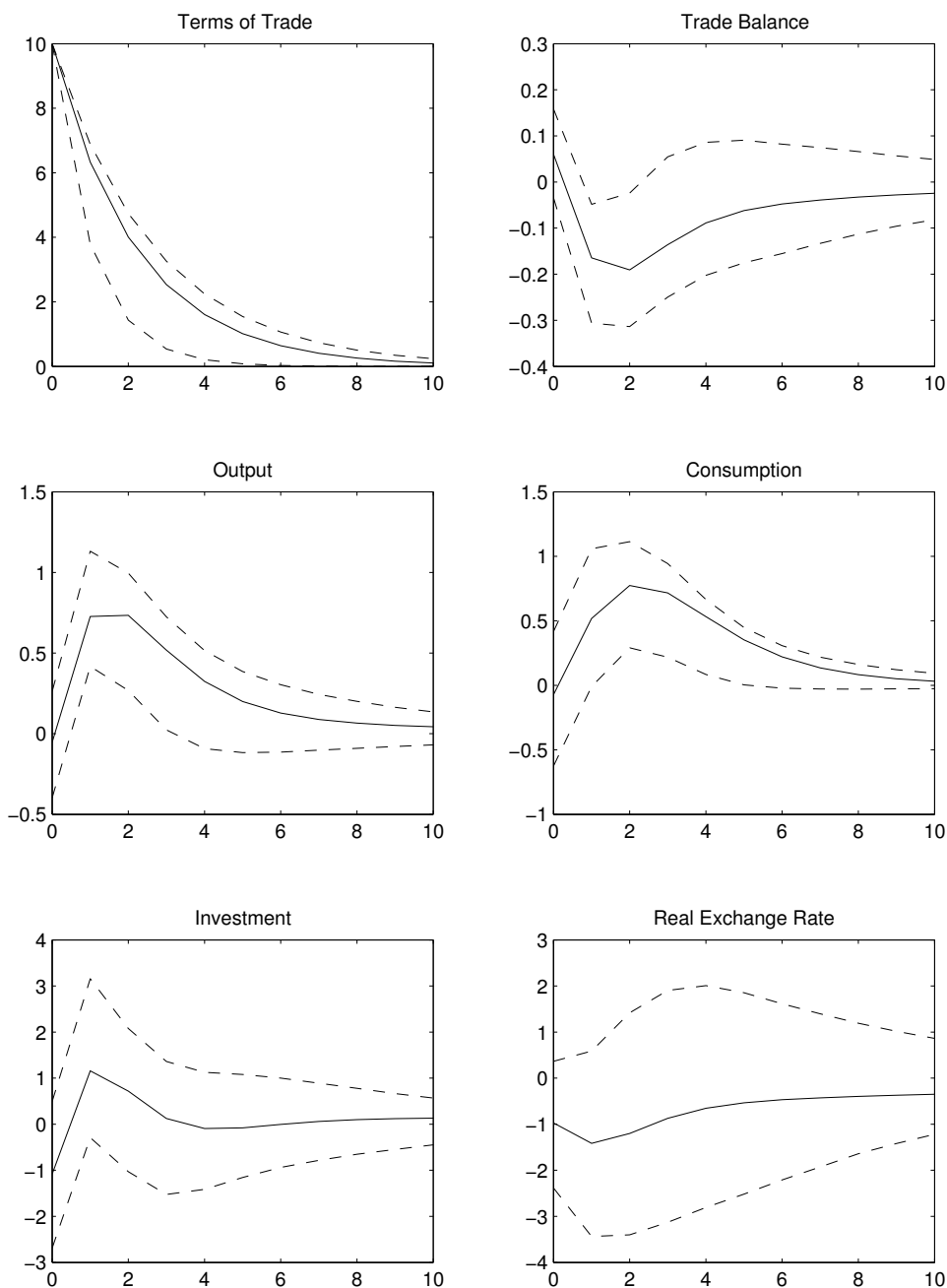
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Honduras



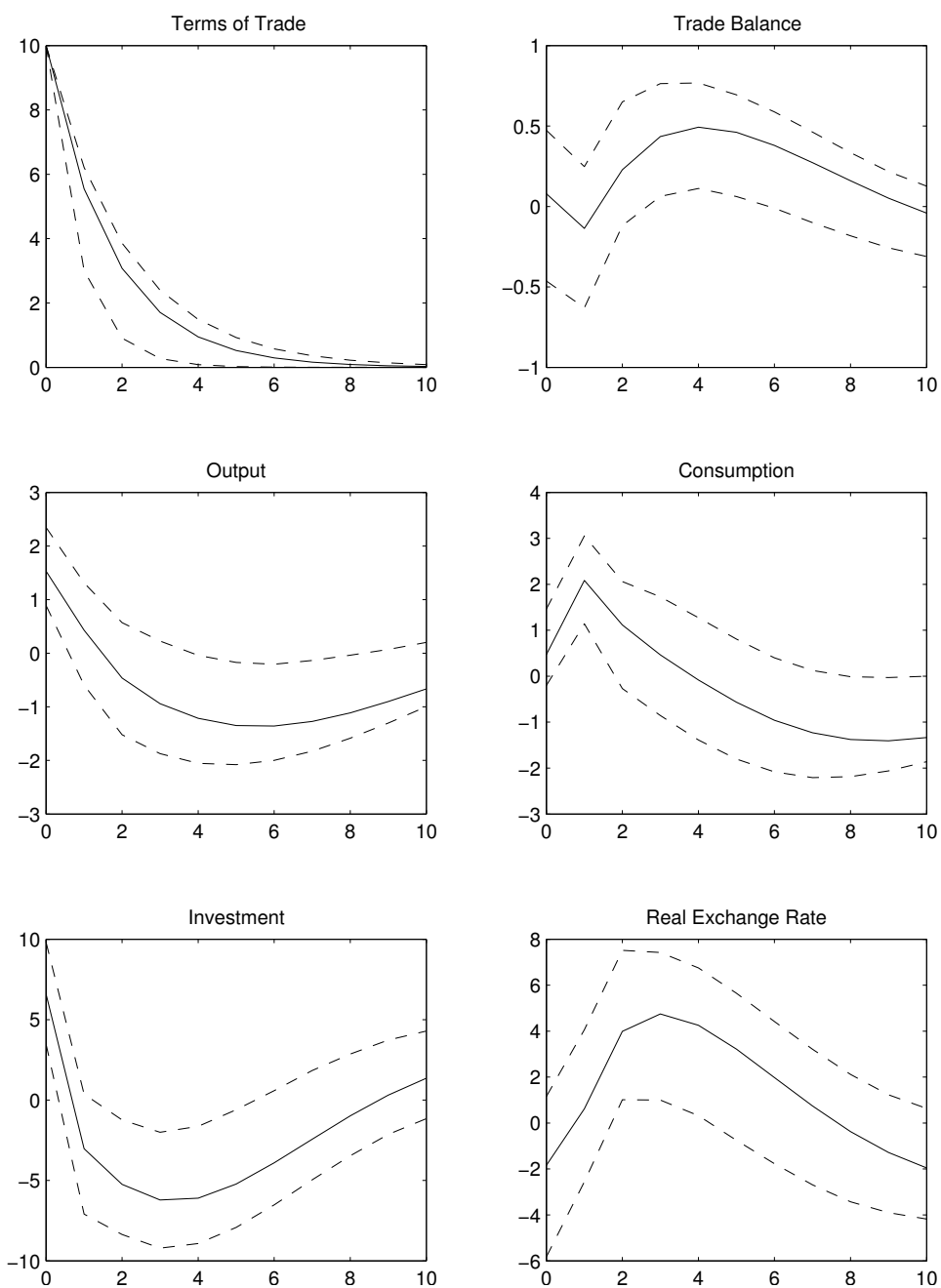
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: India



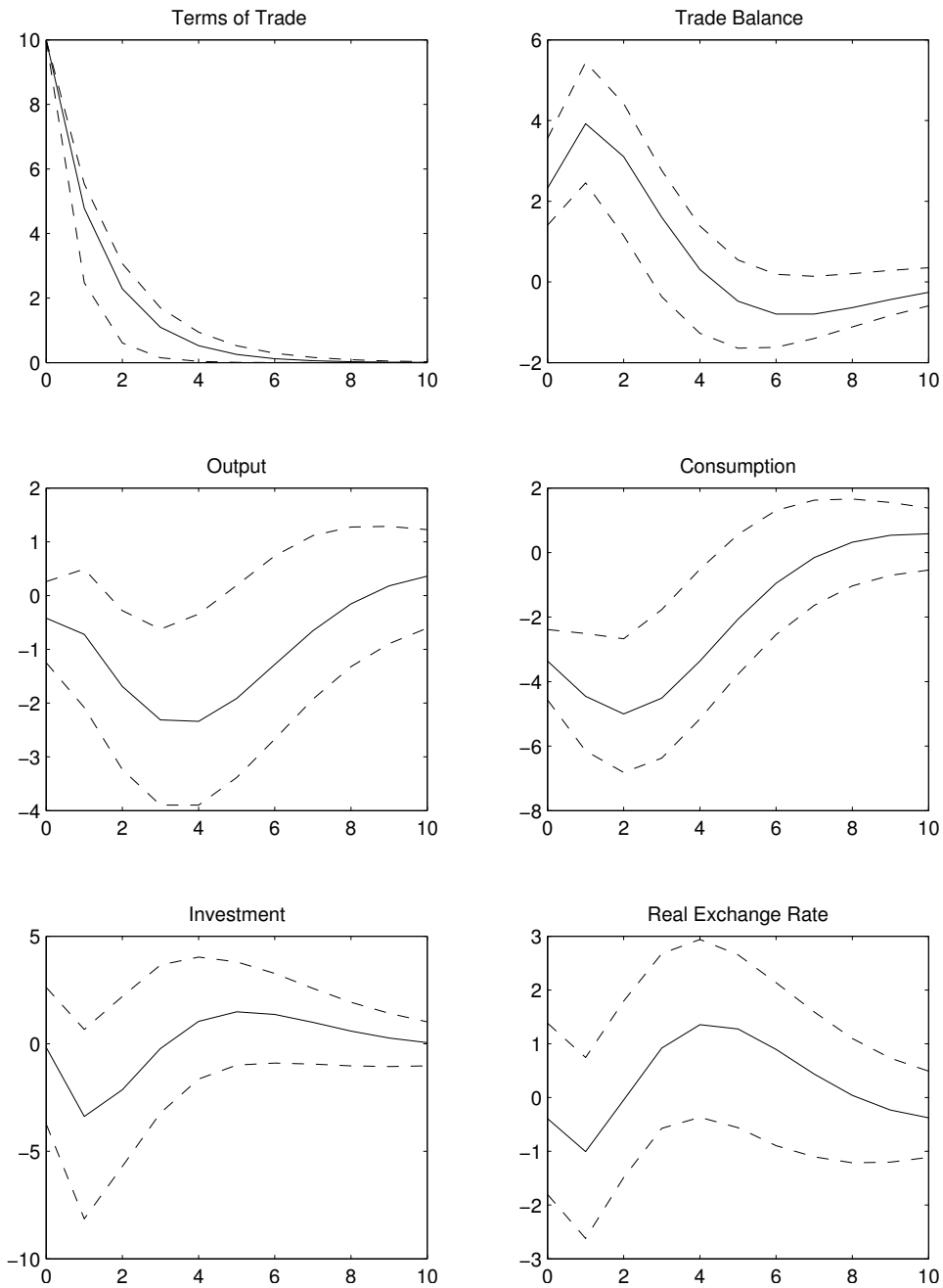
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Indonesia



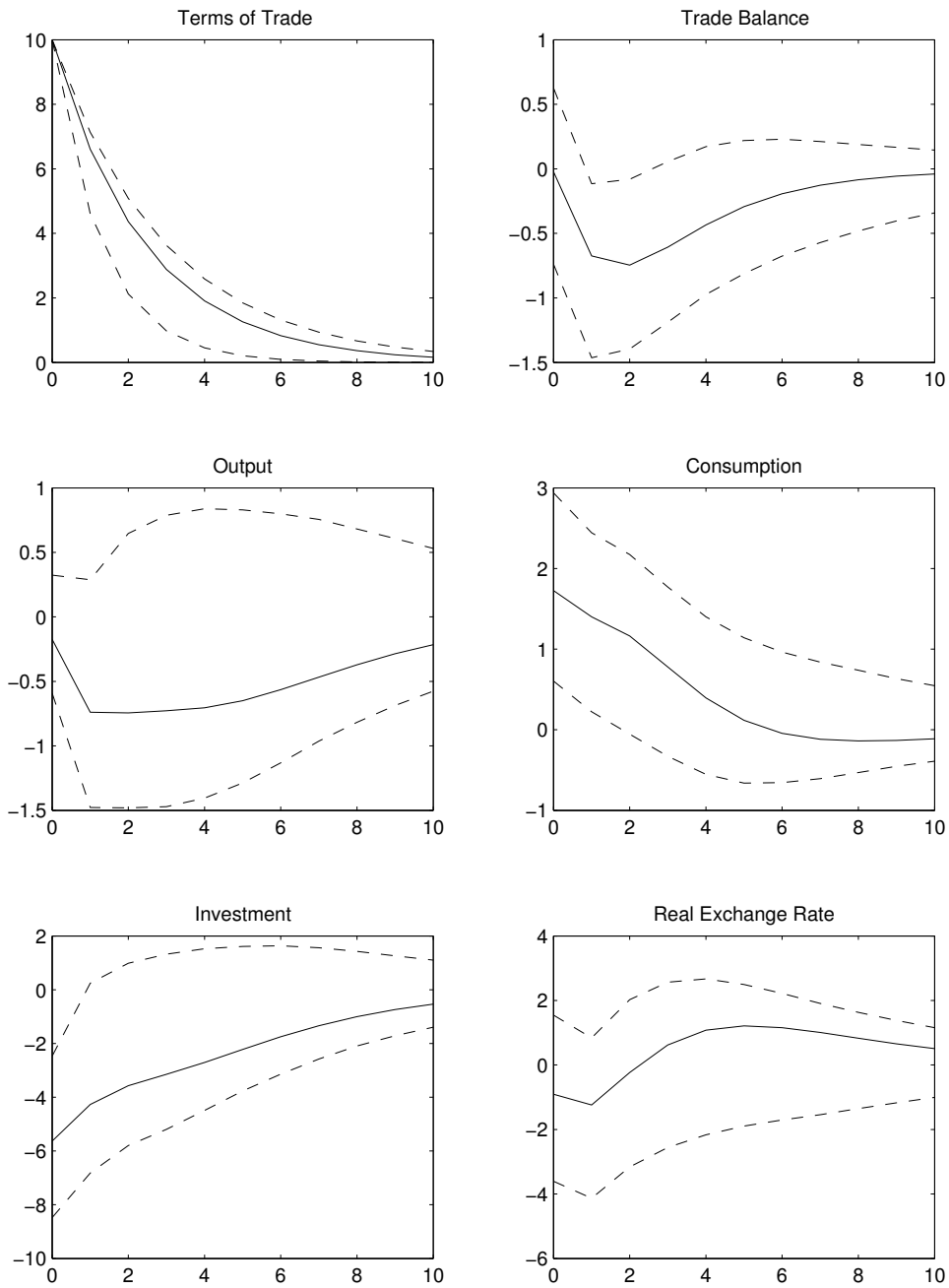
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Jordan



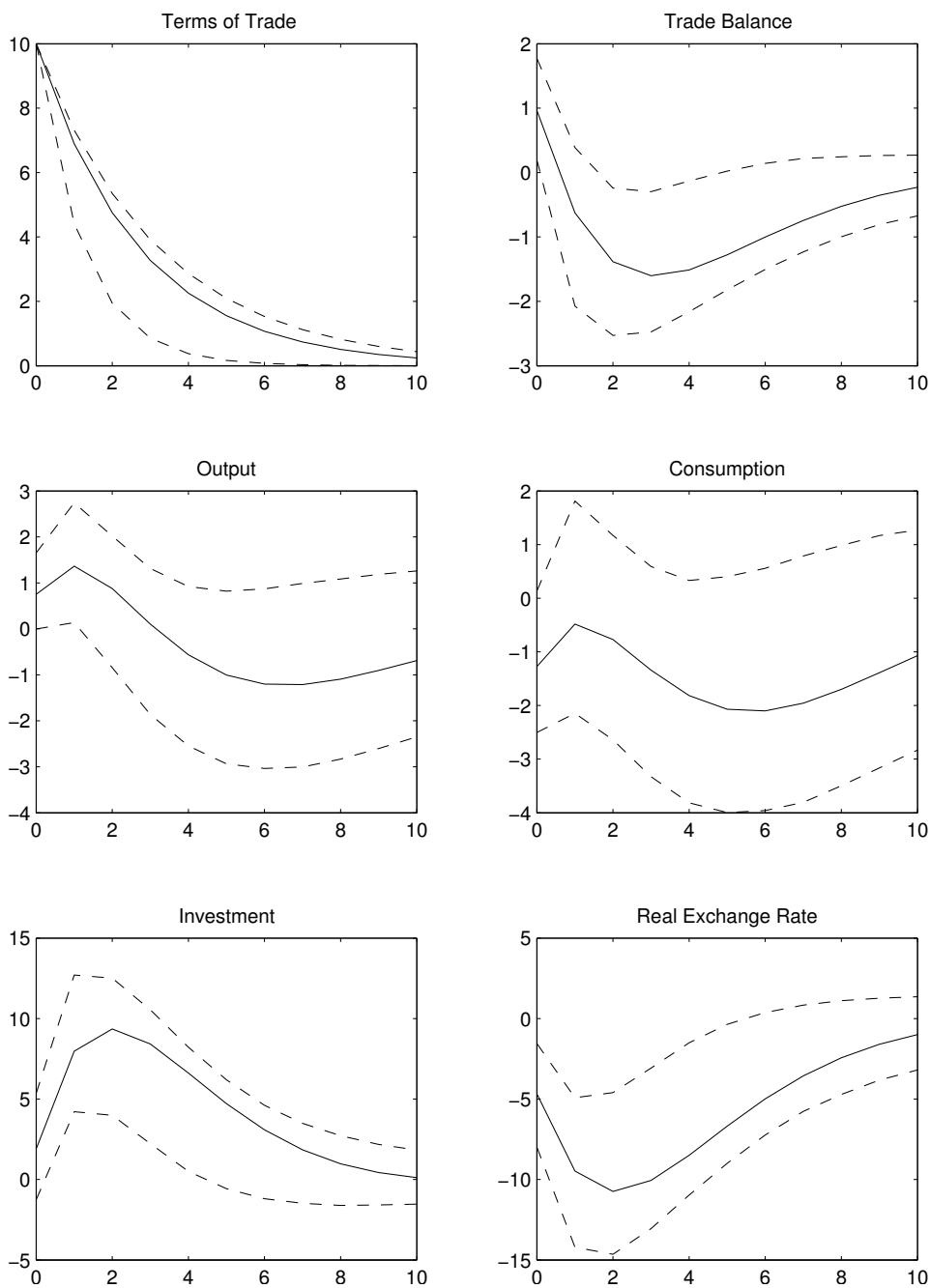
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Kenya



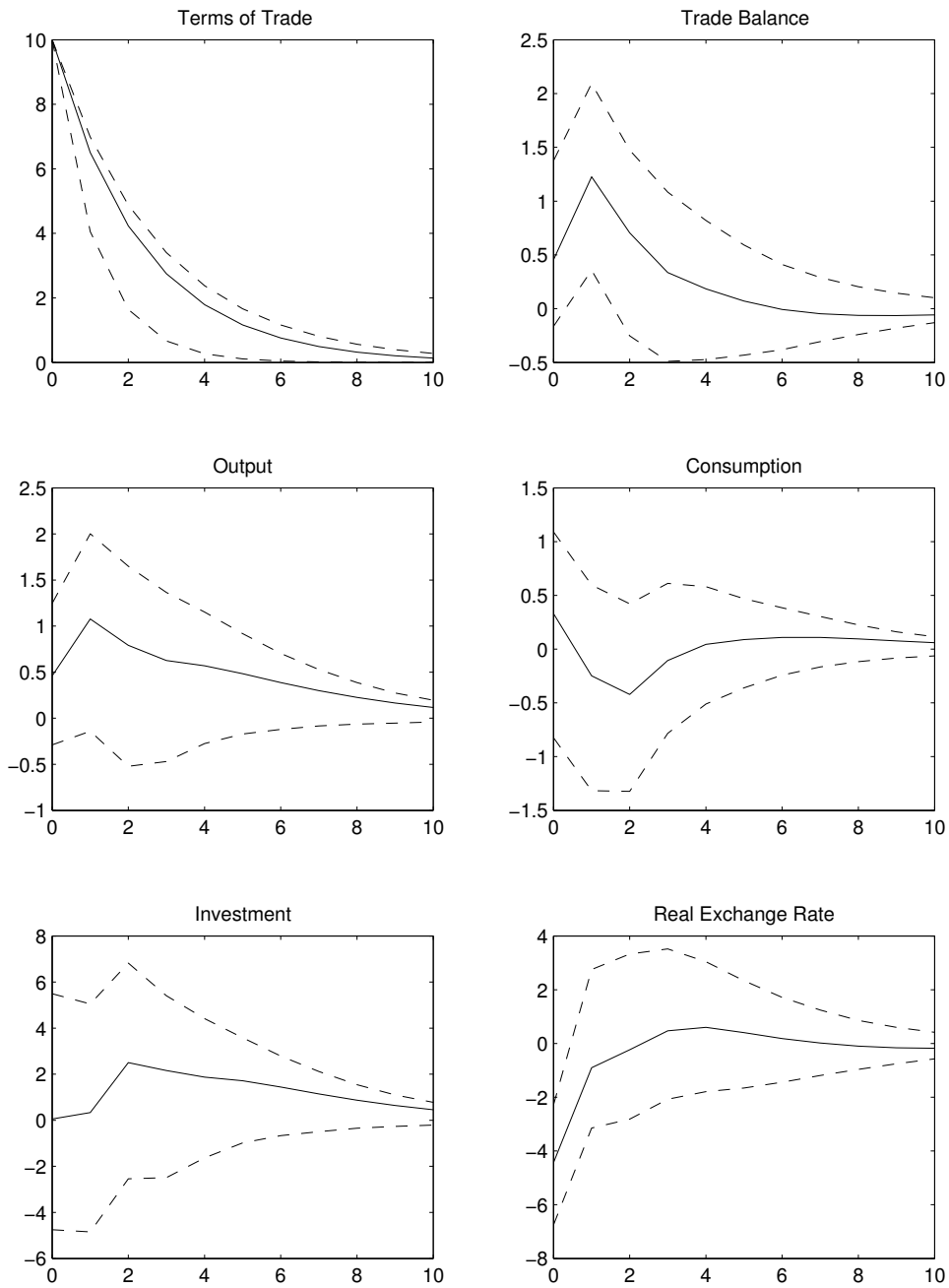
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Korea, Rep.



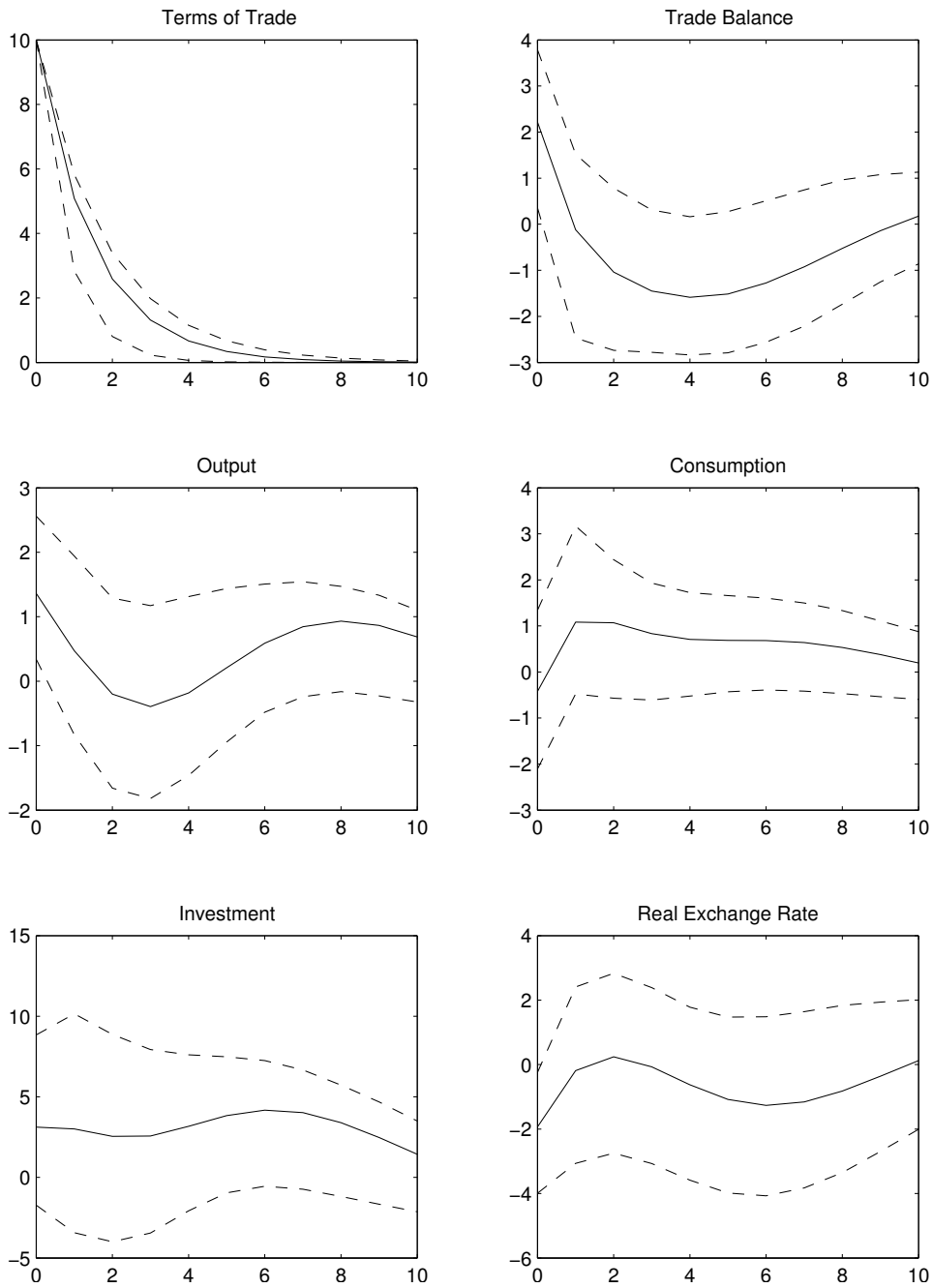
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Madagascar



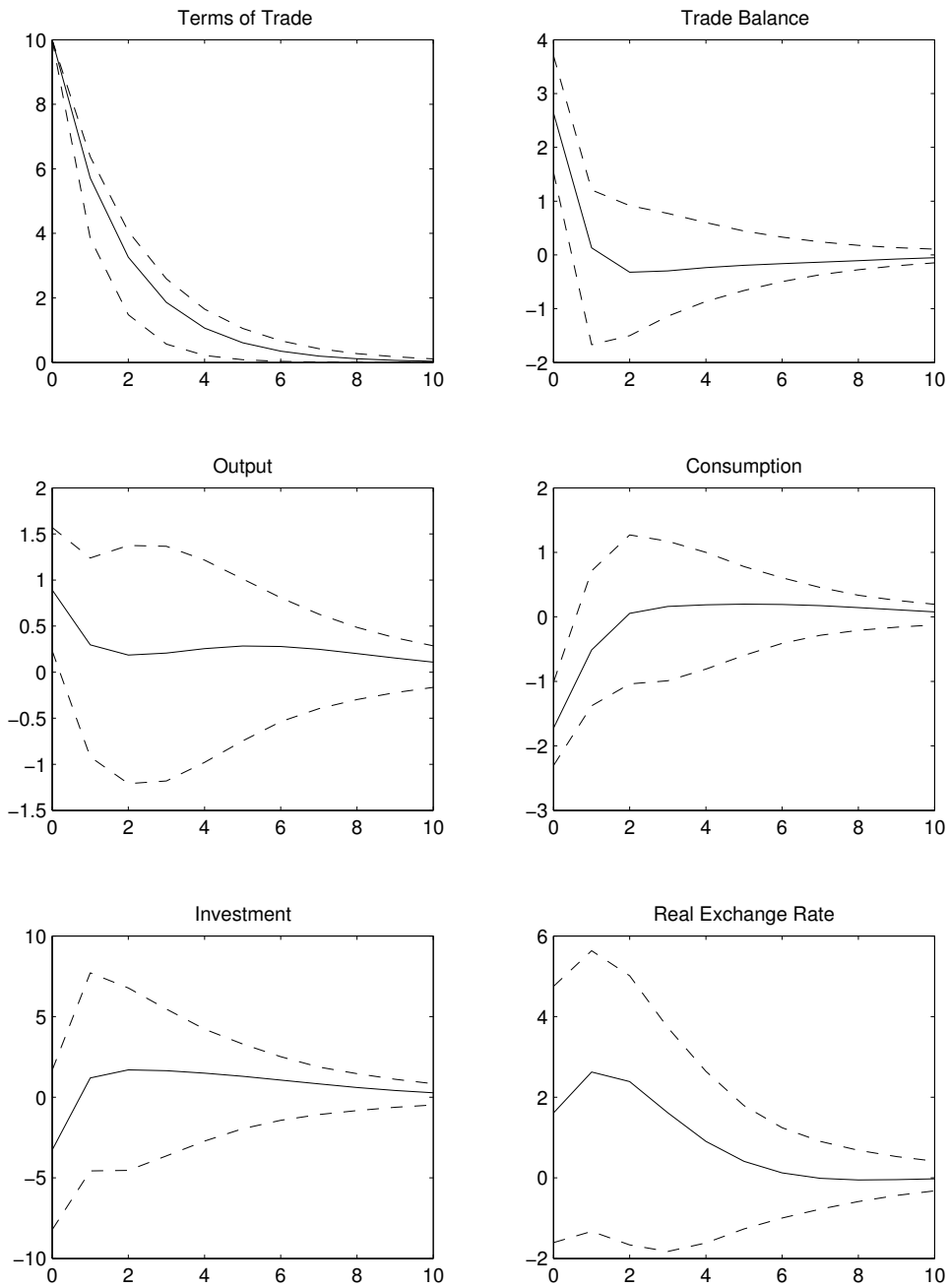
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Malaysia



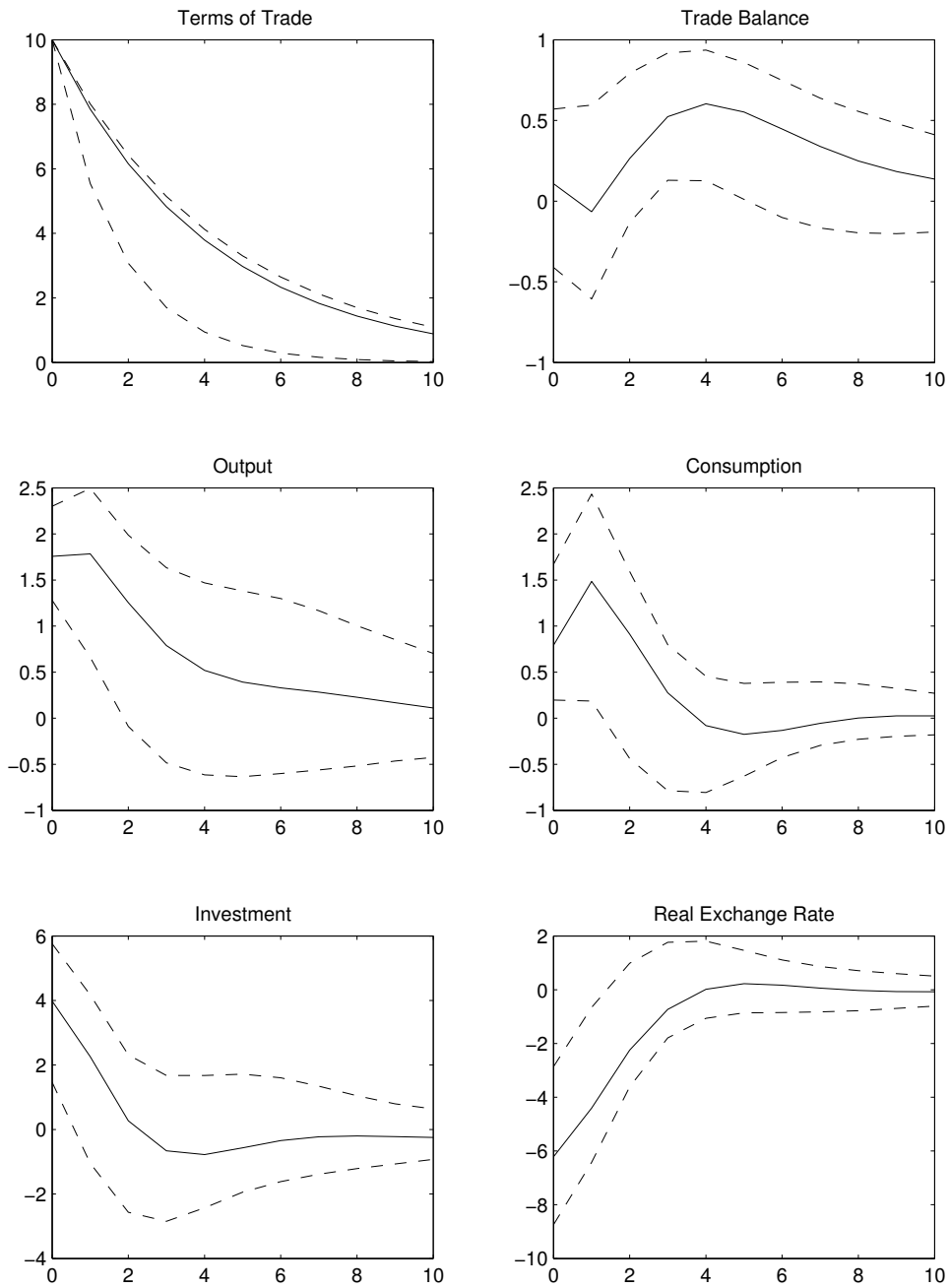
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Mauritius



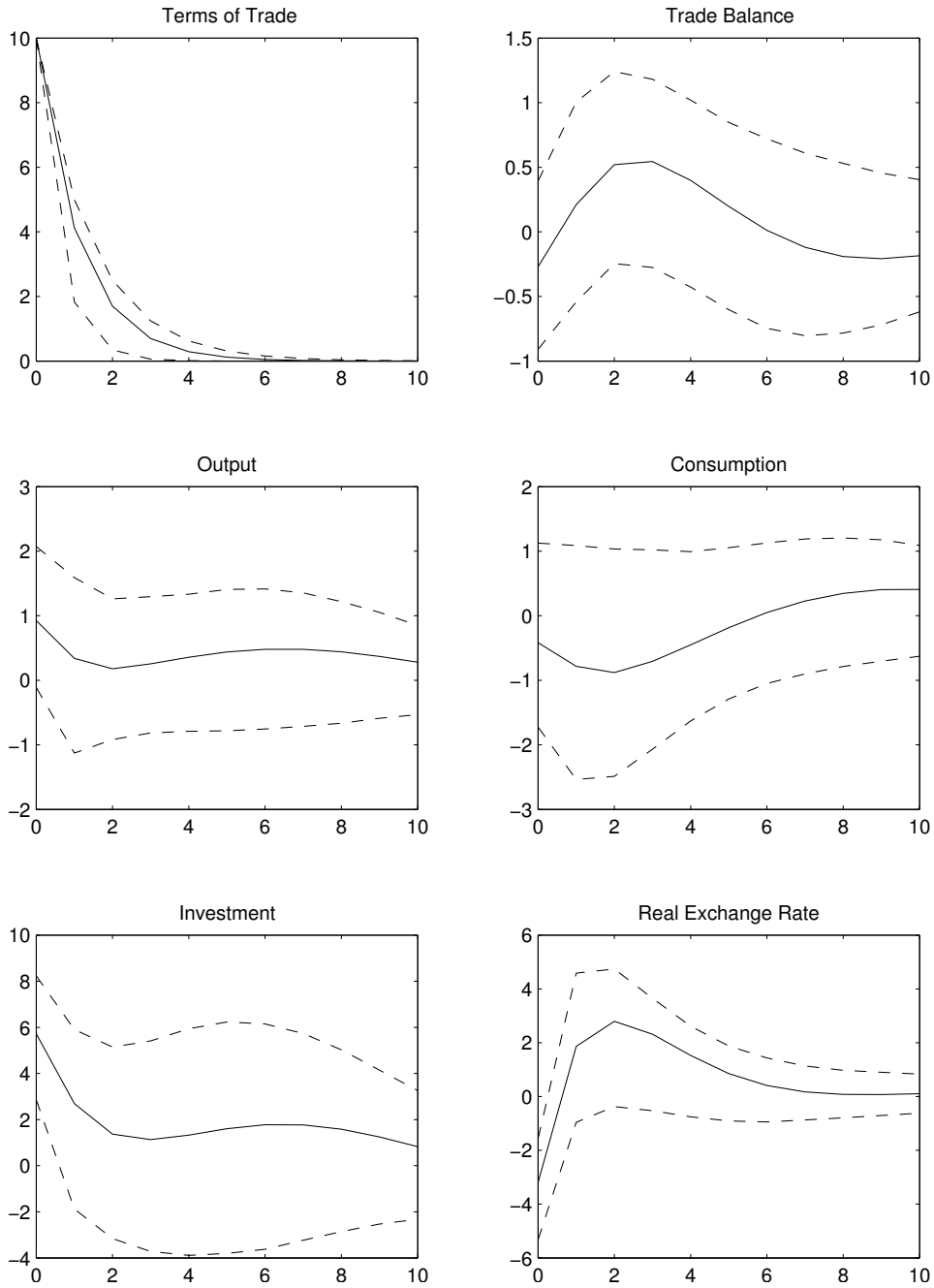
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Mexico



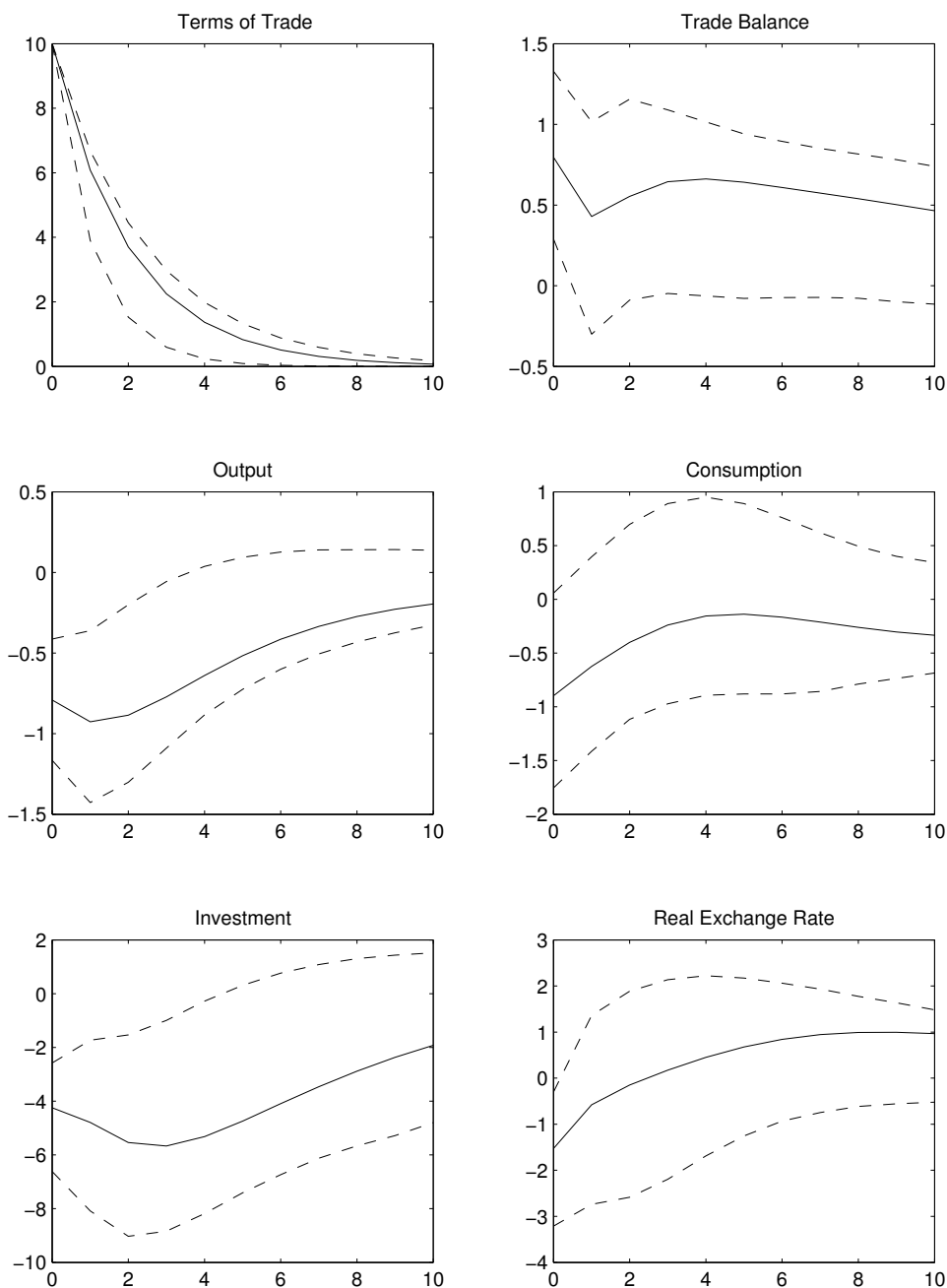
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Morocco



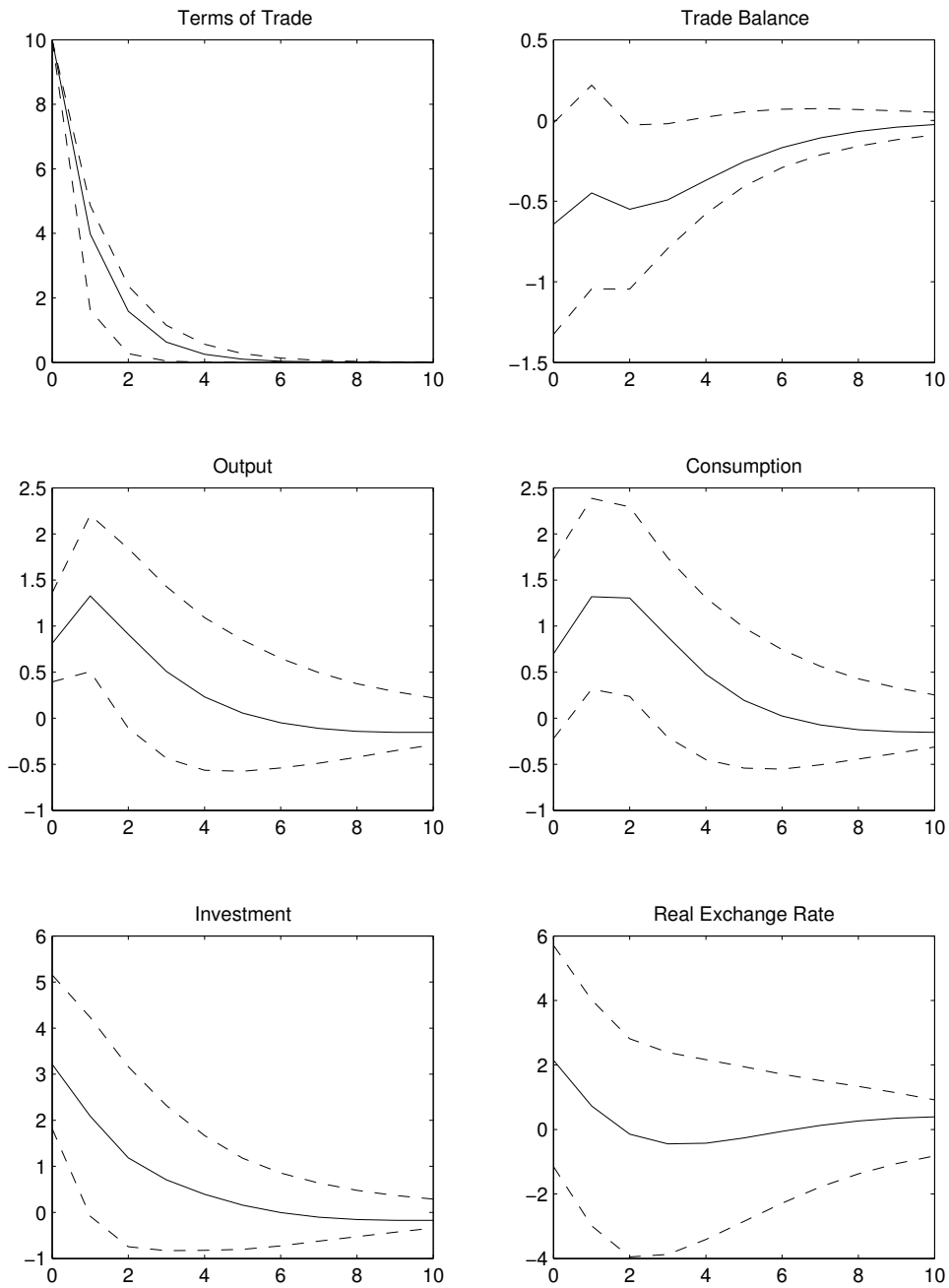
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Pakistan



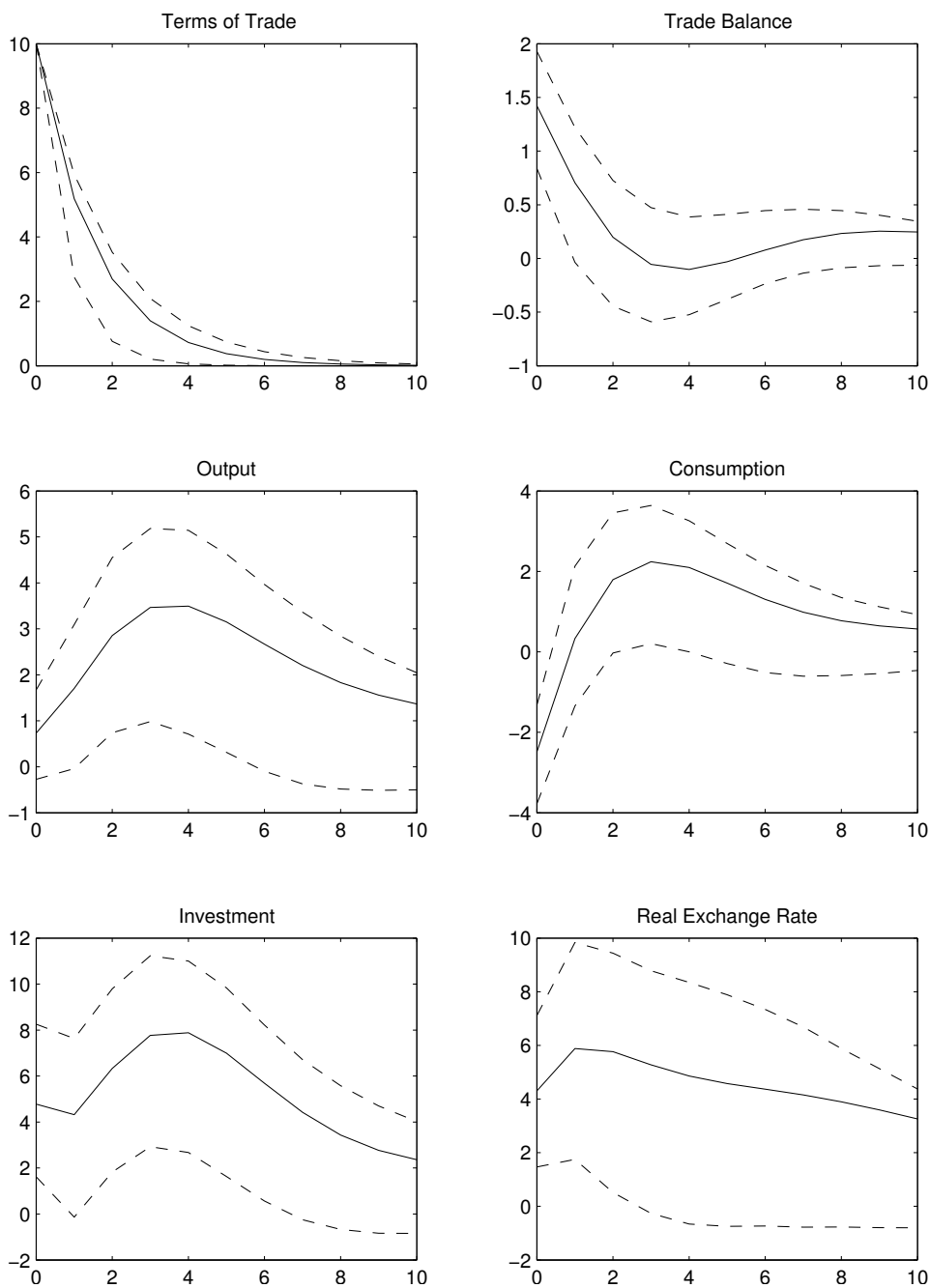
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Paraguay



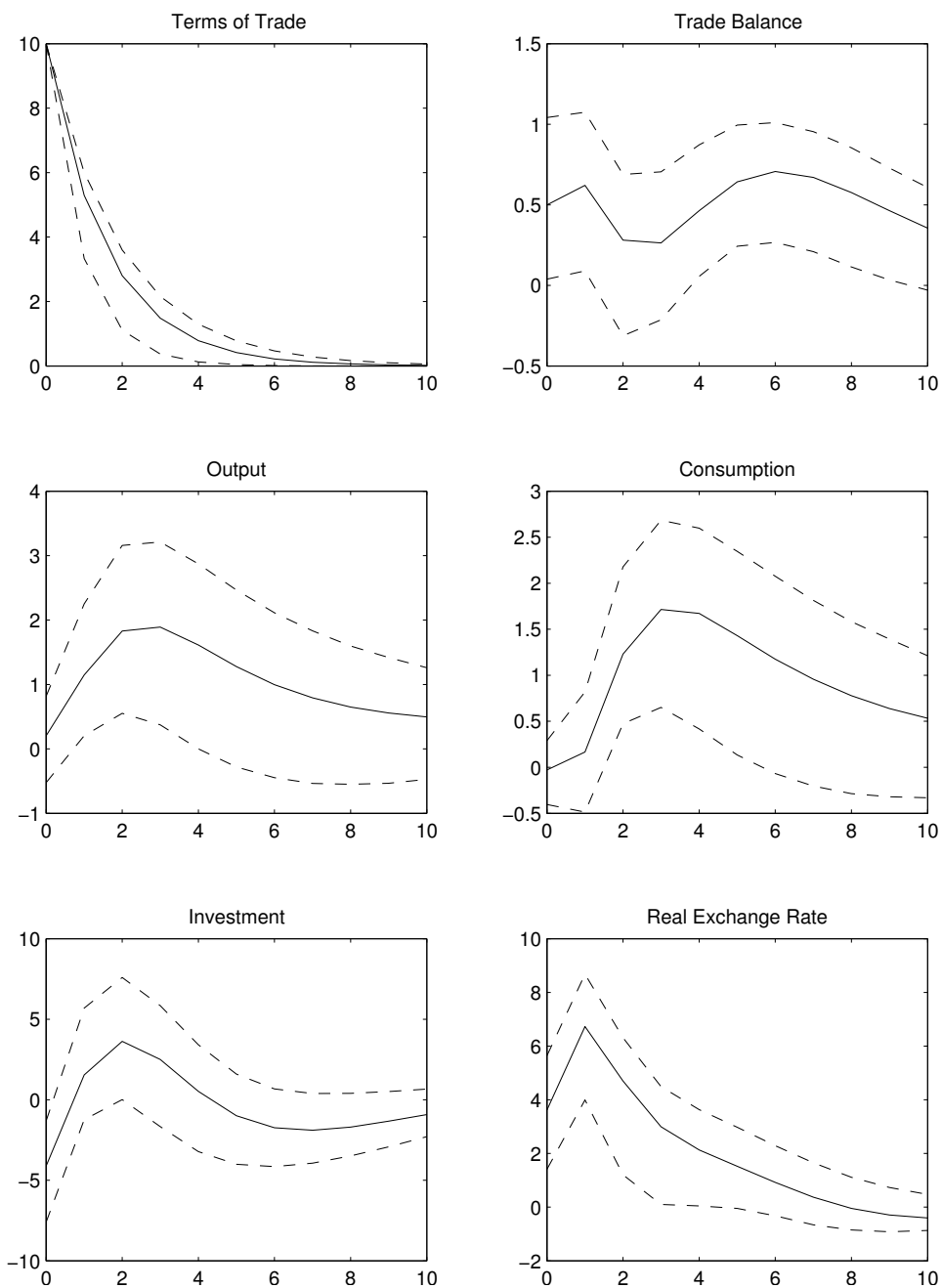
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Peru



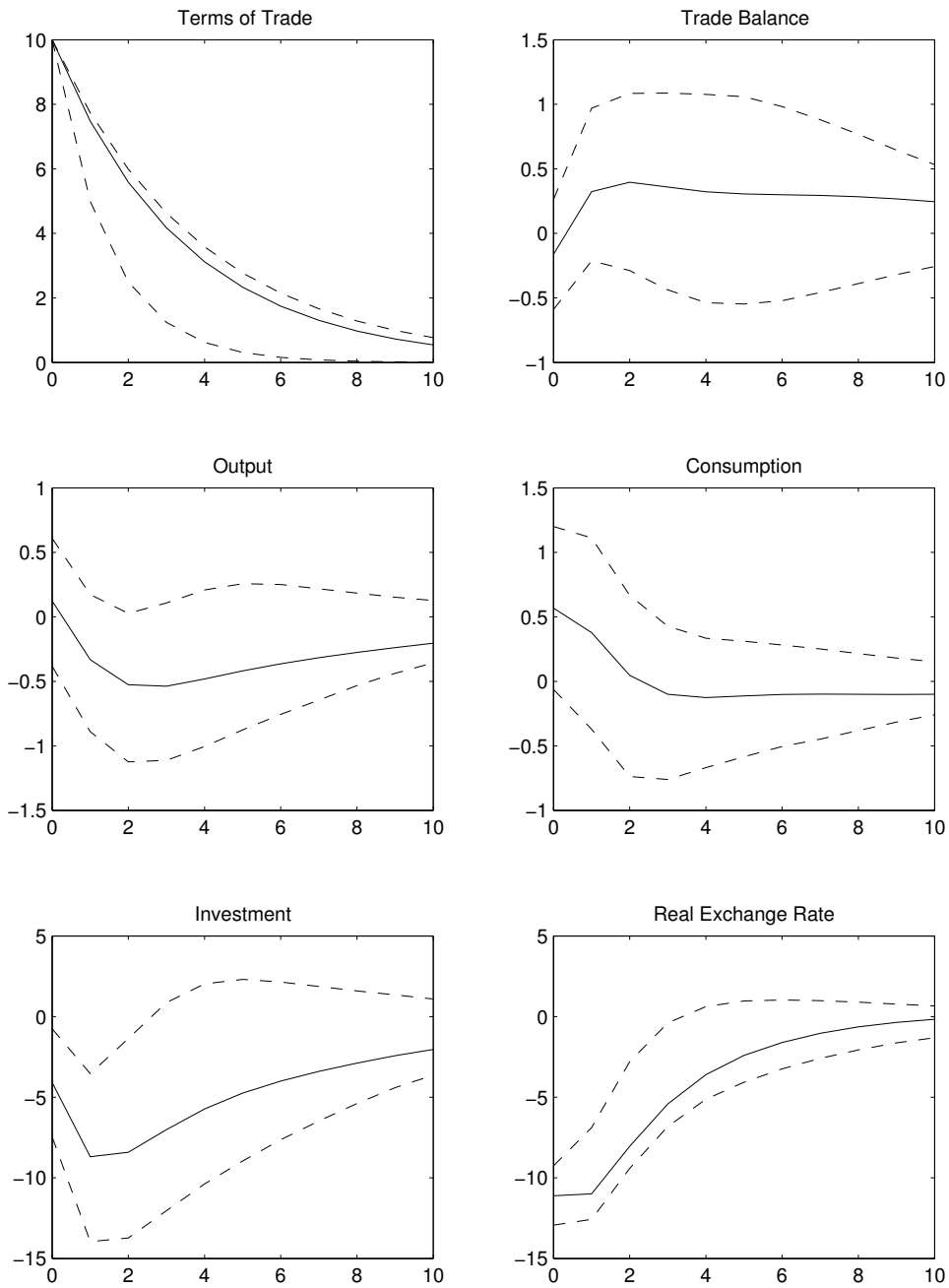
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Philippines



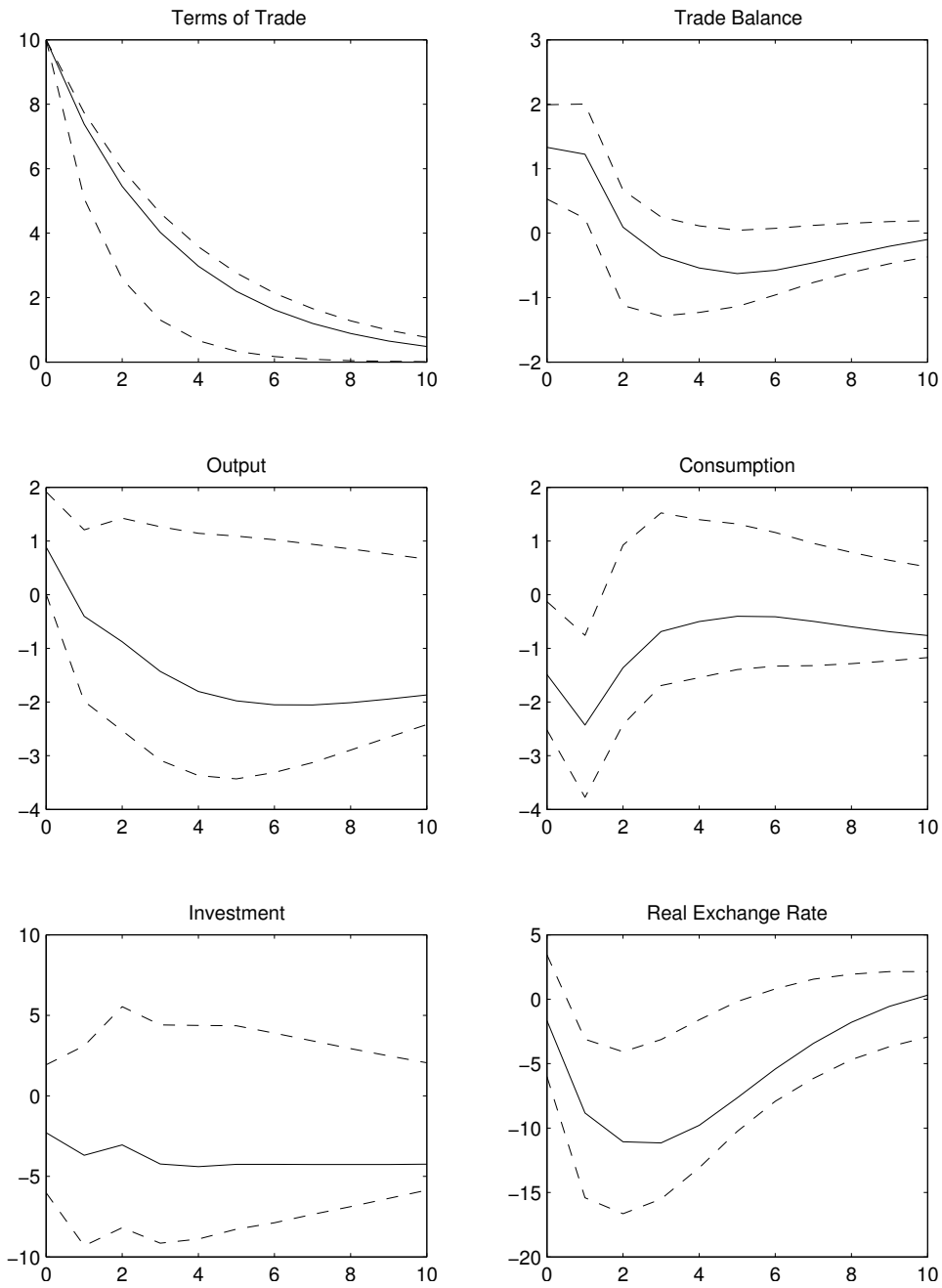
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Senegal



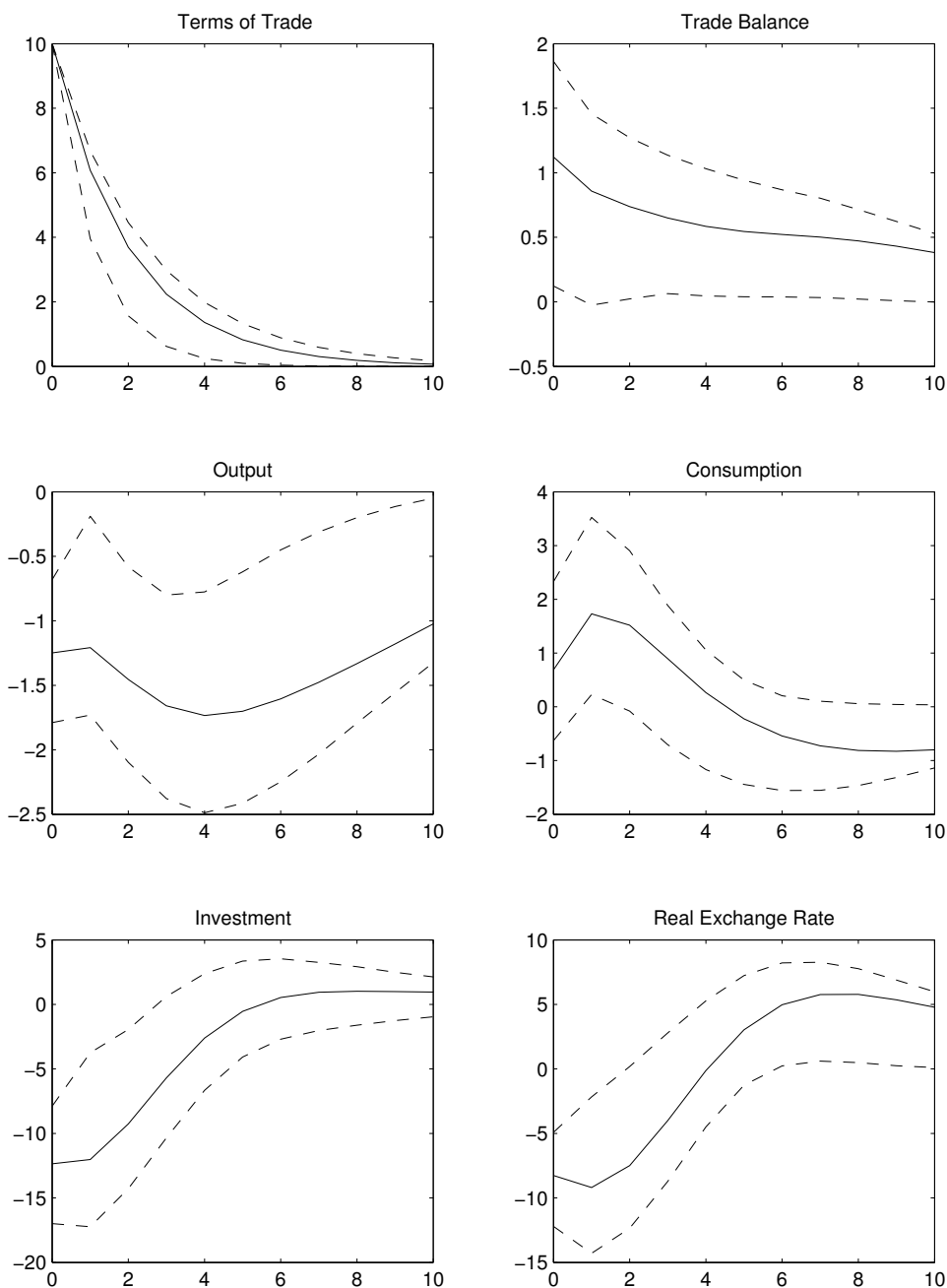
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: South Africa



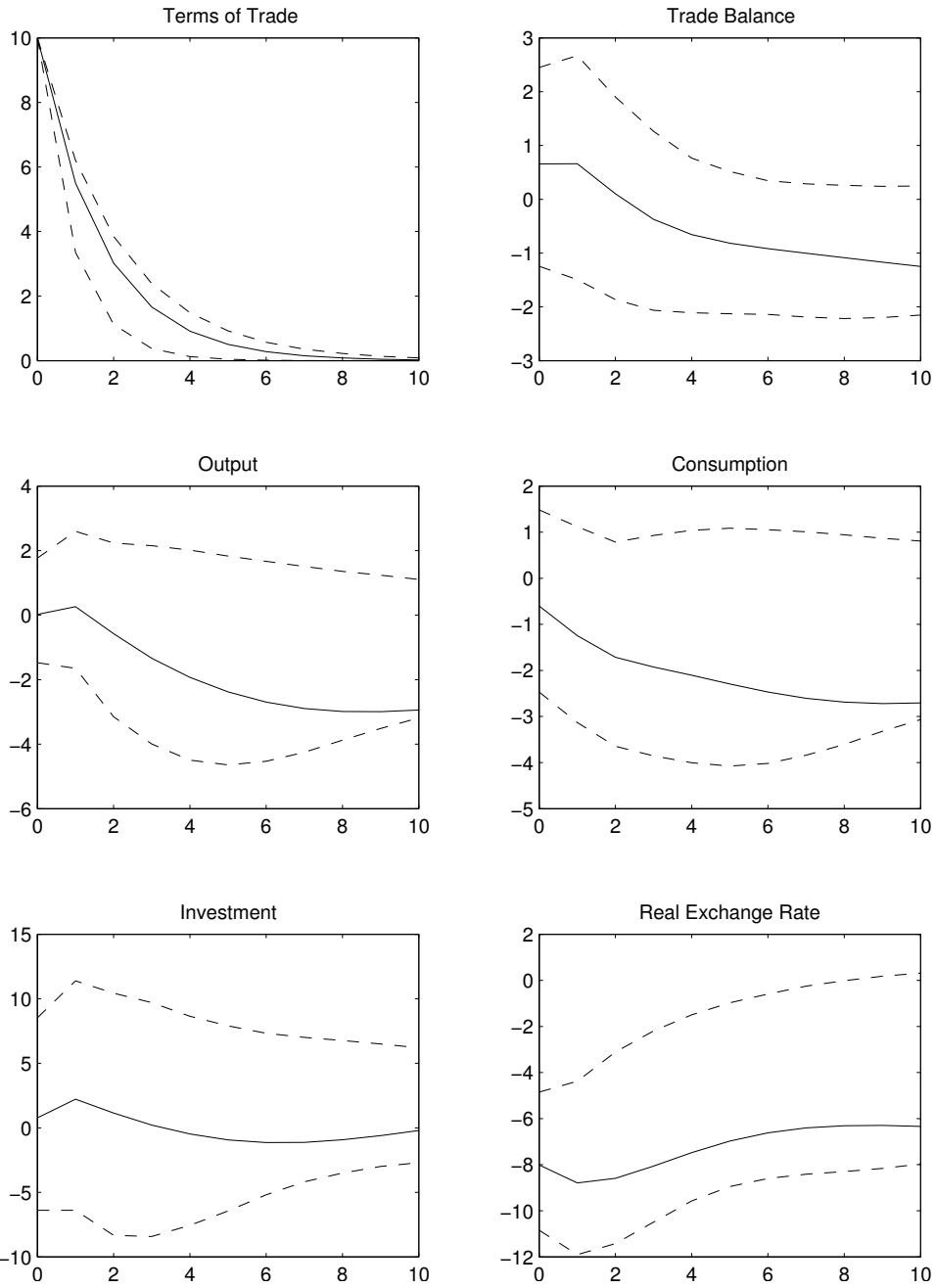
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Sudan



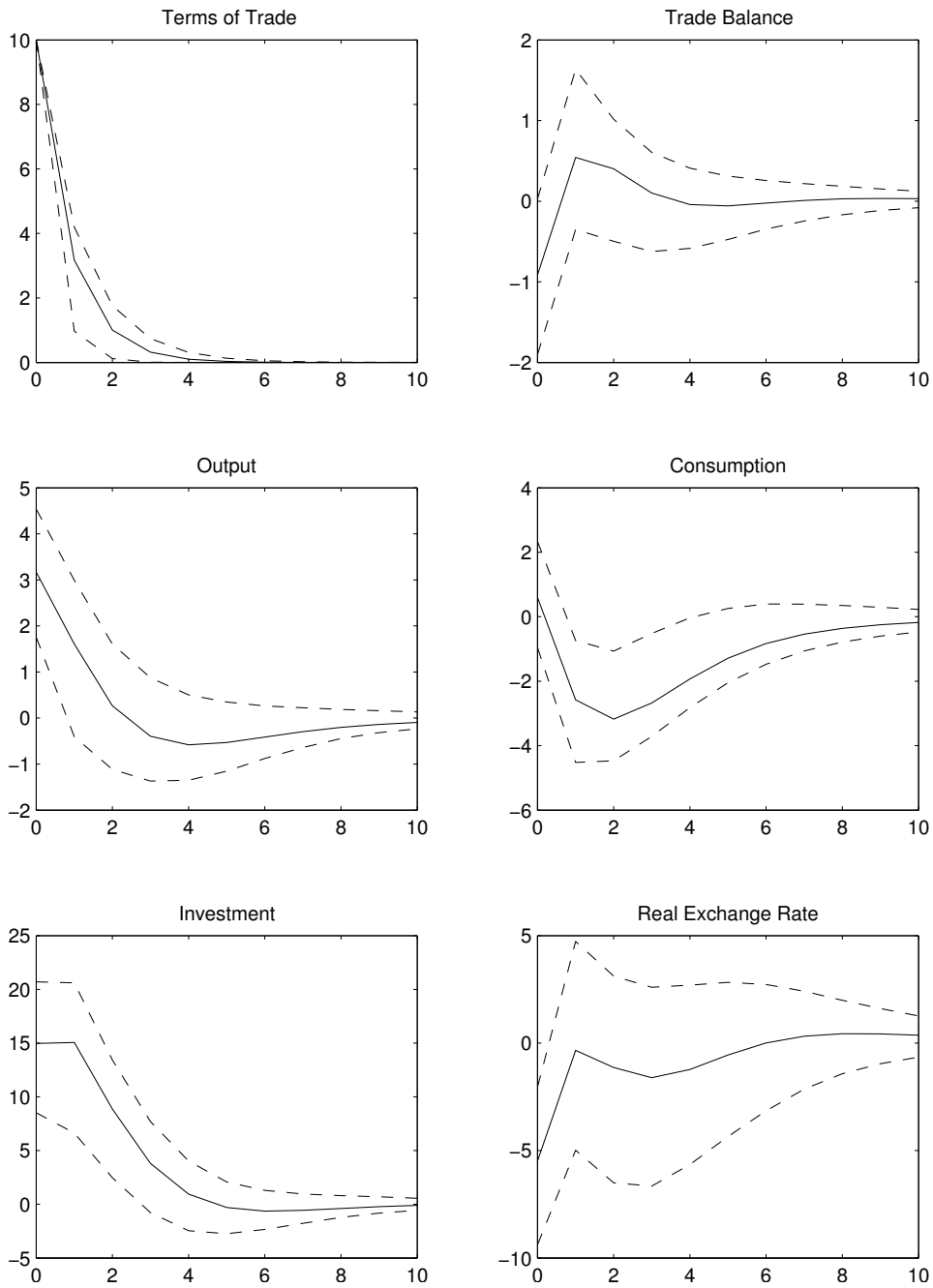
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Thailand



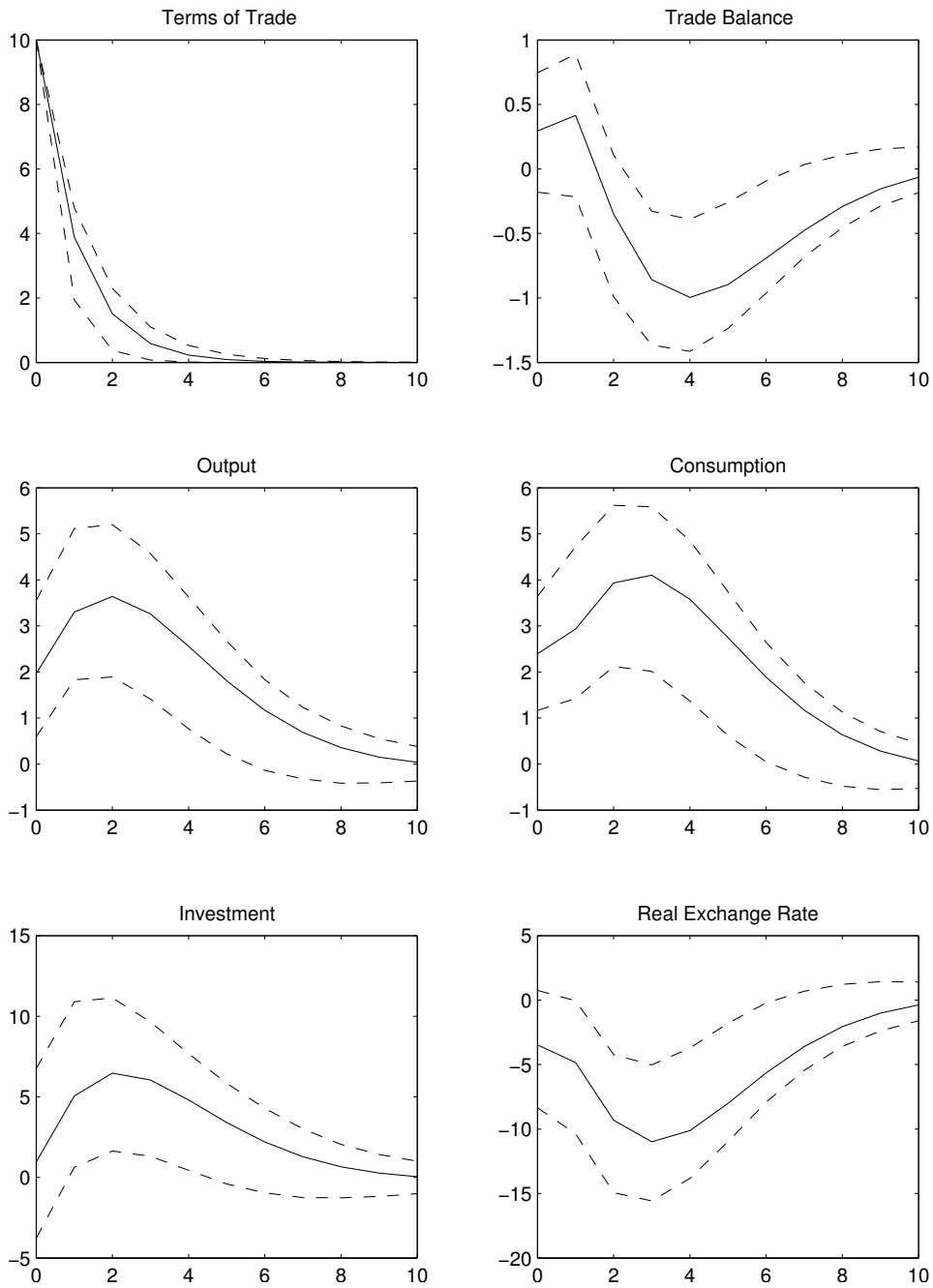
The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Turkey



The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

Impulse Response to a ToT Shock: Uruguay



The x axis measures years after the ToT shock. Solid lines are point estimates. Dashed lines mark a 66 percent confidence band estimated using bootstrapping methods.

6 SVAR Model with the Interest-Rate Spread: Country-by-Country Results

The first table of this section presents the country-level OLS estimates of equation (4). The second and third tables present the country level shares of variances explained by terms-of-trade shocks in the SVAR model of section 3 with terms of trade ordered first and second, respectively.

Parameter Estimates: Specification with Terms-of-Trade First

Country	a_{11}	a_{12}	a_{21}	a_{22}	π_{11}	π_{21}	π_{22}
Algeria	0.4290	-4.0238	0.0193	0.5398	0.1843	-0.0011	0.0131
Argentina	0.3932	0.7545	-0.0204	0.5429	0.0783	0.0033	0.0127
Bolivia	0.5066	-0.6302	-0.0053	0.5235	0.0829	-0.0014	0.0132
Botswana	0.5710	0.4626	-0.0375	0.4164	0.0625	-0.0059	0.0116
Brazil	0.6094	1.5689	-0.0457	0.4277	0.0802	-0.0014	0.0124
Burundi	0.5577	4.9821	-0.0168	0.5453	0.1546	-0.0010	0.0127
Cameroon	-0.0398	-0.3134	0.0061	0.5190	0.1263	0.0024	0.0130
Central African Republic	0.8161	1.5936	-0.0015	0.5313	0.0906	0.0020	0.0131
Colombia	0.2898	0.6119	0.0002	0.5269	0.0818	-0.0016	0.0132
Congo, Dem. Rep.	0.4065	-0.0191	0.0136	0.5275	0.1421	-0.0014	0.0130
Costa Rica	0.5664	1.3821	-0.0457	0.4918	0.0695	-0.0007	0.0126
Cote d'Ivoire	0.4038	1.9459	-0.0072	0.5511	0.1537	0.0023	0.0130
Dominican Republic	0.4653	0.5910	-0.0256	0.4951	0.0853	-0.0033	0.0126
Egypt, Arab Rep.	0.7096	-0.3445	0.0111	0.5163	0.0884	-0.0001	0.0132
El Salvador	0.3420	0.4381	-0.0235	0.4384	0.1306	-0.0037	0.0123
Ghana	0.1795	0.9122	-0.0280	0.5164	0.0931	-0.0009	0.0130
Guatemala	-0.4348	-0.1900	-0.0268	0.5015	0.1079	-0.0036	0.0124
Honduras	0.5840	1.8694	-0.0249	0.4990	0.0925	-0.0011	0.0129
India	0.6051	1.6957	-0.0170	0.5401	0.0858	0.0004	0.0131
Indonesia	0.5654	-1.0671	0.0220	0.4588	0.1066	0.0002	0.0127
Jordan	0.5021	-1.3723	0.0078	0.5226	0.0804	0.0036	0.0128
Kenya	0.7269	1.6031	-0.0385	0.4540	0.0660	-0.0007	0.0126
Korea, Rep.	0.6595	1.2577	-0.0717	0.5465	0.0414	0.0013	0.0126
Madagascar	0.6474	0.1371	-0.0025	0.5396	0.0874	0.0012	0.0137
Malaysia	0.4990	0.6063	-0.0236	0.5327	0.0533	0.0019	0.0130
Mauritius	0.6039	0.5733	-0.0520	0.4784	0.0453	-0.0002	0.0128
Mexico	0.7450	-1.6568	0.0106	0.5461	0.0876	-0.0018	0.0131
Morocco	0.4358	-0.5860	-0.0034	0.5293	0.0609	0.0045	0.0125
Pakistan	0.6622	1.0119	-0.0333	0.4594	0.0745	-0.0024	0.0127
Paraguay	0.3999	0.0806	-0.0055	0.5195	0.1188	-0.0017	0.0131
Peru	0.5444	0.4493	-0.0395	0.4433	0.0842	-0.0030	0.0124
Philippines	0.5452	0.5154	-0.0346	0.4725	0.0832	0.0009	0.0127
Senegal	0.7426	1.2244	0.0046	0.5260	0.0830	-0.0022	0.0131
South Africa	0.7374	0.9740	-0.0486	0.5276	0.0376	0.0019	0.0128
Sudan	0.5998	-0.3690	0.0098	0.5385	0.0913	-0.0043	0.0125
Thailand	0.6171	1.2616	-0.1072	0.4672	0.0352	-0.0006	0.0120
Turkey	0.3270	0.6590	-0.0523	0.5190	0.0445	-0.0004	0.0130
Uruguay	0.4064	1.0096	-0.0528	0.5035	0.0642	0.0014	0.0125
Median	0.5514	0.5987	-0.0219	0.5193	0.0837	-0.0007	0.0128
Median Absolute Deviation	0.1132	0.6610	0.0199	0.0205	0.0160	0.0015	0.0003

**Share of Variance Explained by Terms of Trade Shocks
SVARs with Terms of Trade First**

Country	<i>tot</i>	<i>s</i>	<i>tb</i>	<i>y</i>	<i>c</i>	<i>i</i>	<i>RER</i>
Algeria	86	10	51	4	49	6	22
Argentina	97	5	27	13	12	9	29
Bolivia	98	2	5	6	9	11	8
Botswana	99	31	7	37	11	10	11
Brazil	90	20	51	16	5	31	48
Burundi	71	11	1	1	3	1	5
Cameroon	100	5	12	18	18	17	20
Central African Republic	86	2	36	5	15	12	50
Colombia	98	1	8	19	5	16	14
Congo, Dem. Rep.	100	3	2	0	0	6	10
Costa Rica	88	14	17	2	2	2	1
Cote d'Ivoire	95	2	32	37	30	40	65
Dominican Republic	98	15	17	13	13	22	12
Egypt, Arab Rep.	99	2	61	55	43	64	50
El Salvador	100	21	11	4	4	6	27
Ghana	97	7	7	6	4	6	7
Guatemala	100	16	4	2	5	2	17
Honduras	86	10	3	3	4	6	7
India	85	3	4	5	19	1	1
Indonesia	97	8	6	11	10	15	7
Jordan	89	9	36	17	39	5	9
Kenya	82	13	5	7	11	13	3
Korea, Rep.	74	13	5	3	3	12	11
Madagascar	100	1	11	2	3	2	8
Malaysia	95	2	8	7	4	7	2
Mauritius	94	9	12	1	7	3	7
Mexico	85	3	9	10	9	7	26
Morocco	97	11	2	1	0	2	5
Pakistan	93	16	16	21	16	16	15
Paraguay	100	3	11	6	6	9	1
Peru	99	22	17	24	16	26	19
Philippines	99	10	23	20	22	7	36
Senegal	89	2	3	7	4	14	51
South Africa	78	7	9	3	3	2	10
Sudan	99	9	18	37	12	20	21
Thailand	73	19	26	24	25	23	32
Turkey	94	5	3	15	17	31	7
Uruguay	93	10	16	34	30	18	26
Median	95	9	11	7	10	9	11
Median Absolute Deviation	5	6	6	6	6	7	8

Note. Shares are expressed in percent.

**Share of Variance Explained by Terms of Trade Shocks
SVARs with Interest-Rate Spreads First**

Country	<i>s</i>	<i>tot</i>	<i>tb</i>	<i>y</i>	<i>c</i>	<i>i</i>	<i>RER</i>
Algeria	12	84	48	3	49	5	22
Argentina	3	88	34	11	13	7	34
Bolivia	0	95	5	7	9	10	8
Botswana	5	83	7	41	13	13	9
Brazil	16	92	50	17	4	32	48
Burundi	9	73	1	1	3	1	4
Cameroon	0	97	9	15	15	14	17
Central African Republic	0	76	35	6	17	11	49
Colombia	0	97	8	18	5	15	13
Congo, Dem. Rep.	4	99	1	0	0	7	10
Costa Rica	13	89	17	2	2	2	1
Cote d'Ivoire	1	89	36	35	30	44	72
Dominican Republic	5	95	13	7	6	15	9
Egypt, Arab Rep.	2	99	62	55	43	64	50
El Salvador	7	92	8	3	4	4	31
Ghana	5	97	5	5	3	5	5
Guatemala	3	92	5	1	2	3	16
Honduras	7	88	2	2	2	5	5
India	3	84	4	5	20	1	1
Indonesia	8	97	6	12	10	15	8
Jordan	0	89	29	16	35	4	6
Kenya	12	84	5	7	10	14	3
Korea, Rep.	14	69	5	3	3	11	10
Madagascar	0	99	9	4	2	2	6
Malaysia	2	90	8	6	4	7	2
Mauritius	8	95	12	1	8	3	7
Mexico	2	77	7	7	8	6	24
Morocco	0	90	1	4	1	4	11
Pakistan	9	95	21	27	22	22	21
Paraguay	0	98	9	4	5	7	1
Peru	12	96	20	26	18	29	22
Philippines	11	98	25	22	25	7	34
Senegal	0	93	5	9	6	15	54
South Africa	8	69	6	0	1	0	7
Sudan	1	86	24	38	7	20	16
Thailand	18	74	27	25	25	24	33
Turkey	5	94	3	14	17	30	7
Uruguay	11	90	16	35	30	21	27
Median	5	91	9	7	8	9	11
Median Absolute Deviation	4	5	5	5	6	6	7

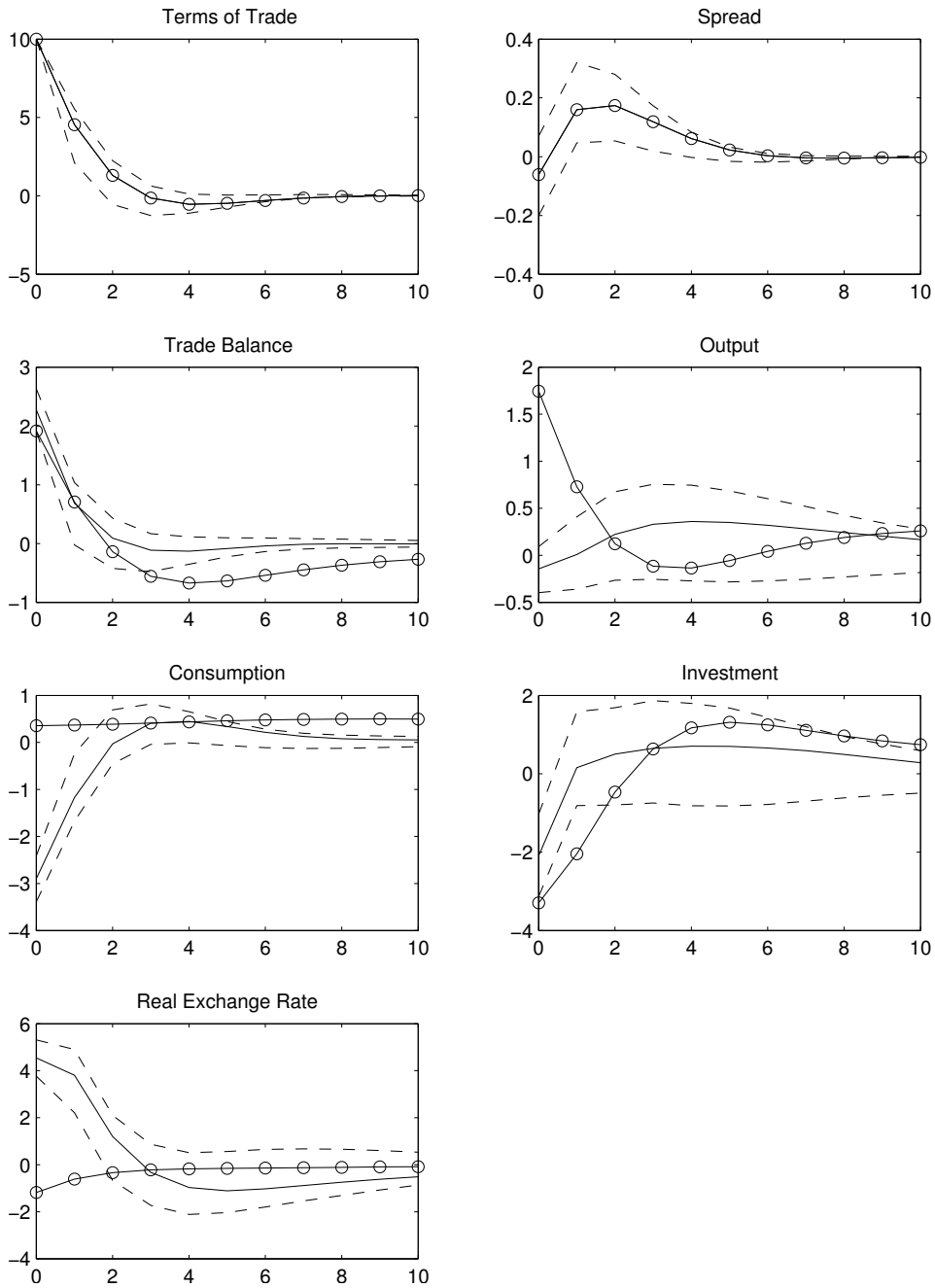
Note. Shares are expressed in percent.

7 Country-Level Impulse Responses Implied by the MXN and SVAR Models

The following 38 figures display impulse responses and 66-percent confidence bands implied by the SVAR model of section 3 of the paper, which includes as variables the terms of trade, the BAA-FF interest-rate spread, the trade balance, output, consumption, investment, and the real exchange rate. The confidence bands are computed by bootstrapping. The figures also include the impulse responses implied by the MXN model.

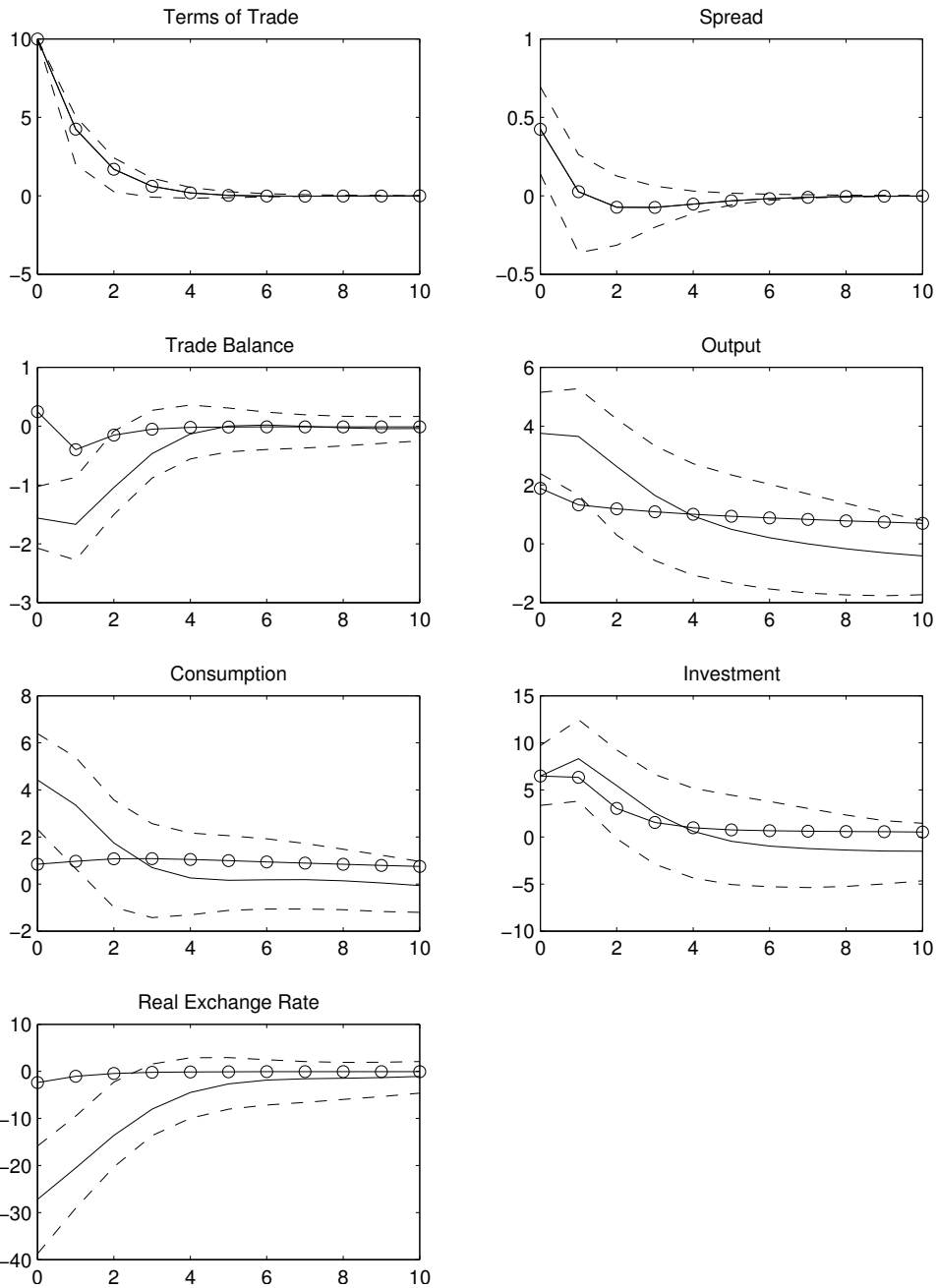
Replication file `plot_ir_mxn_data.m` in `sgu_tot.zip`.

Impulse Response to a ToT Shock: Algeria



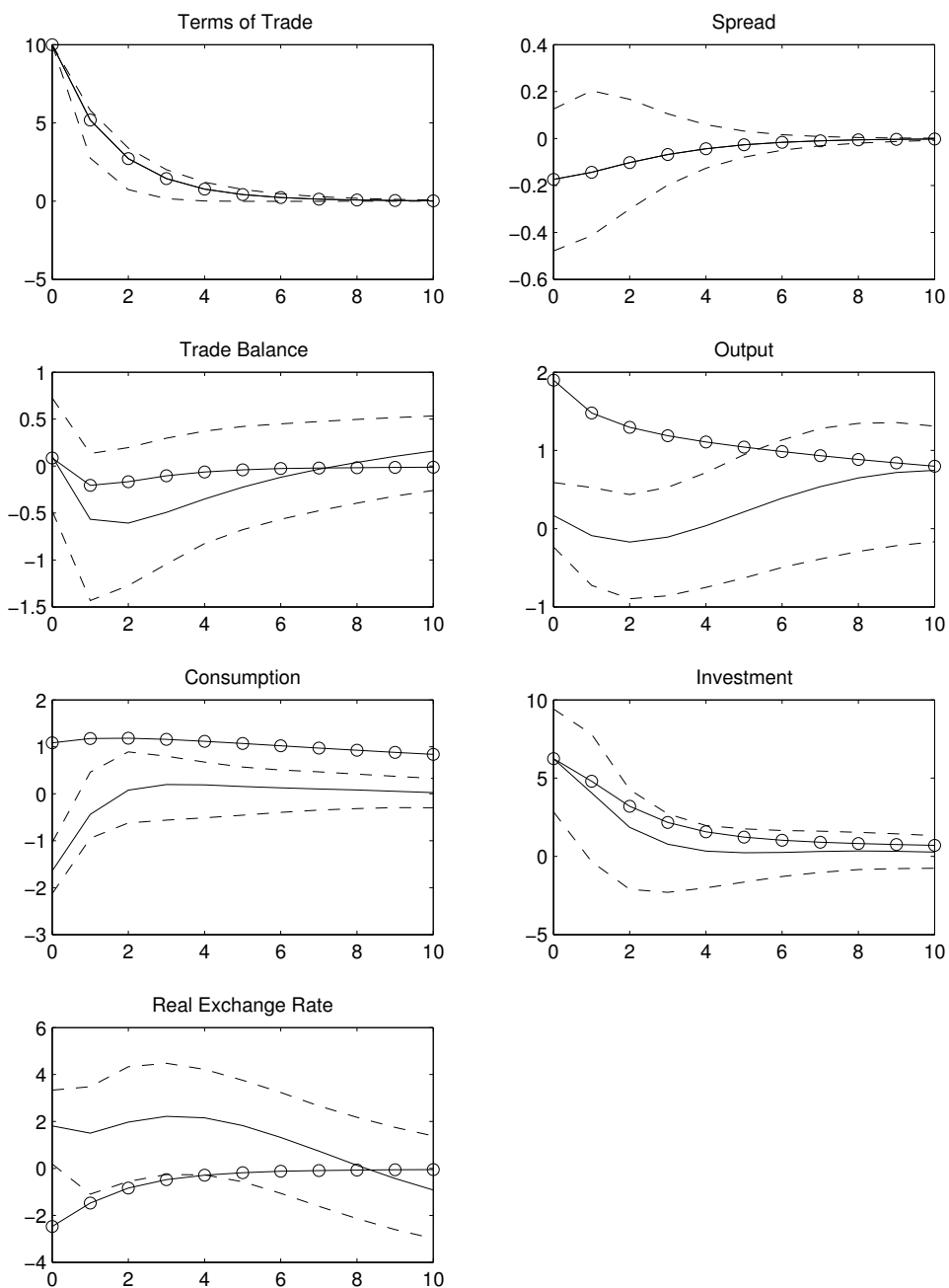
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Argentina



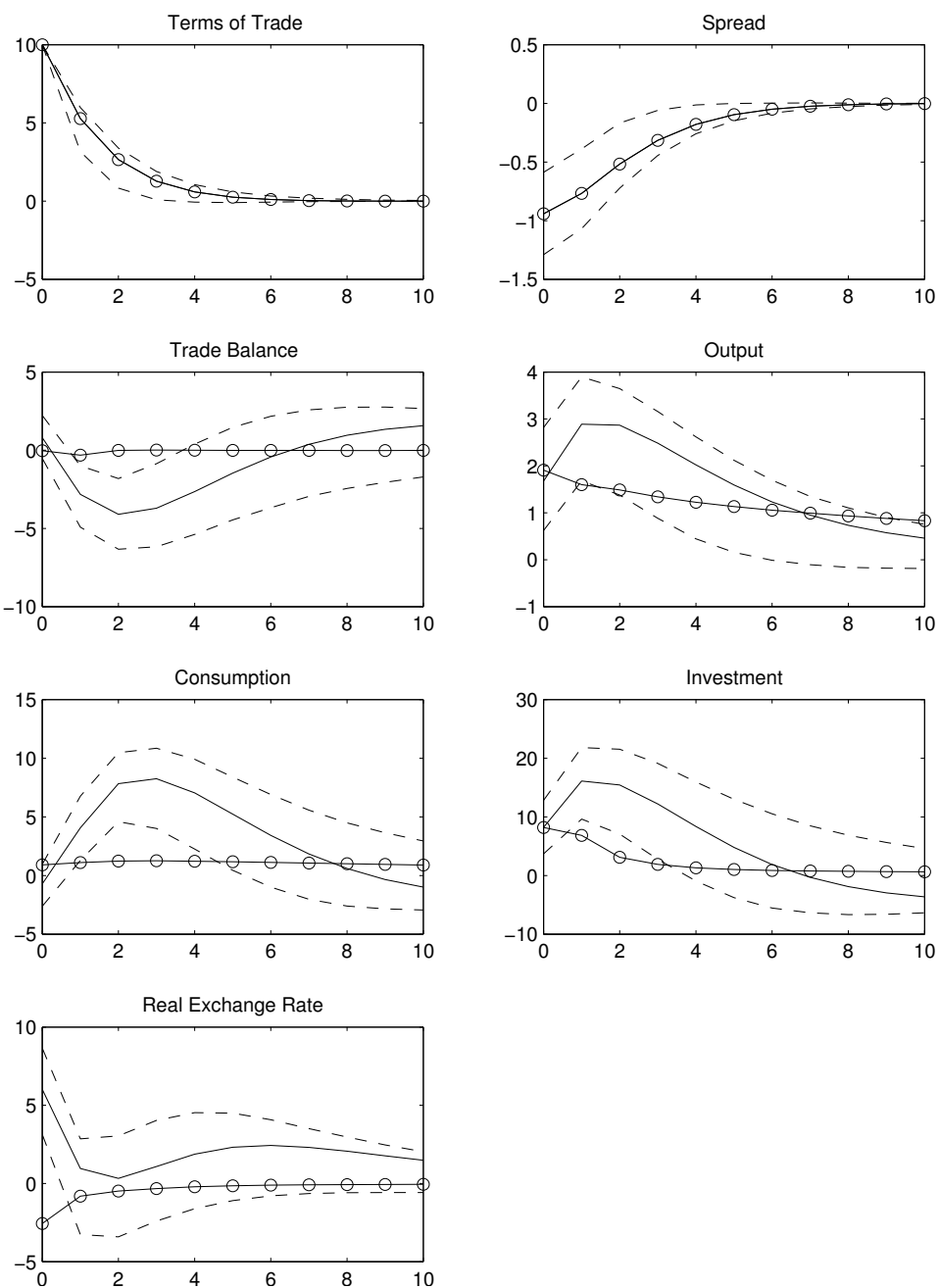
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Bolivia



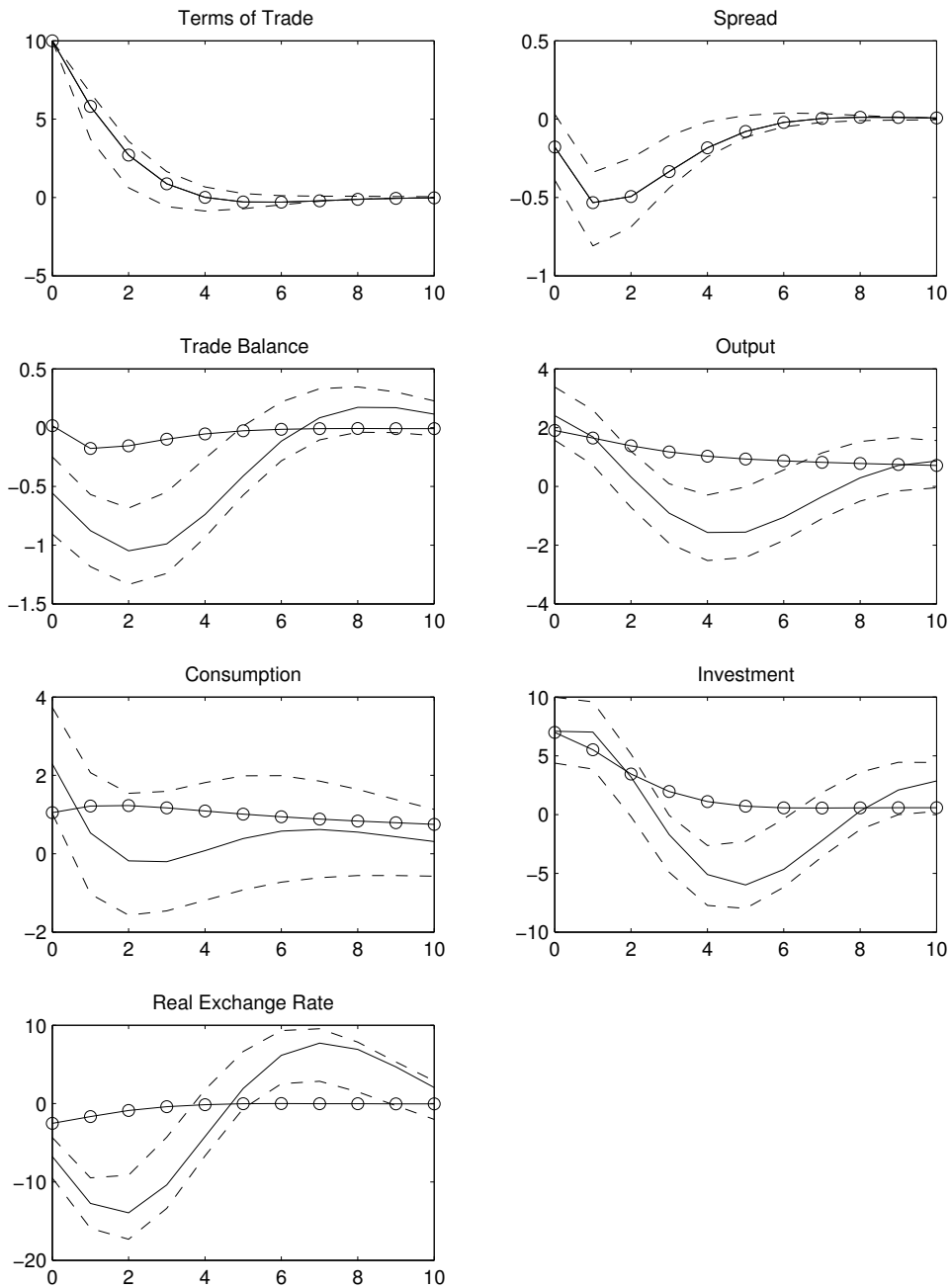
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Botswana



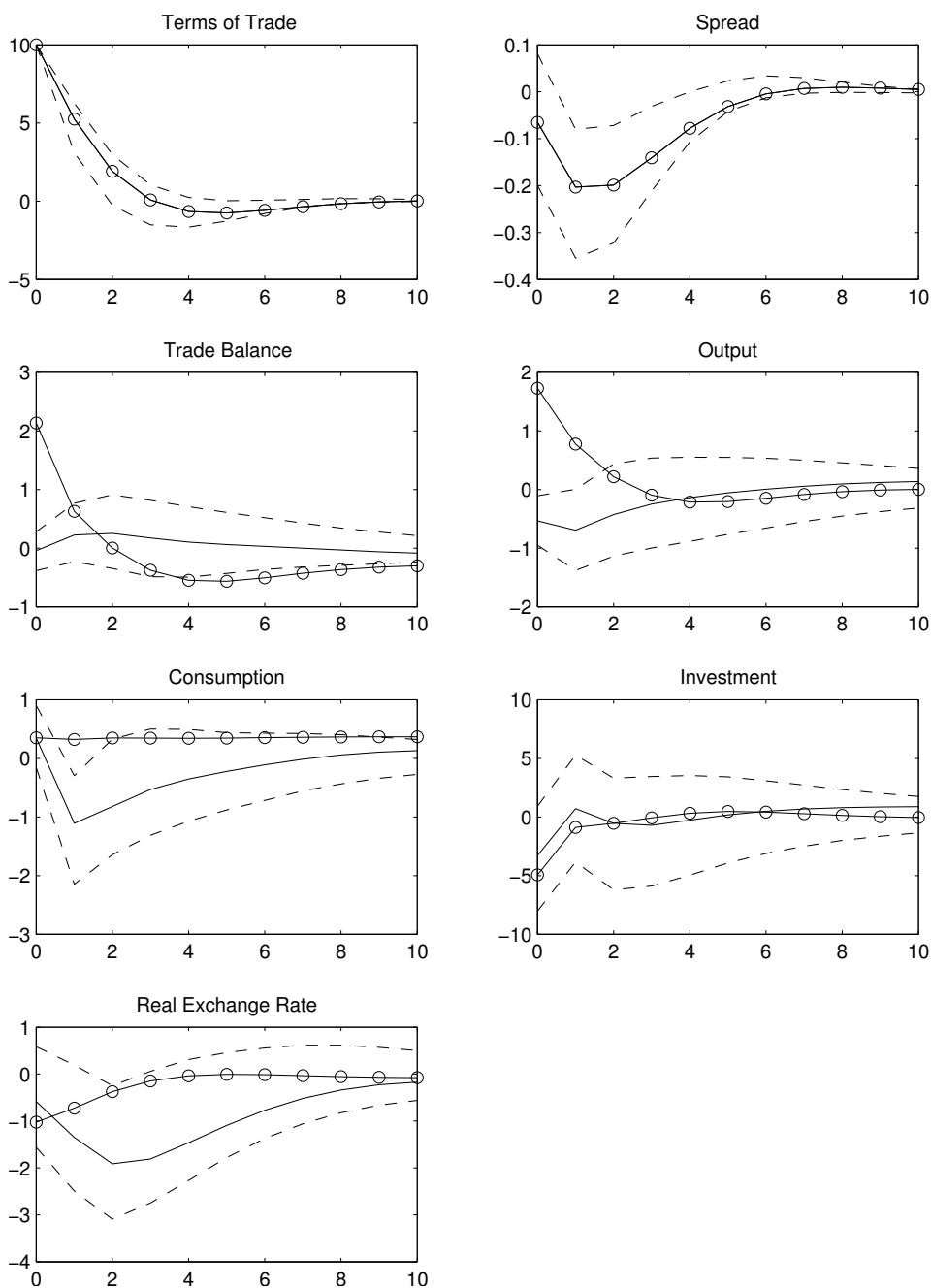
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Brazil



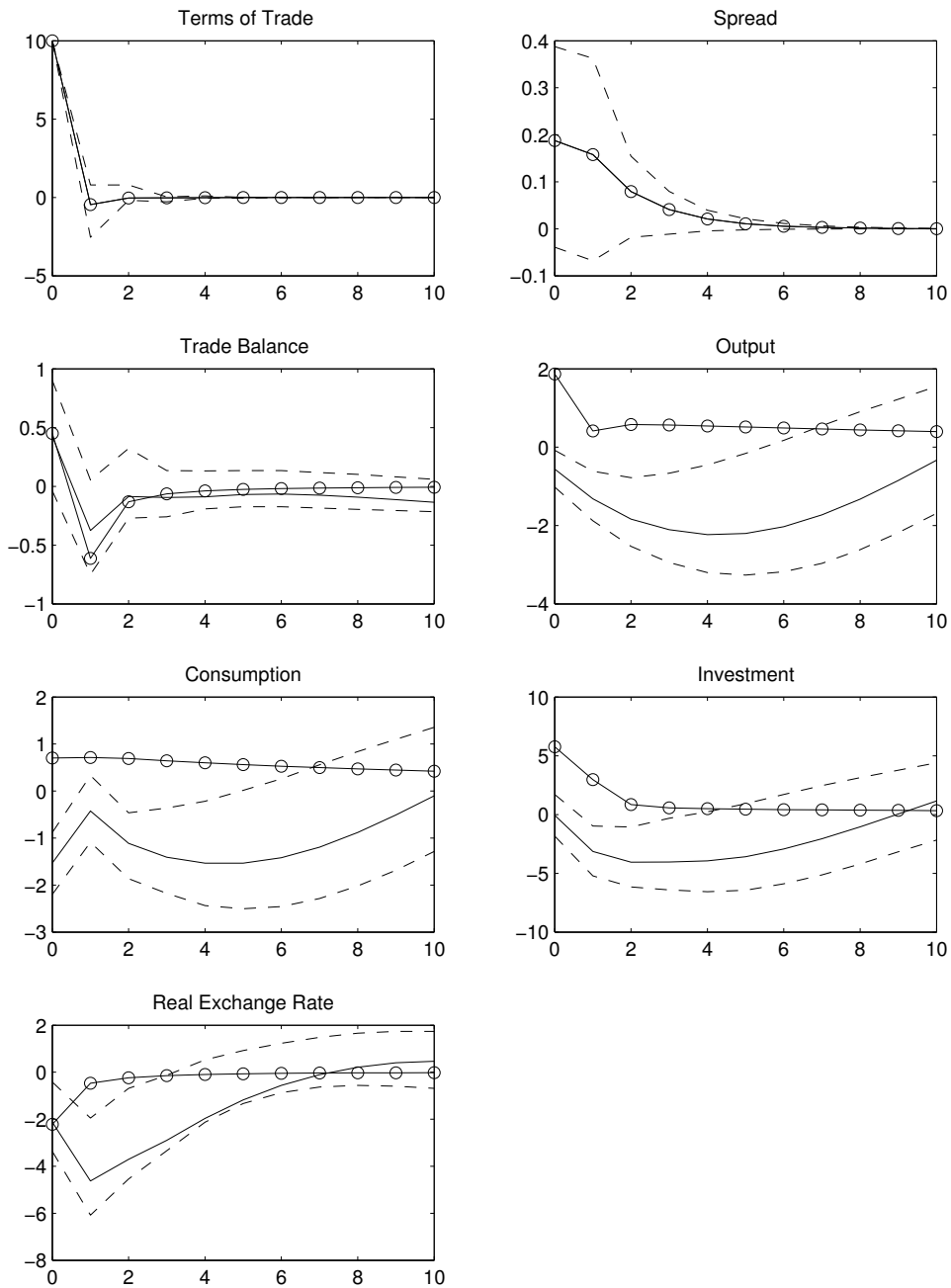
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Burundi



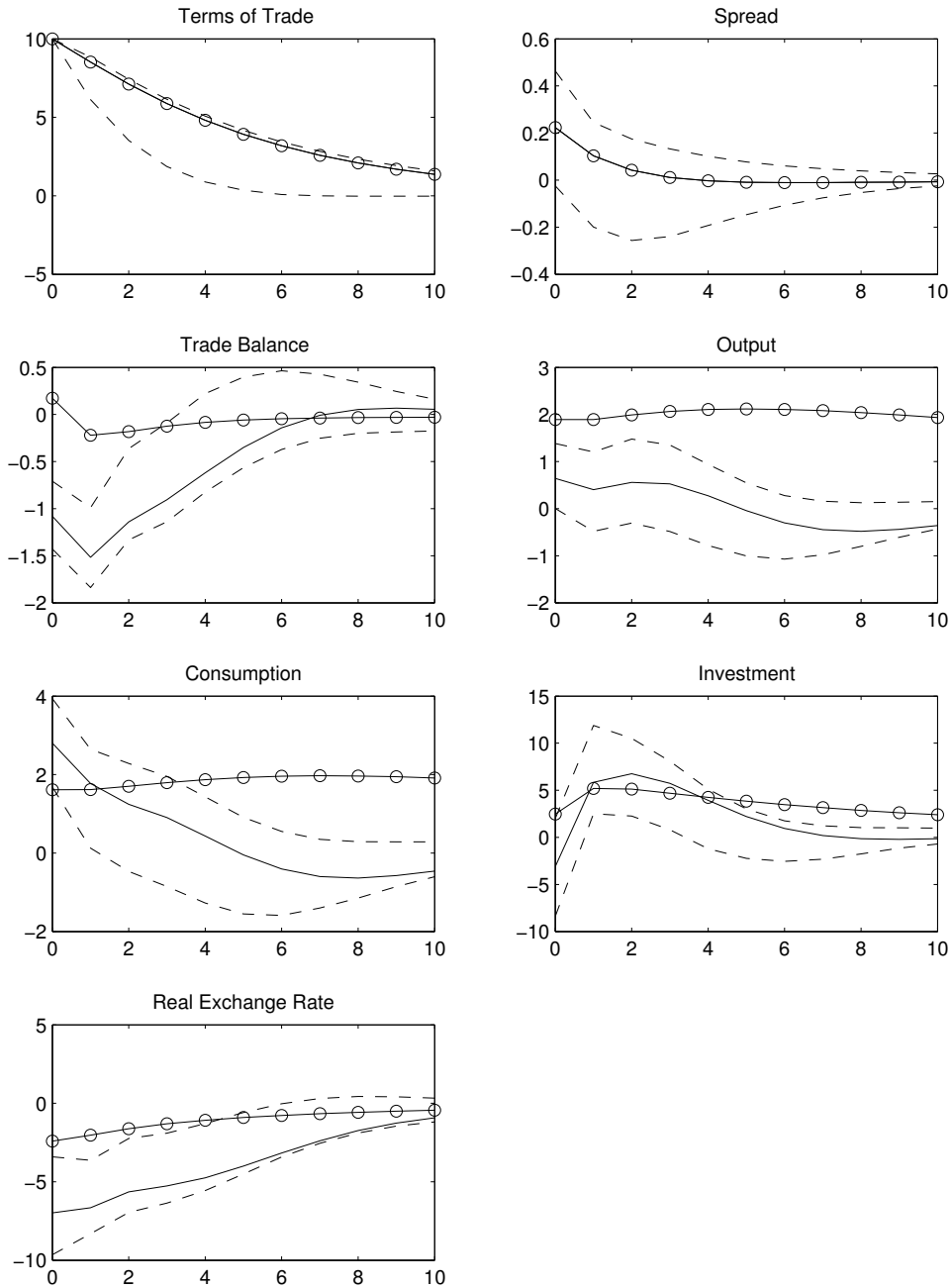
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Cameroon



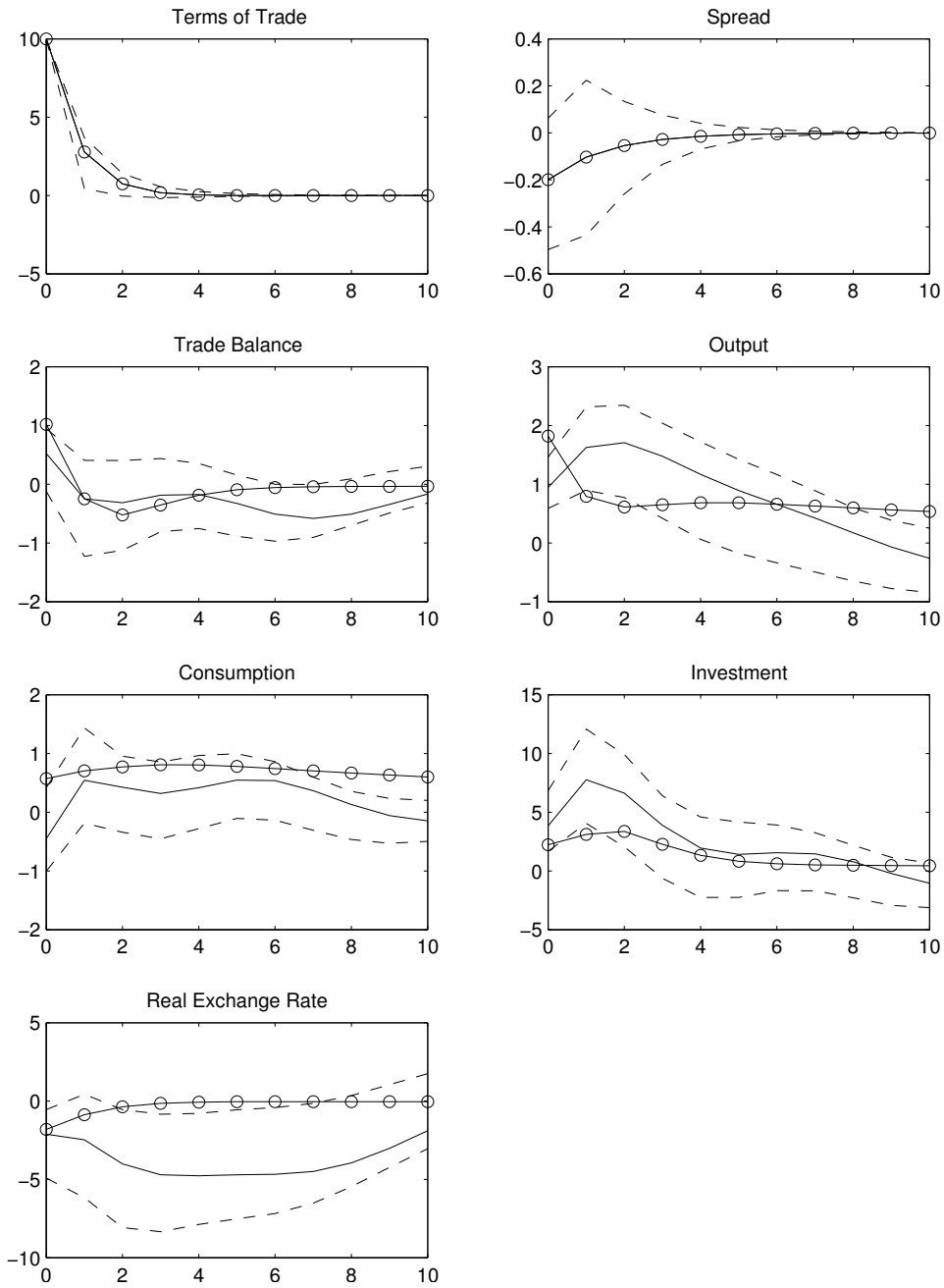
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Central African Republic



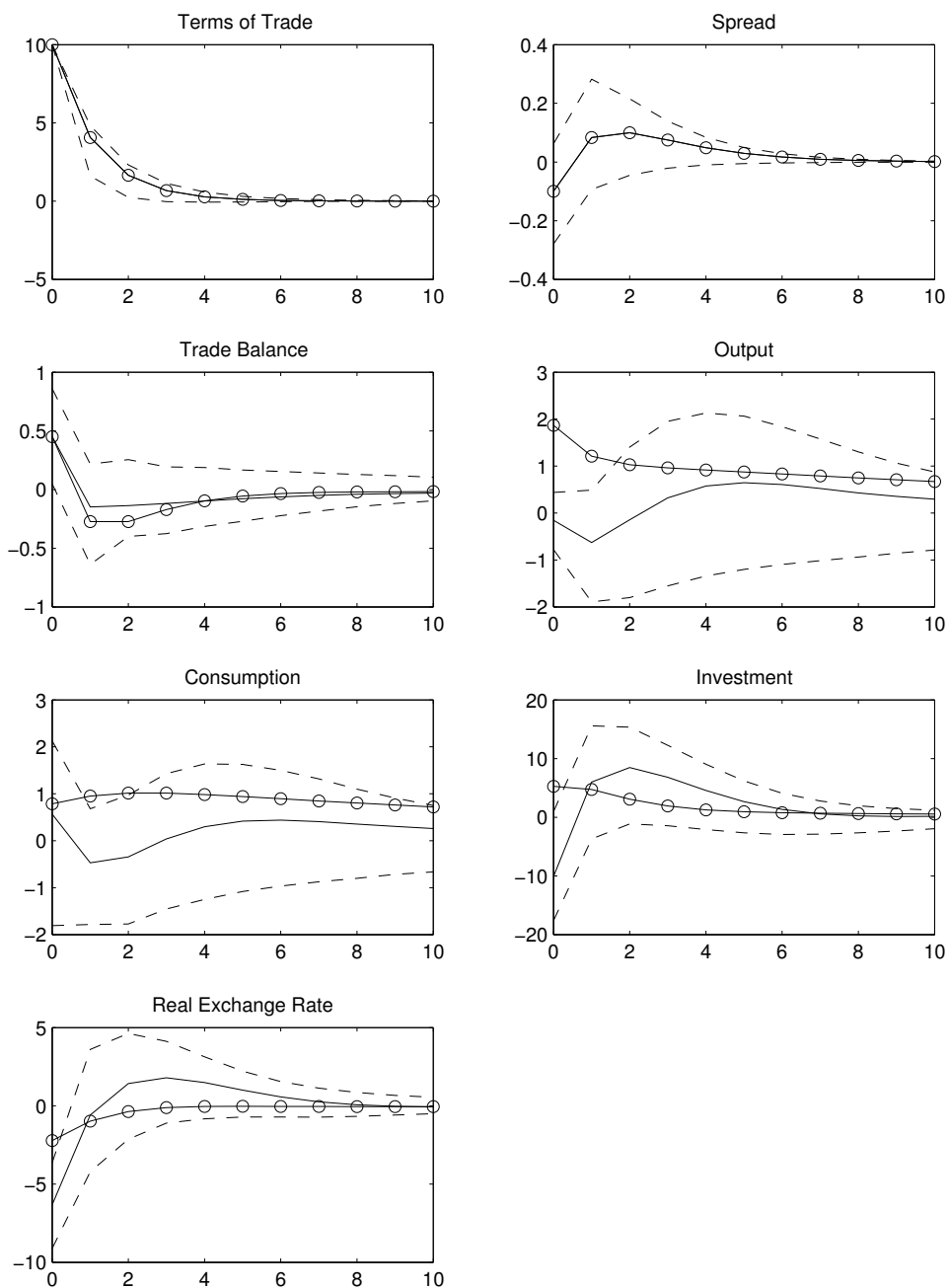
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Colombia



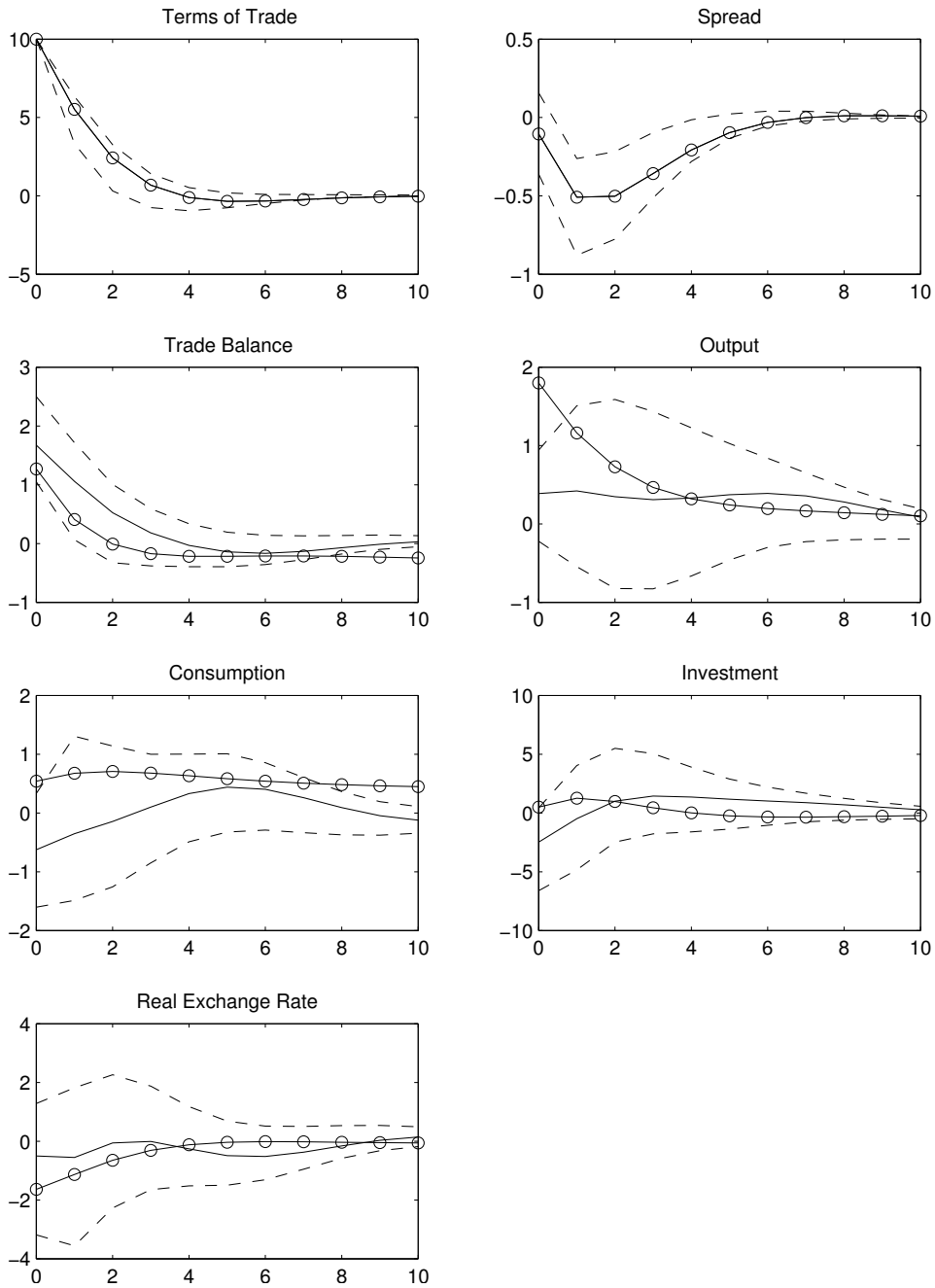
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Congo, Dem. Rep.



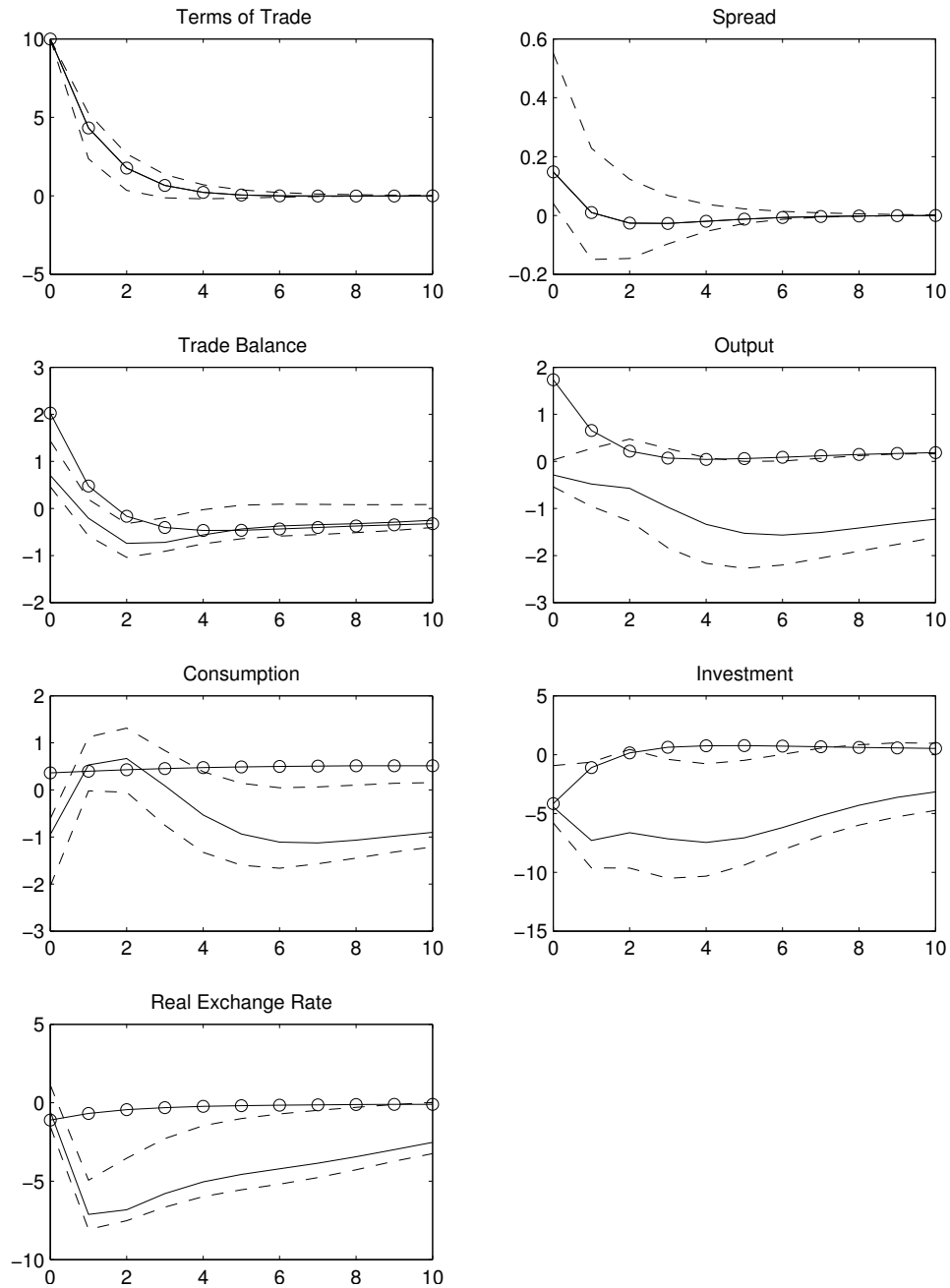
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Costa Rica



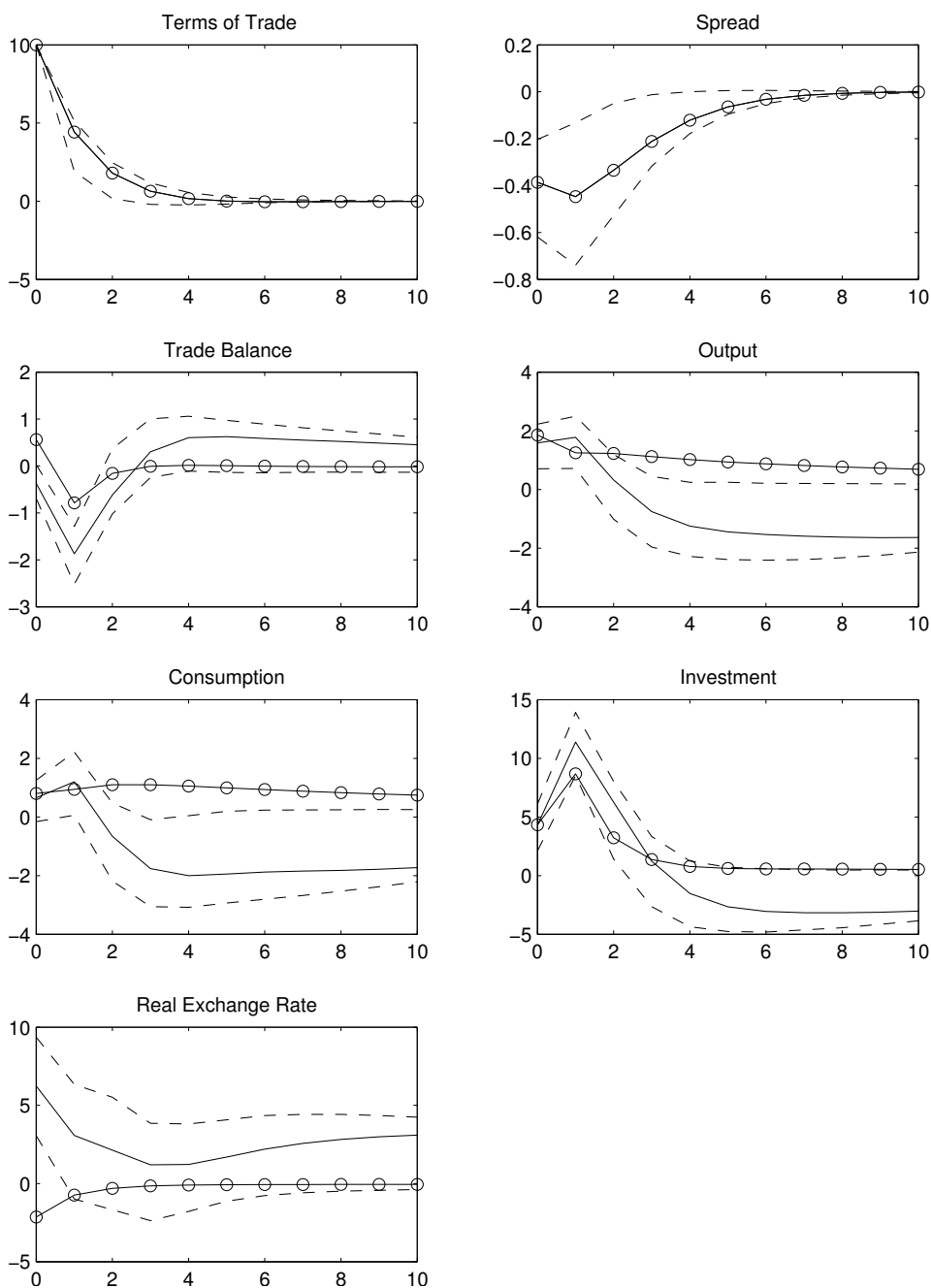
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Cote d'Ivoire



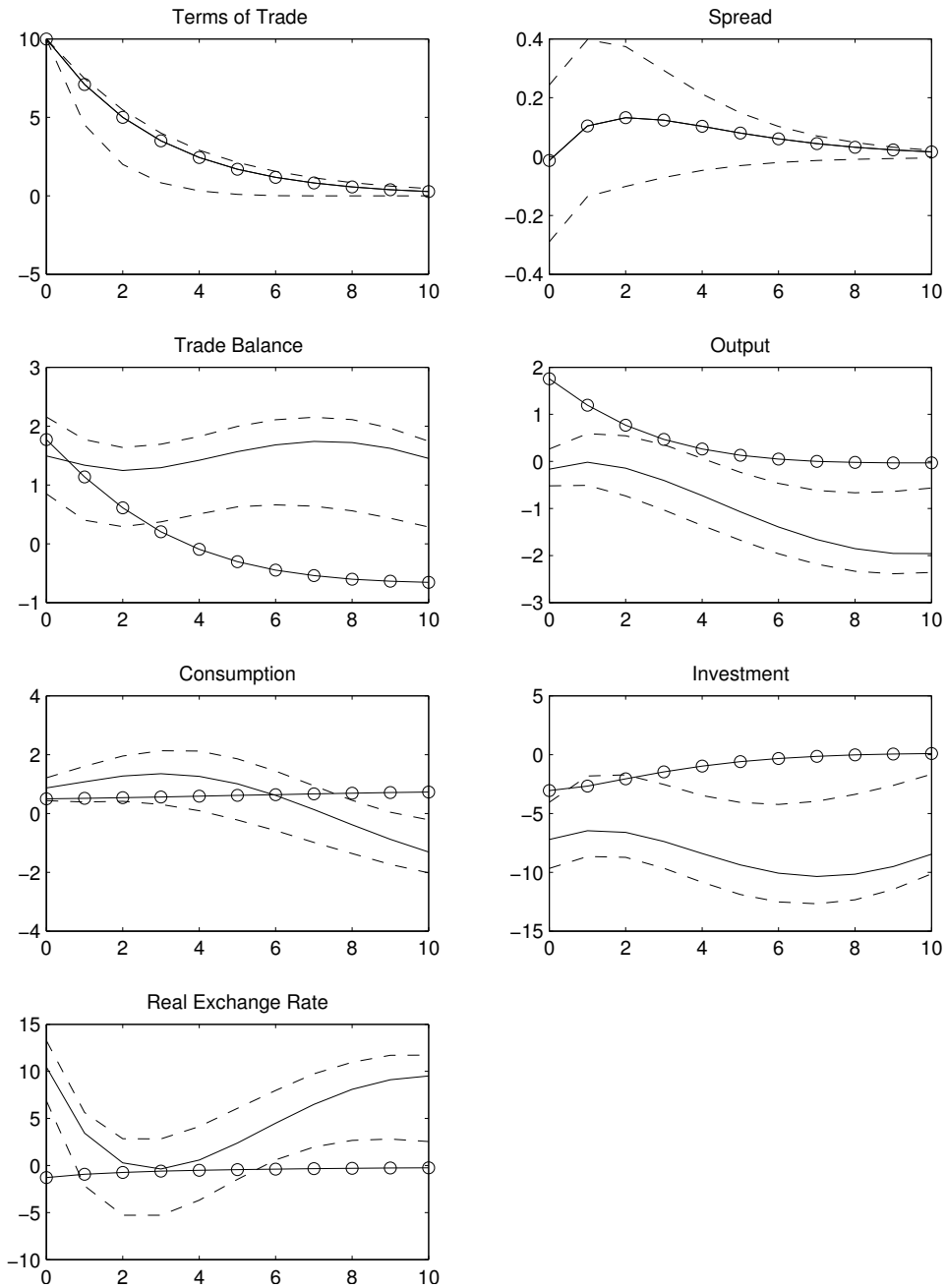
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Dominican Republic



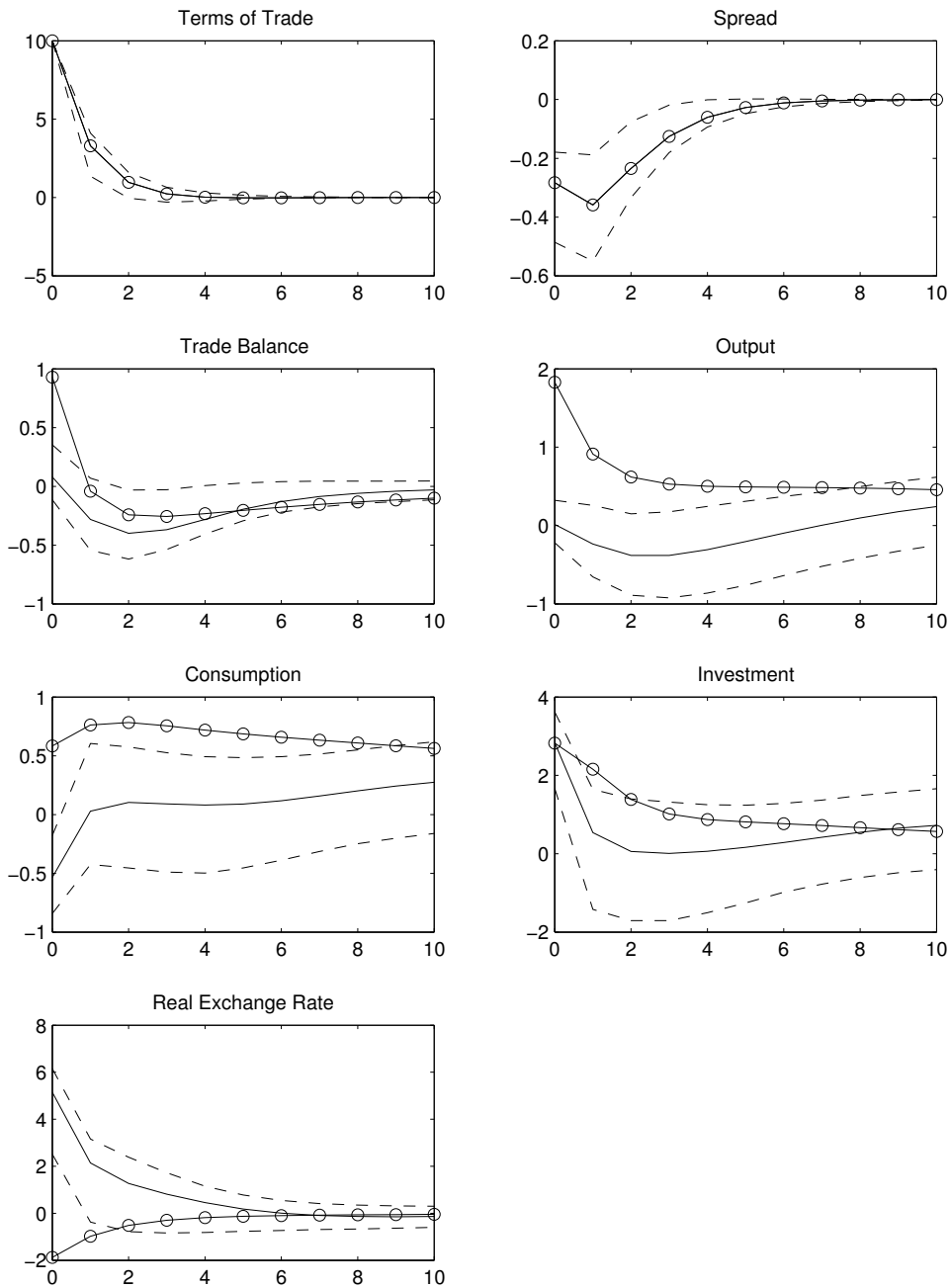
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Egypt, Arab Rep.



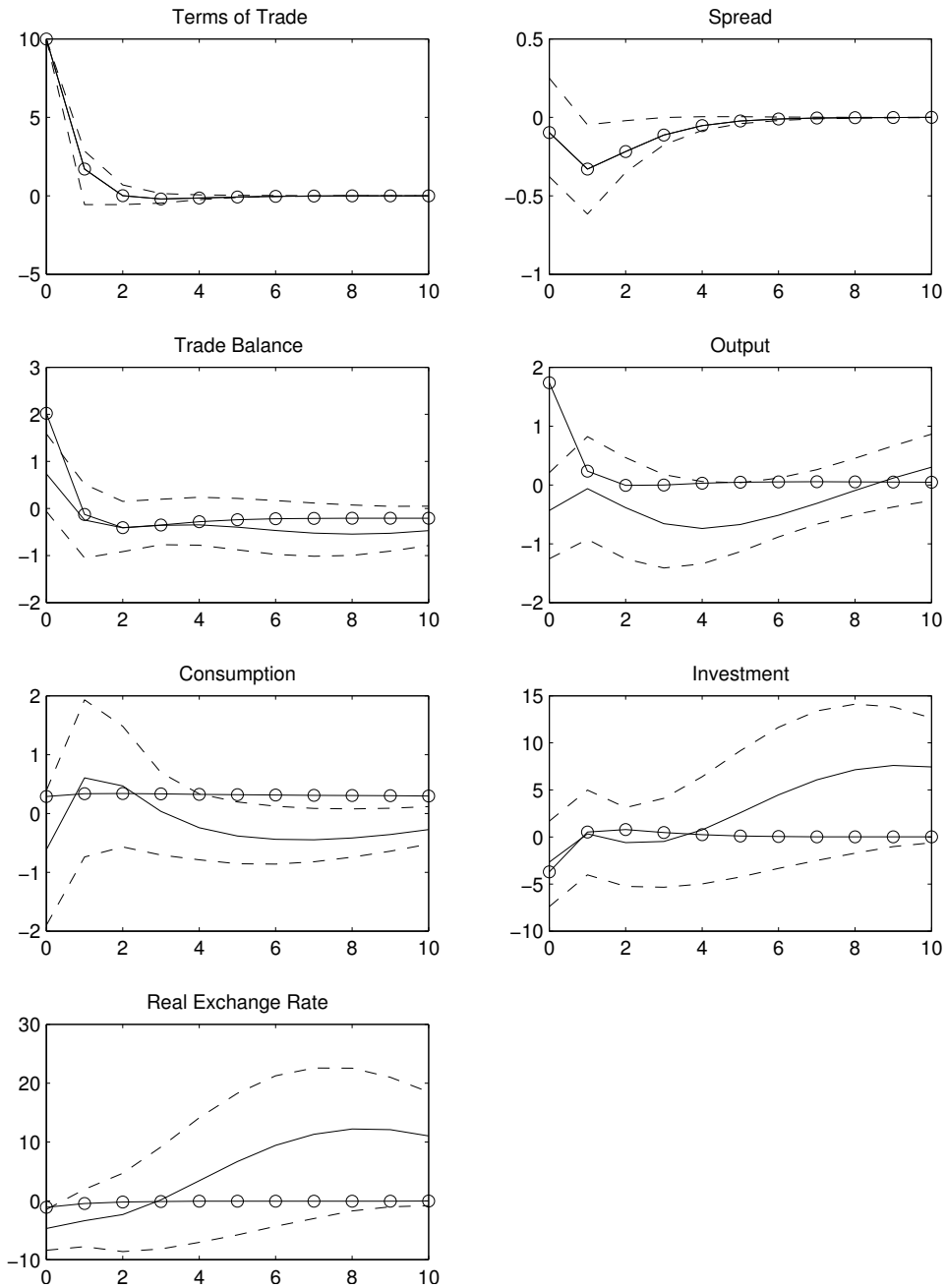
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: El Salvador



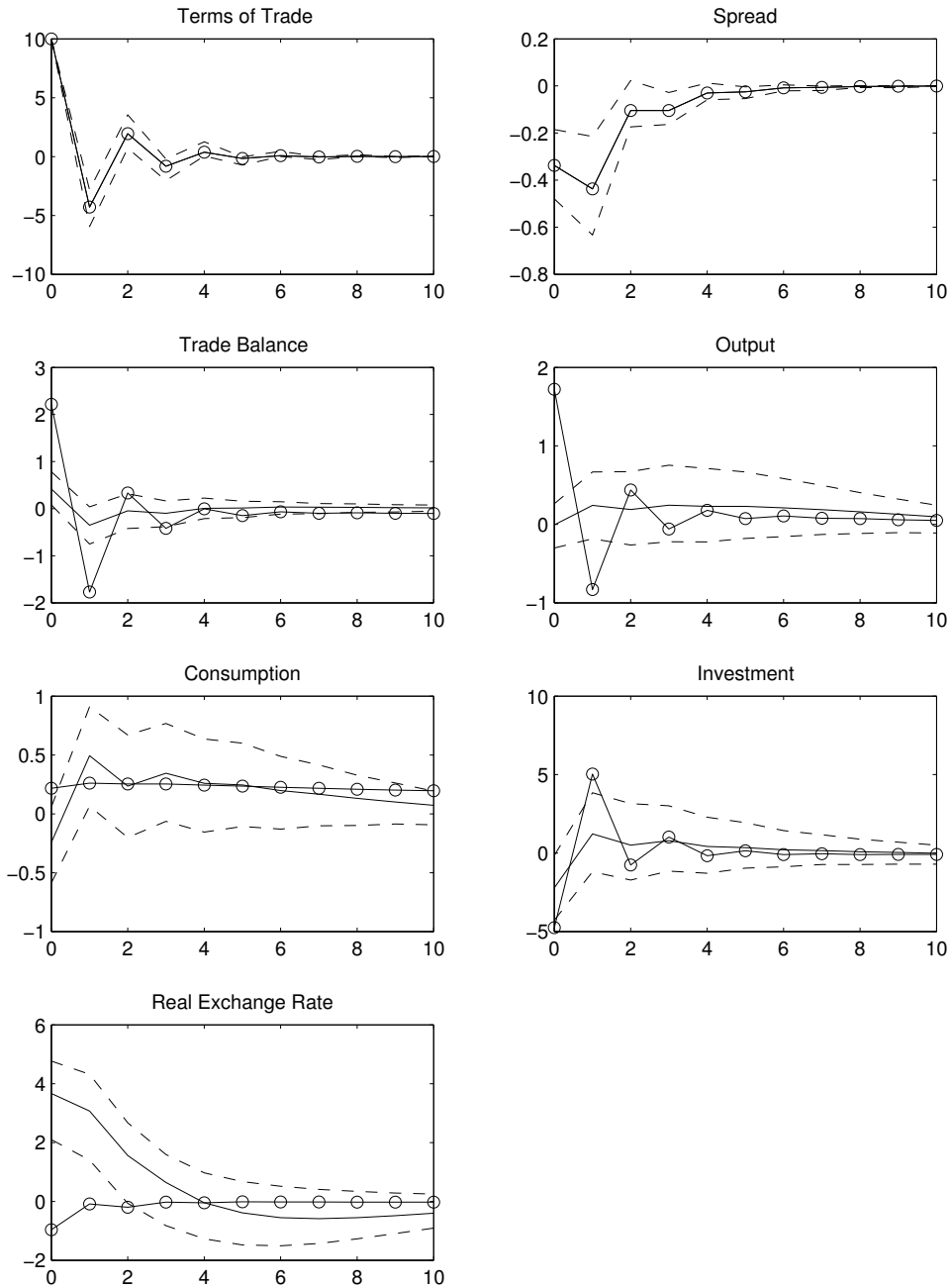
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Ghana



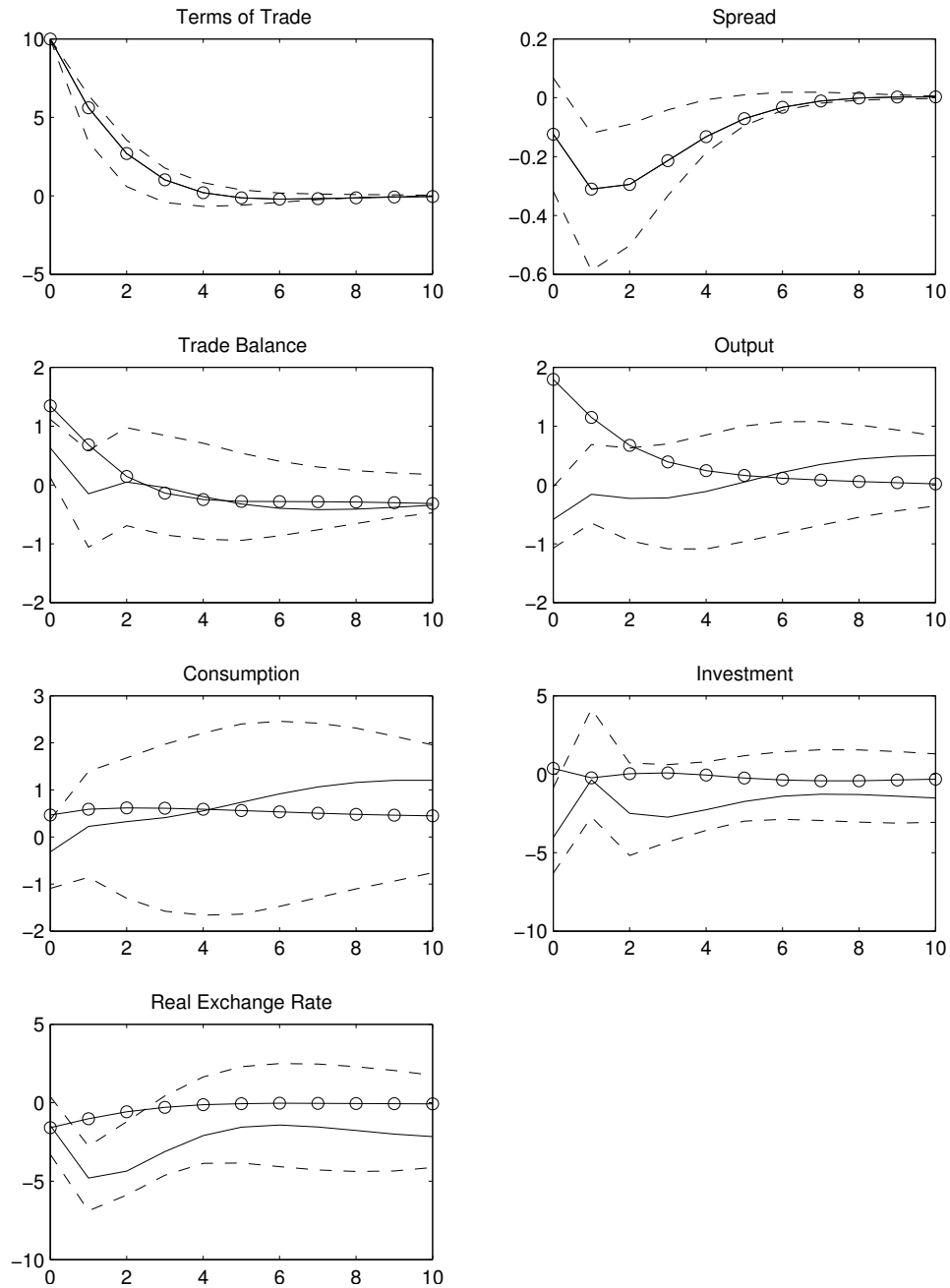
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Guatemala



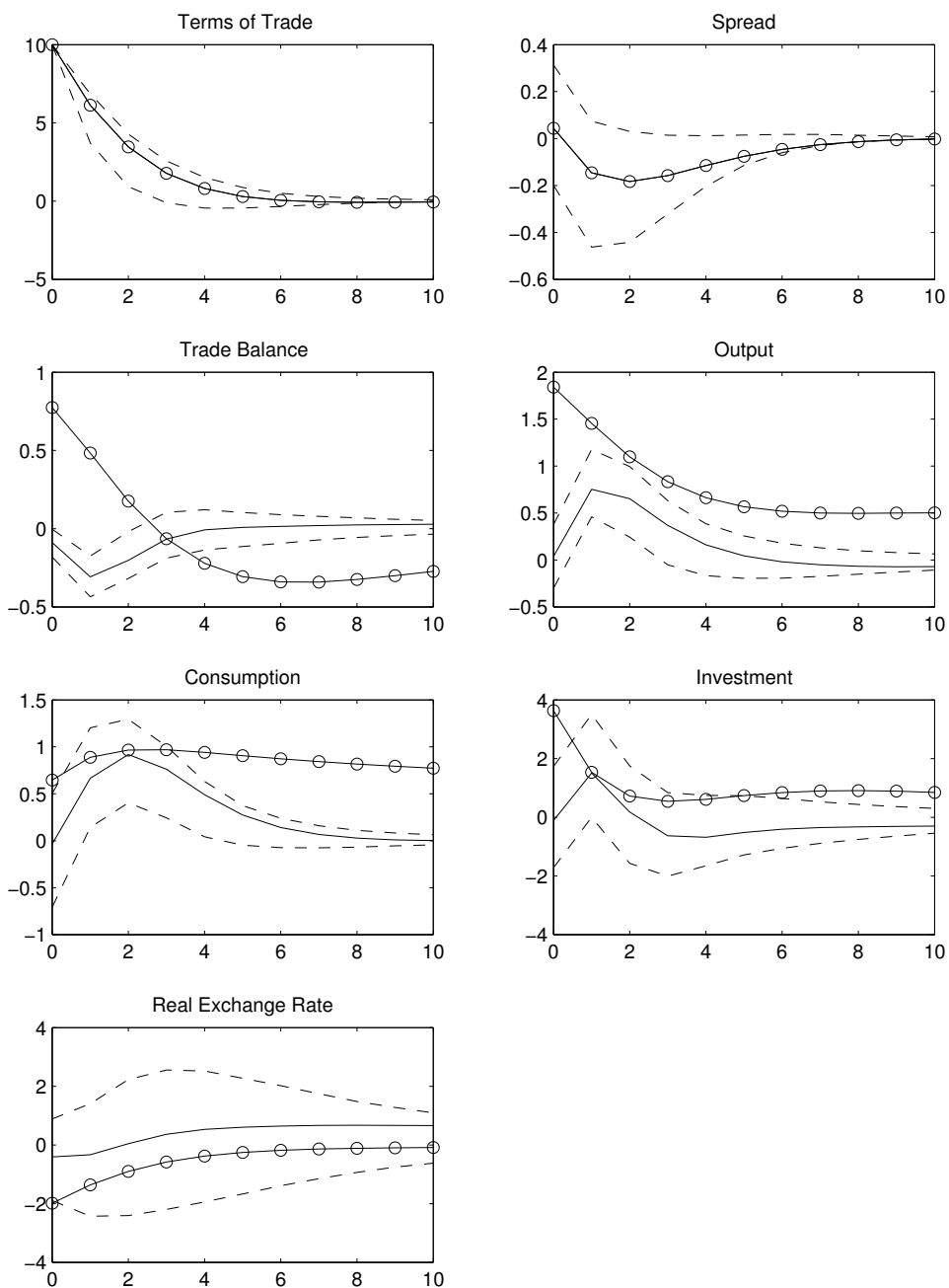
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Honduras



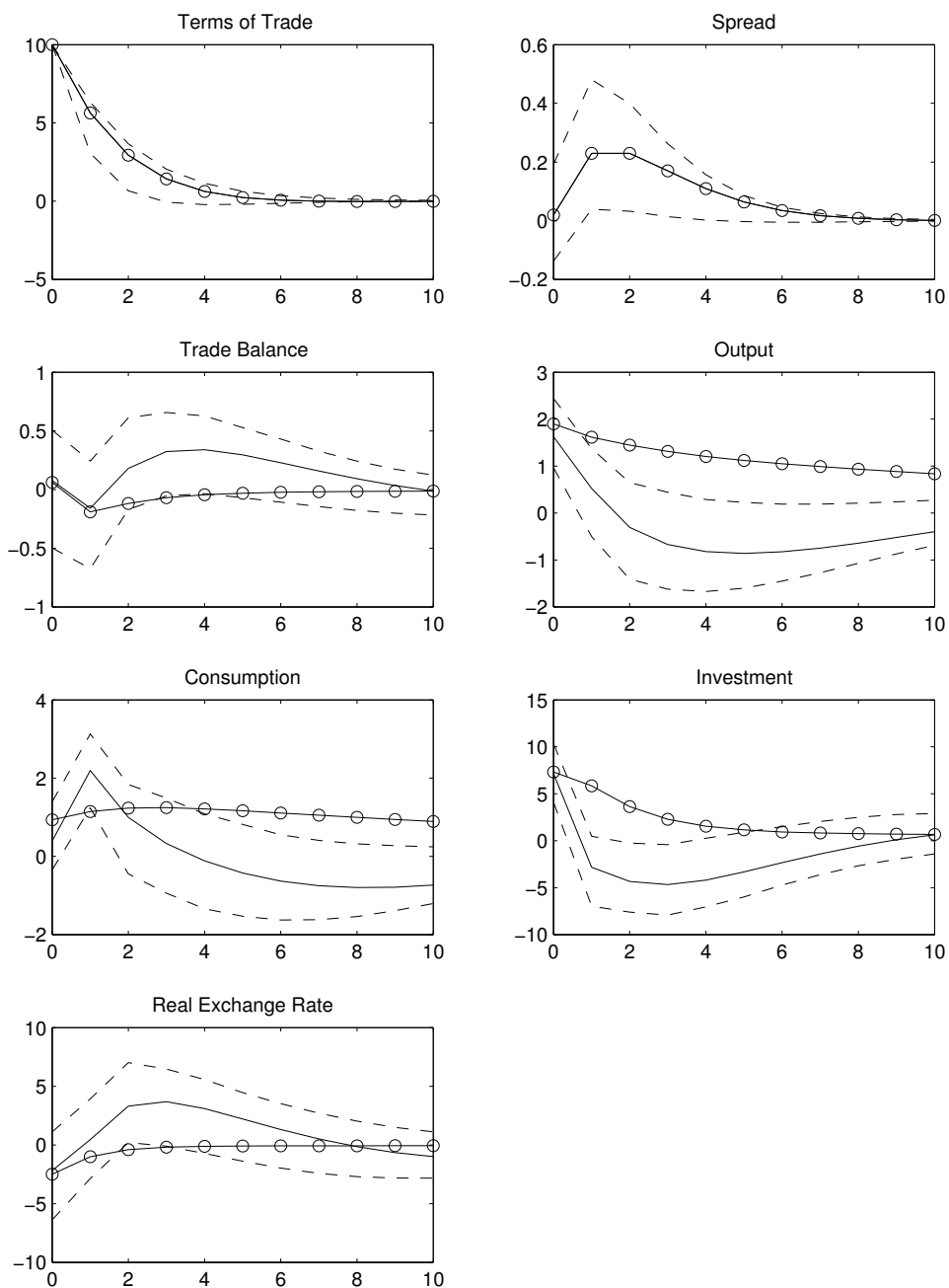
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: India



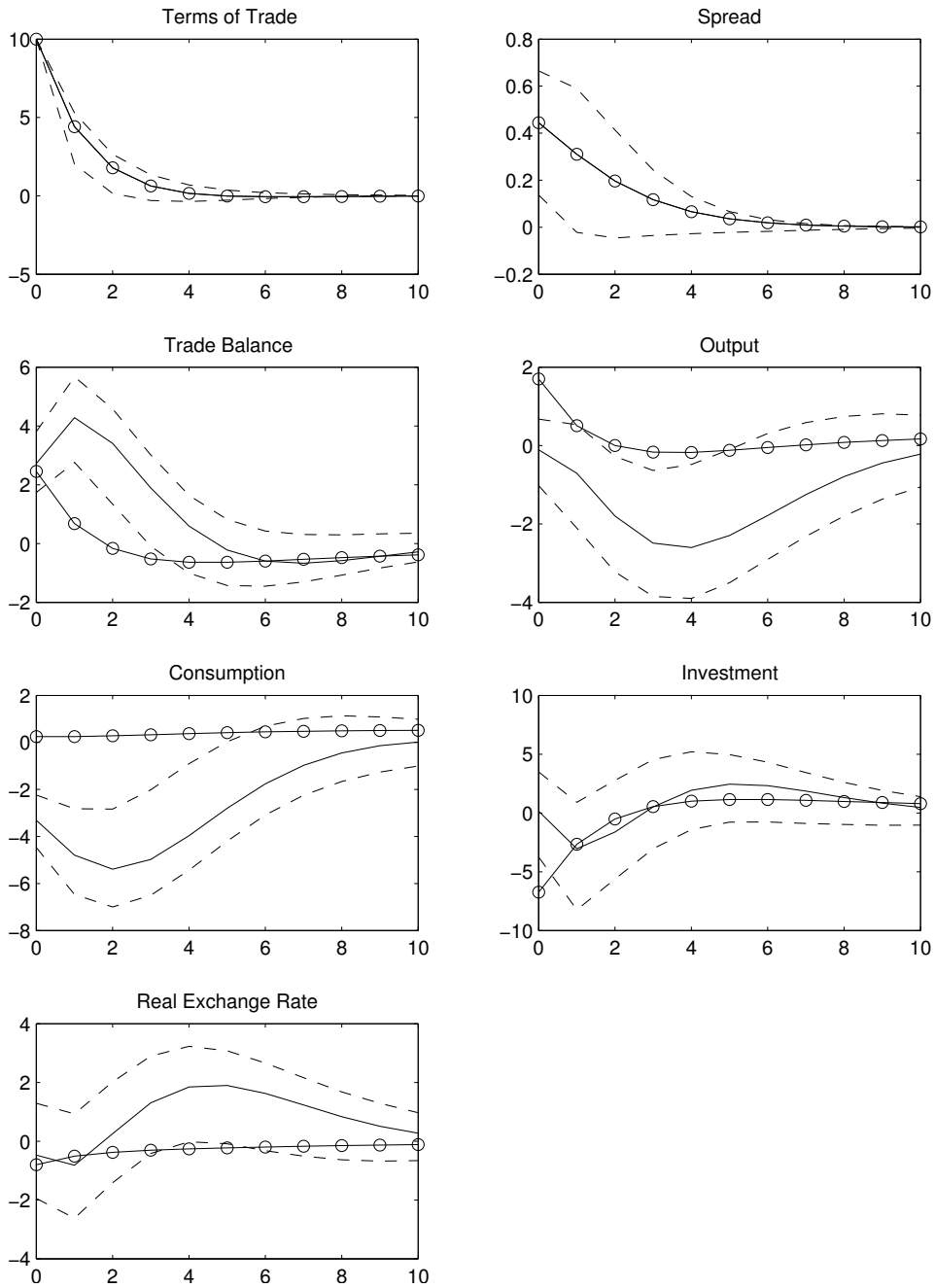
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Indonesia



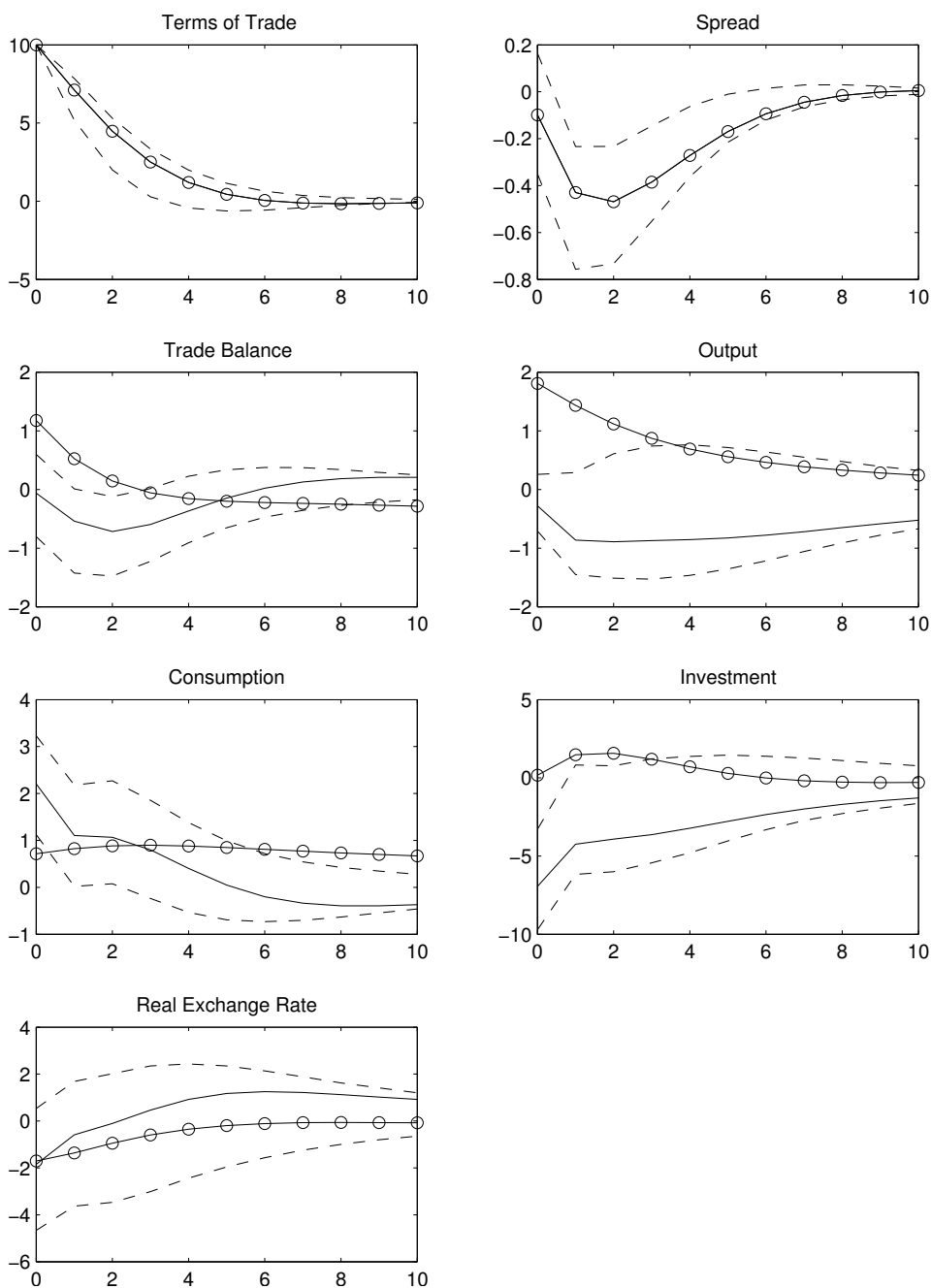
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Jordan



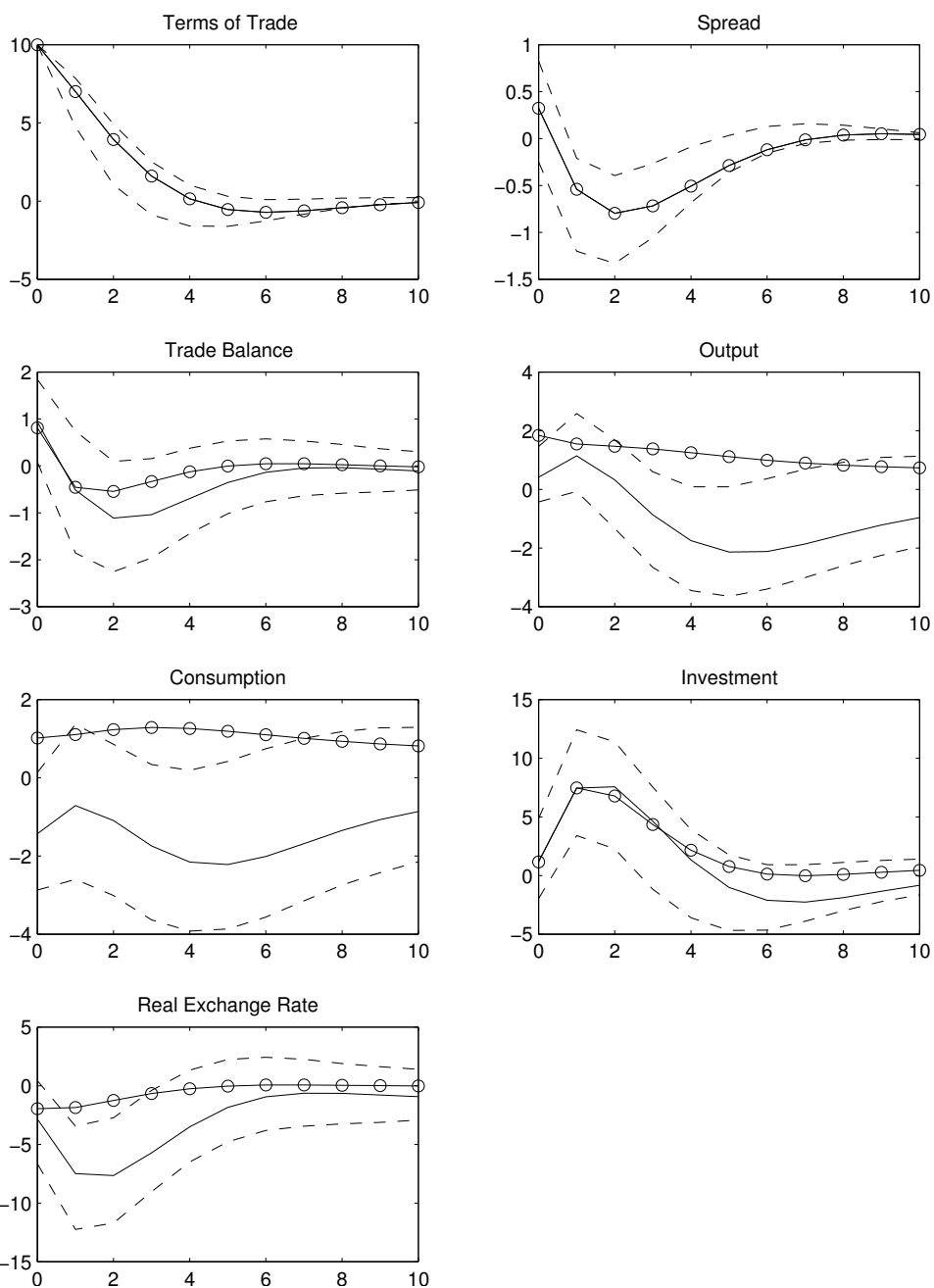
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Kenya



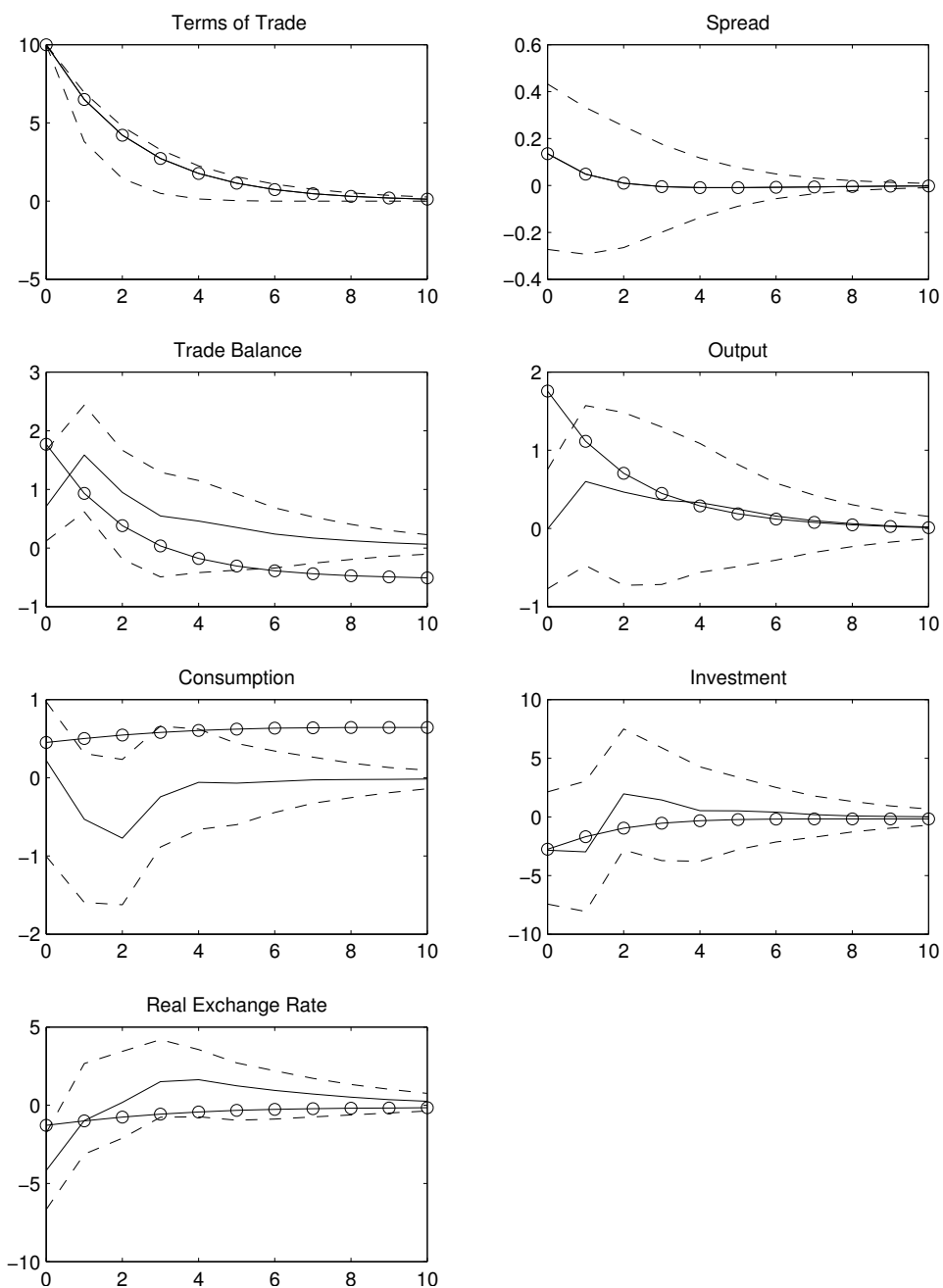
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Korea, Rep.



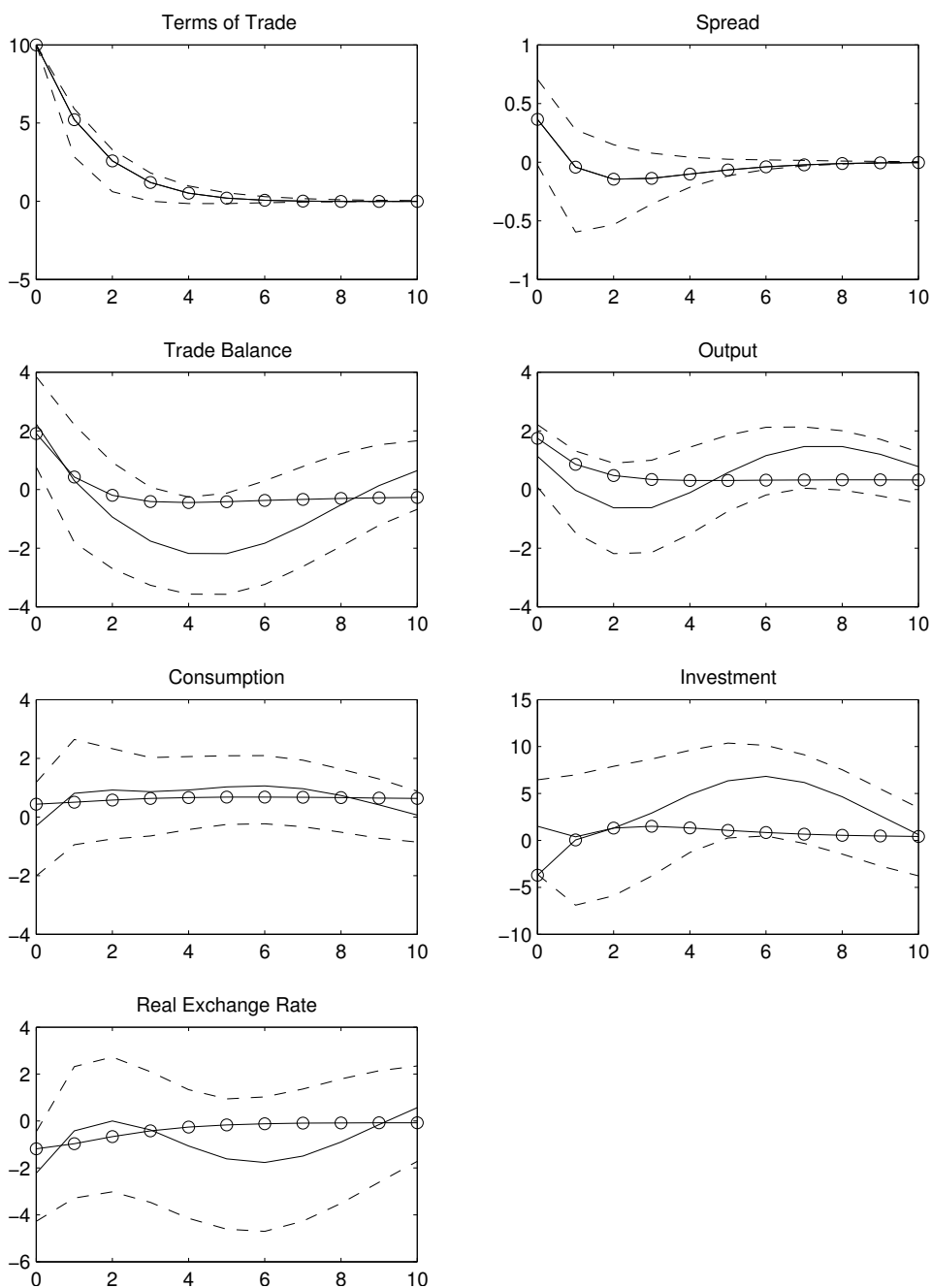
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Madagascar



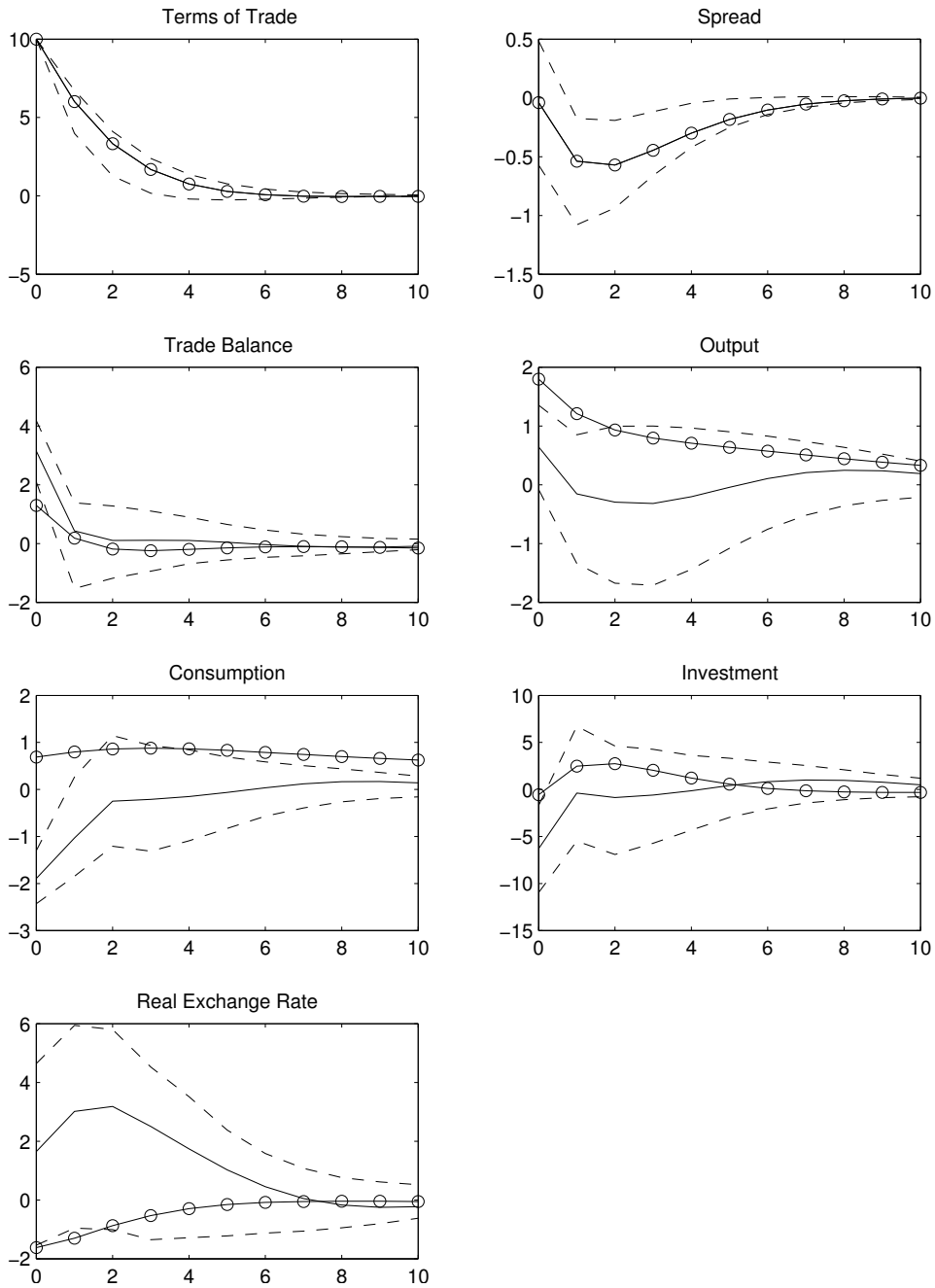
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Malaysia



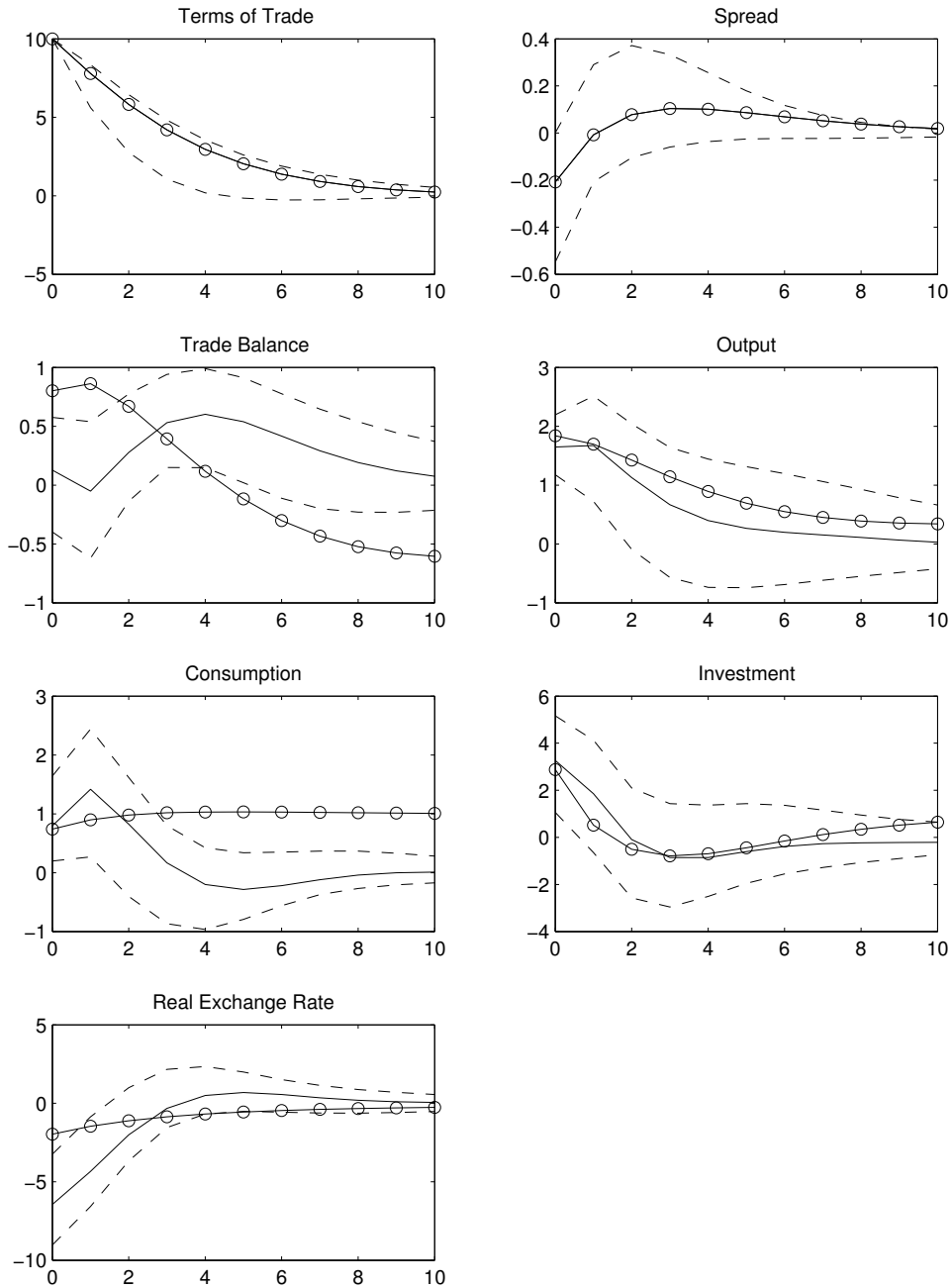
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Impulse Response to a ToT Shock: Mauritius



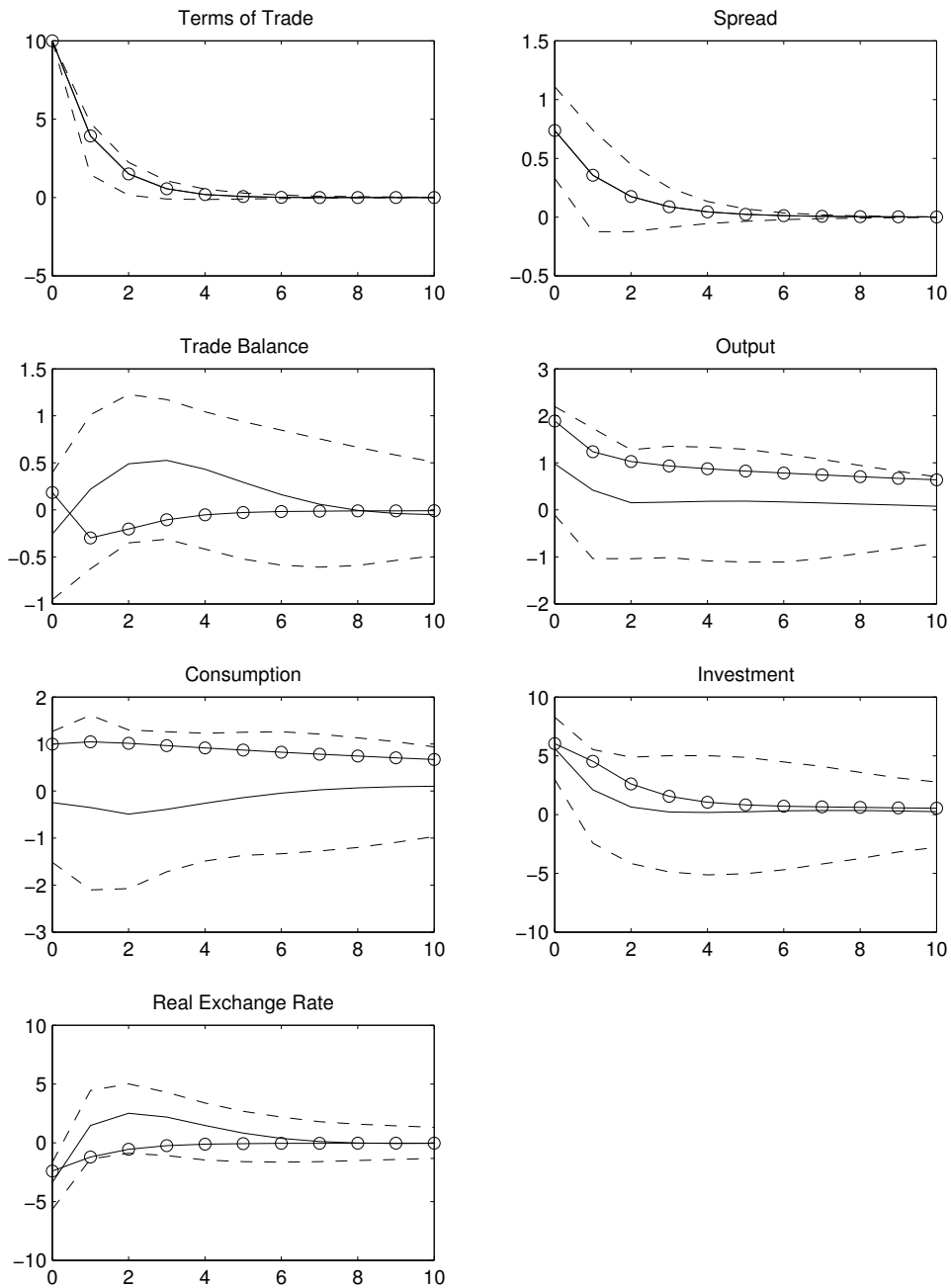
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Mexico



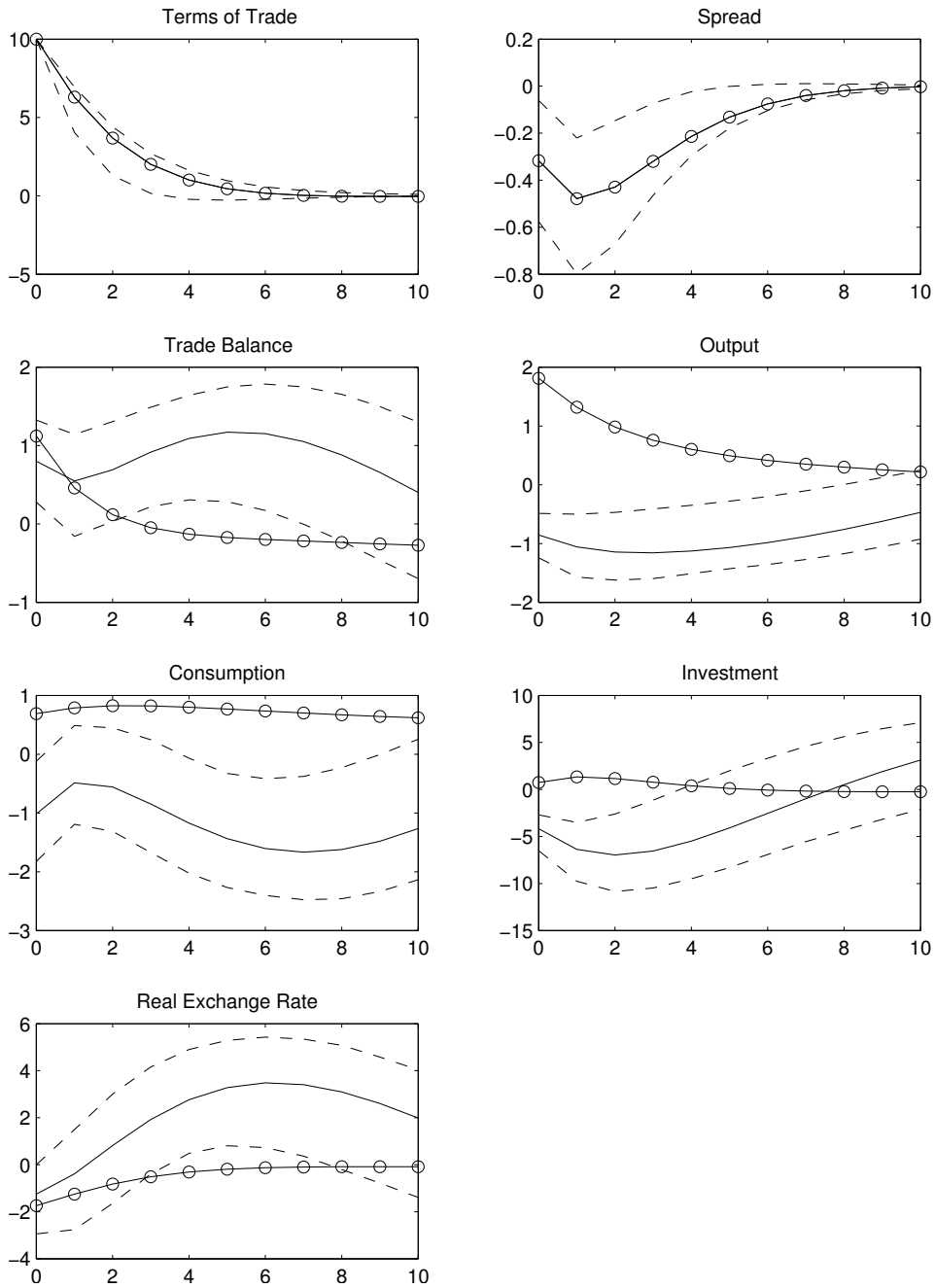
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Morocco



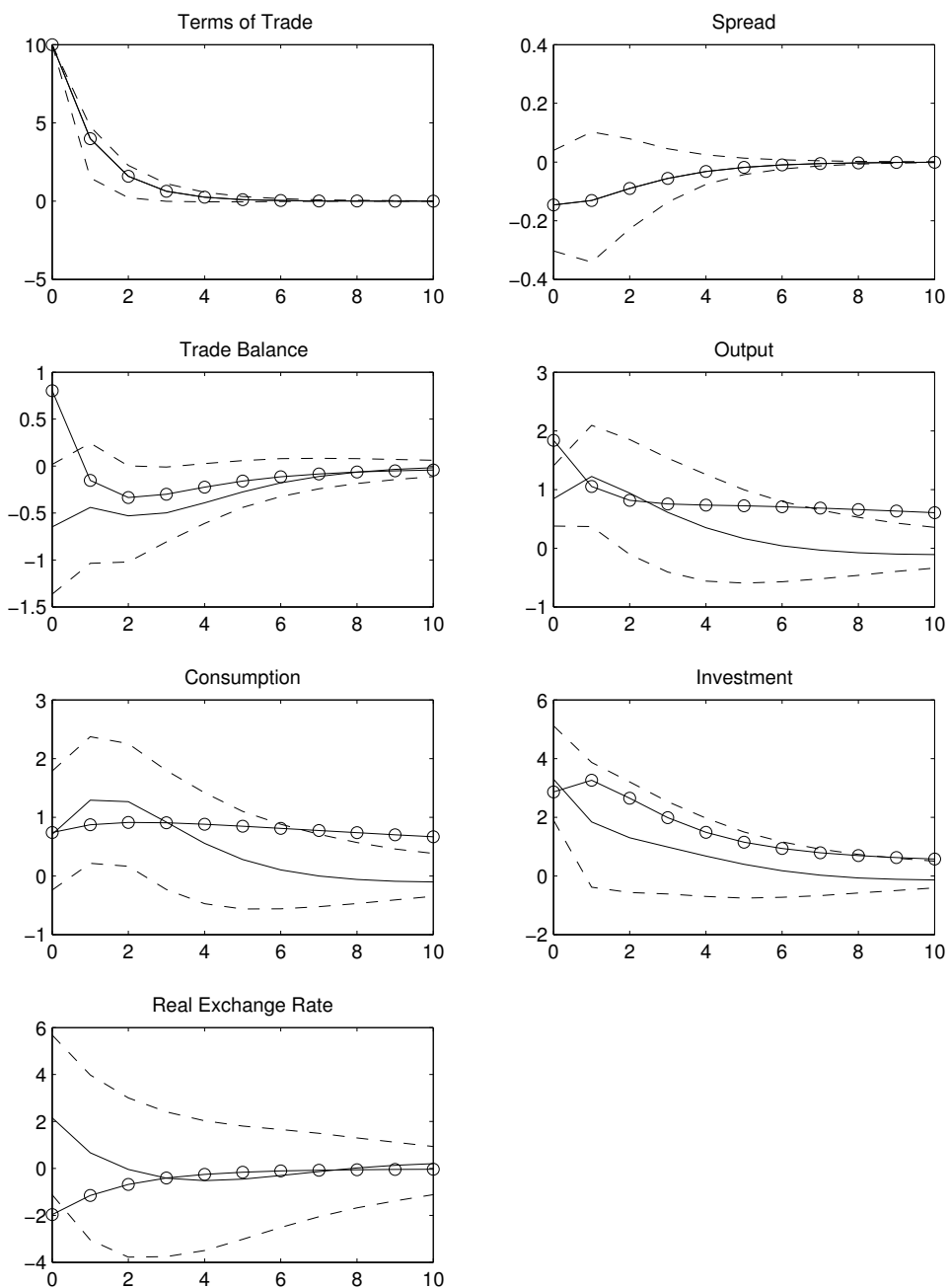
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Pakistan



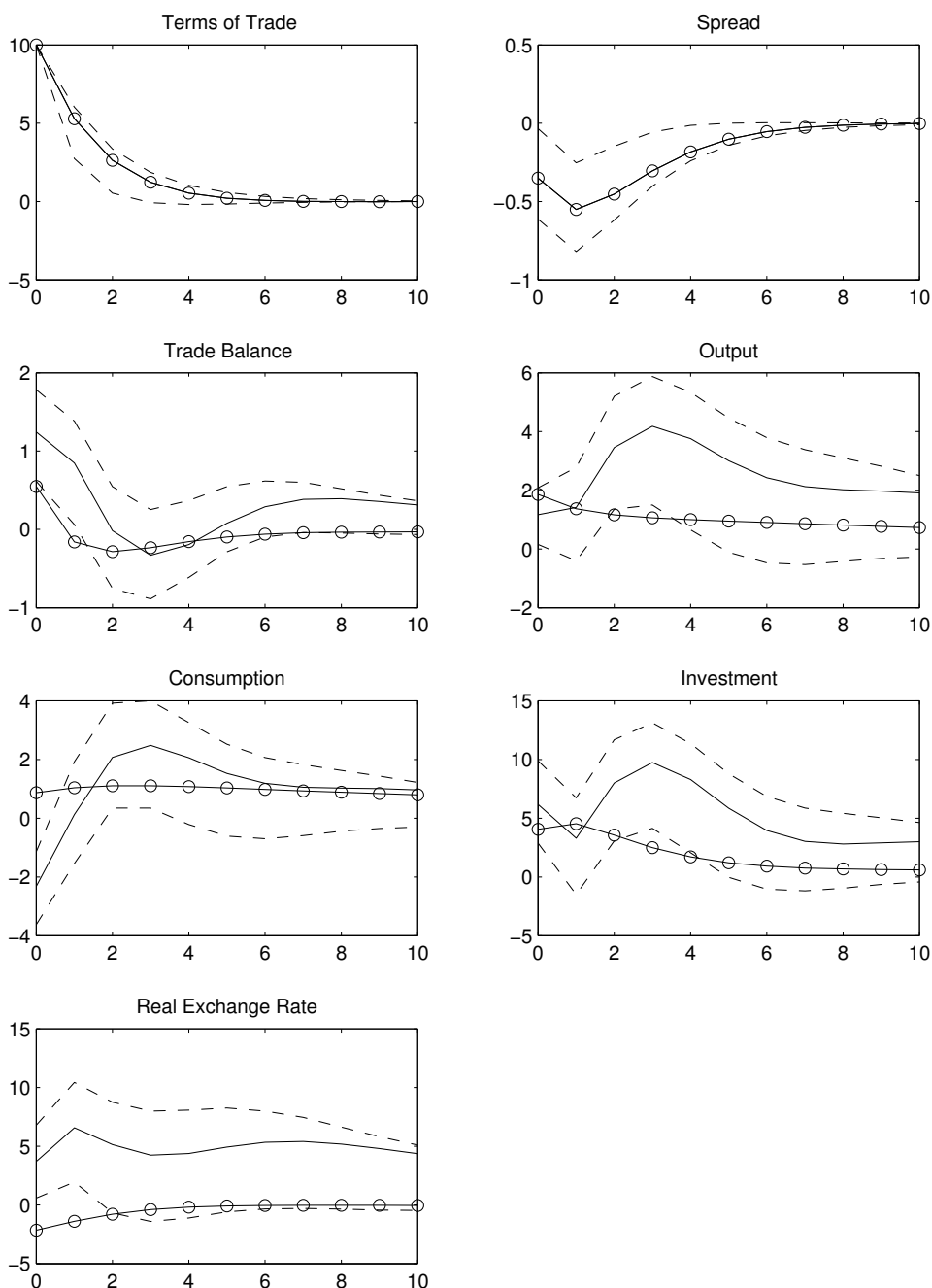
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Paraguay



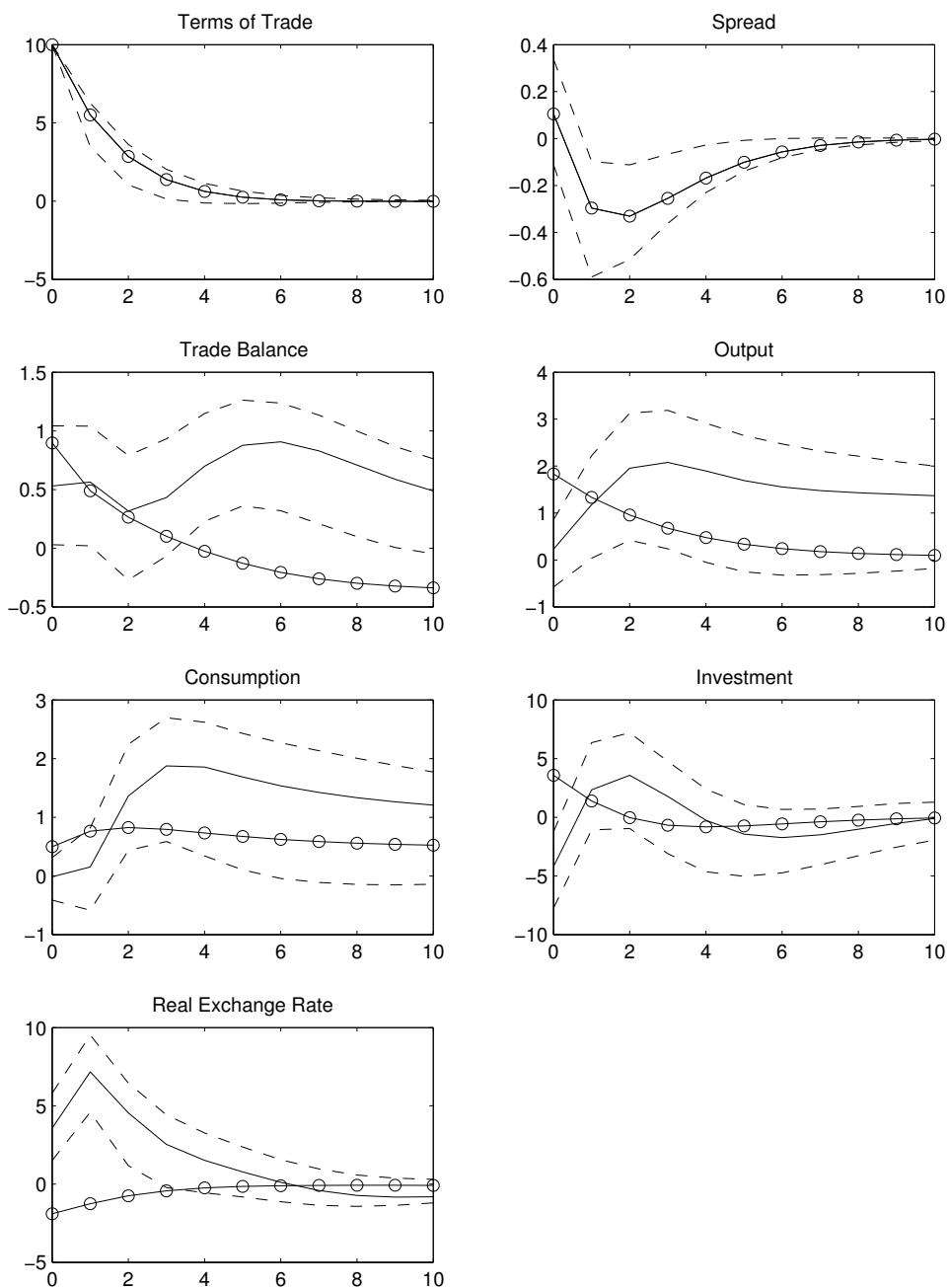
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Peru



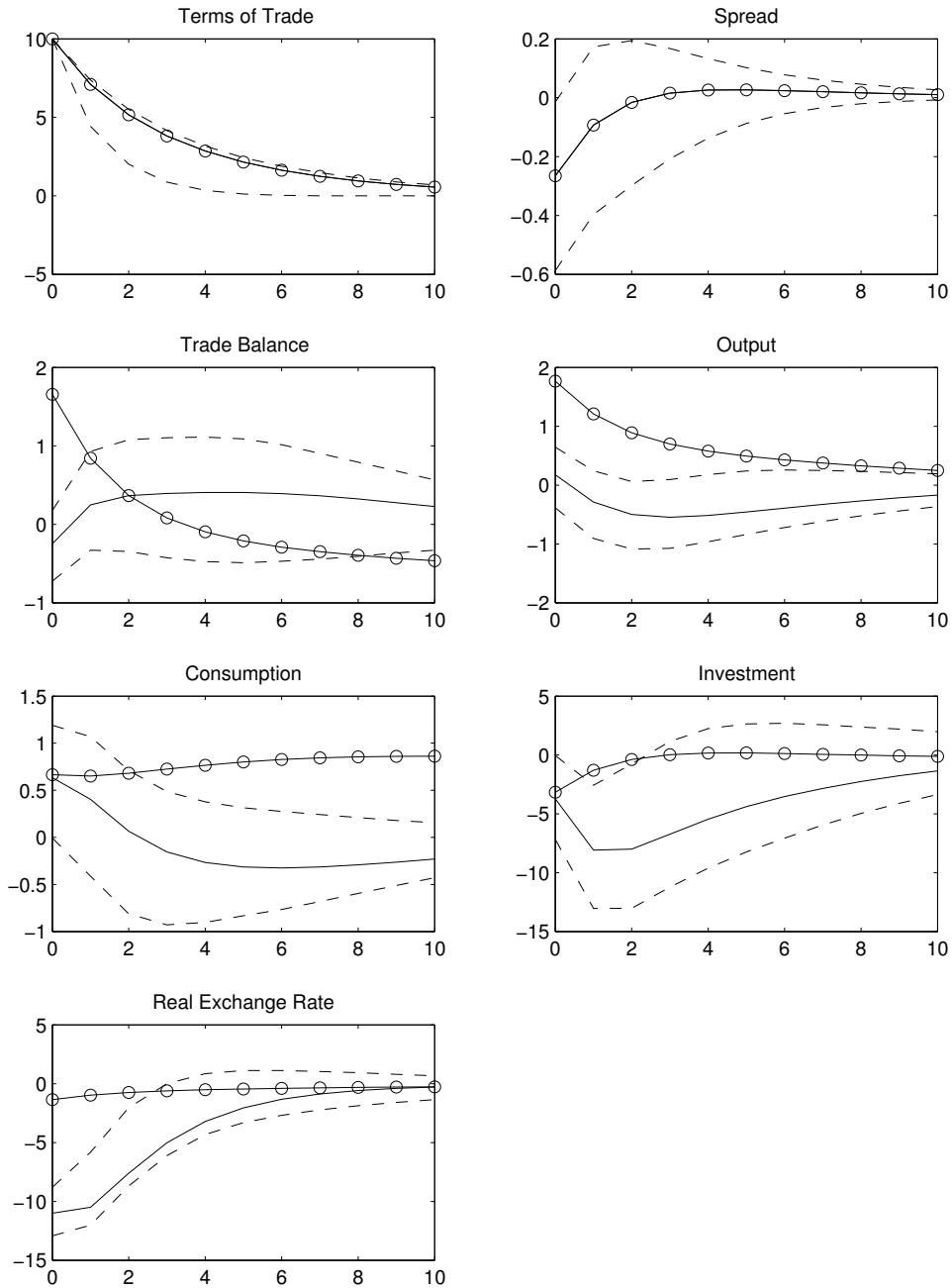
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Philippines



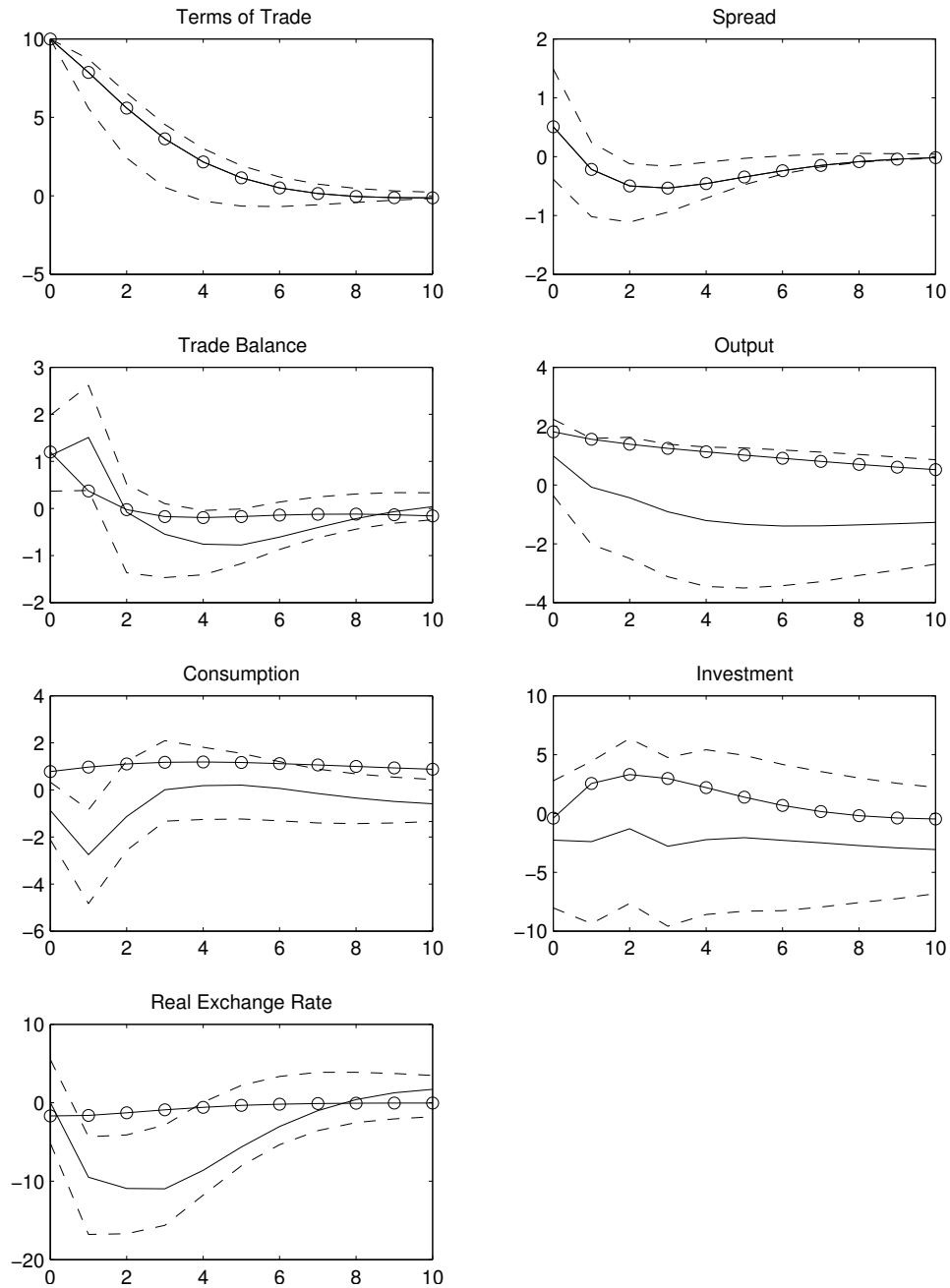
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Impulse Response to a ToT Shock: Senegal



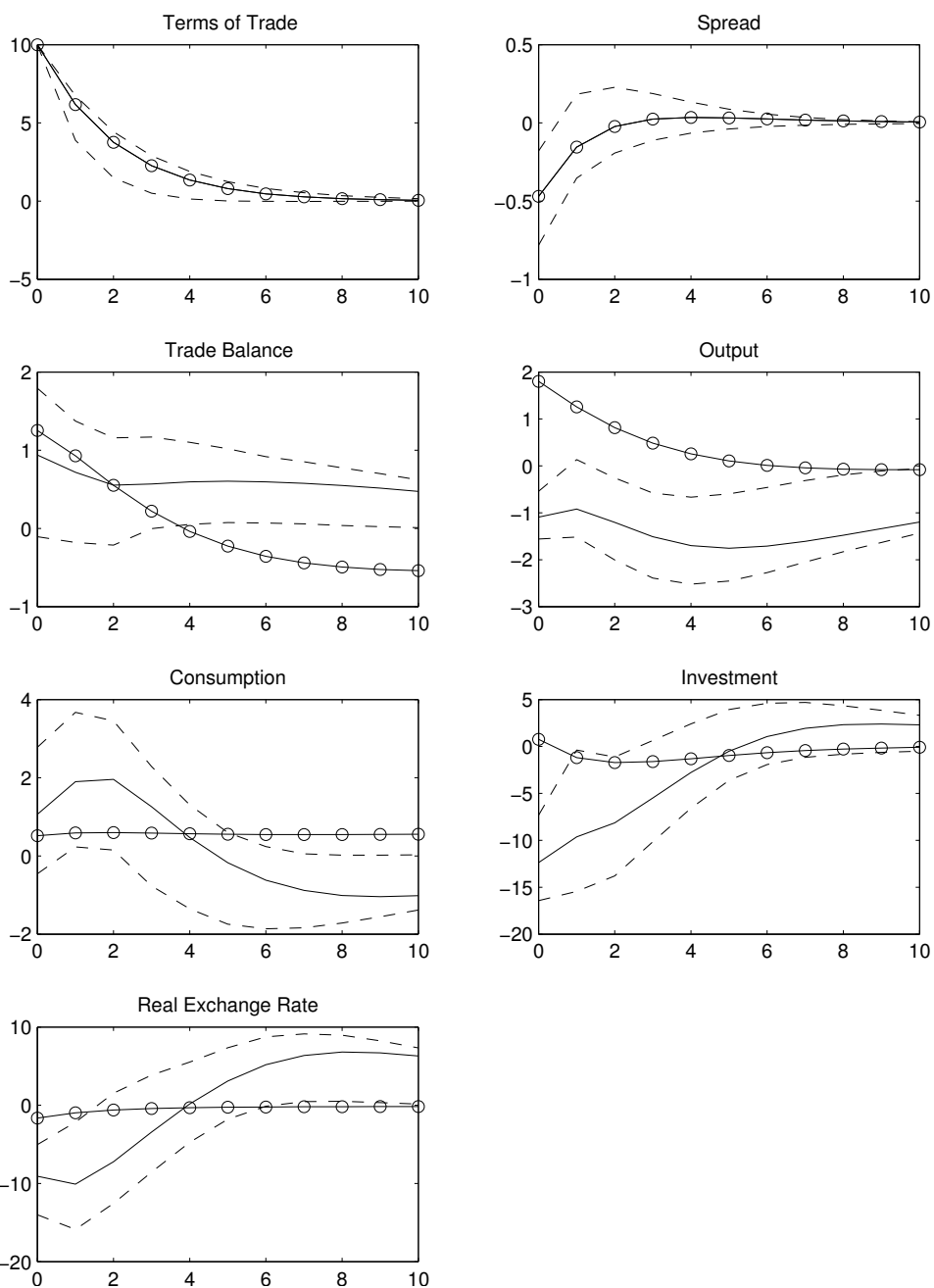
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: South Africa



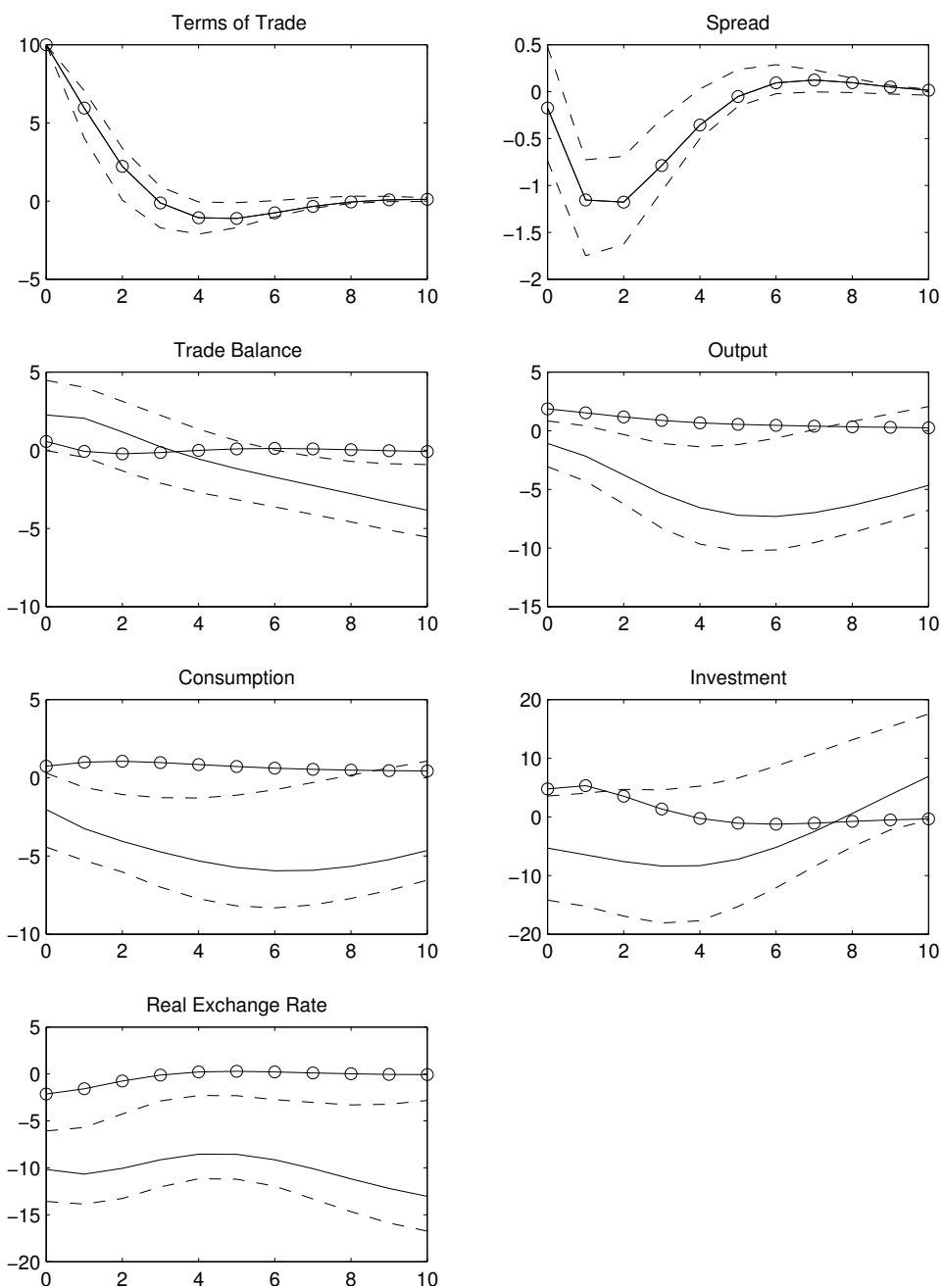
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Sudan



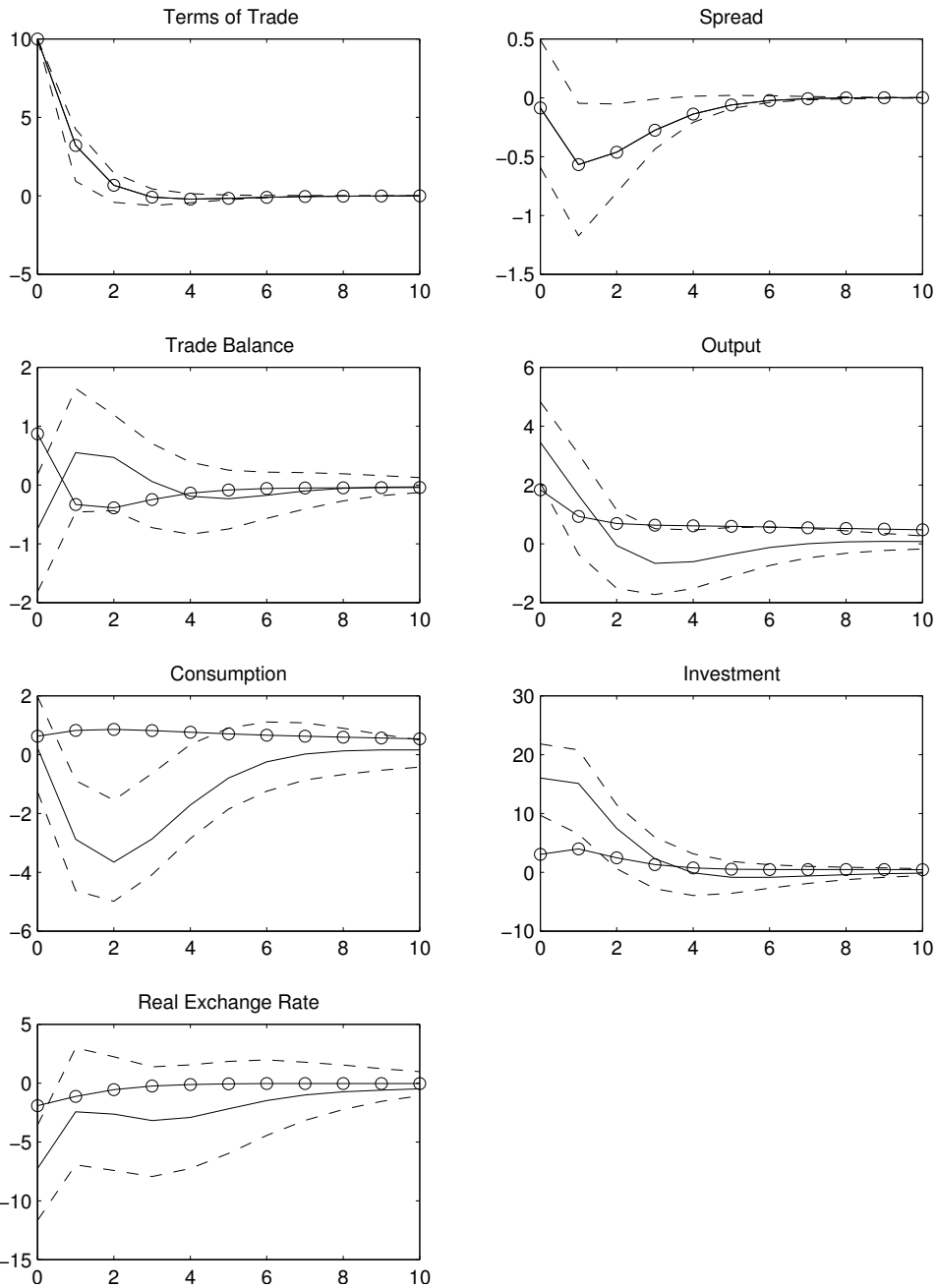
The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Thailand



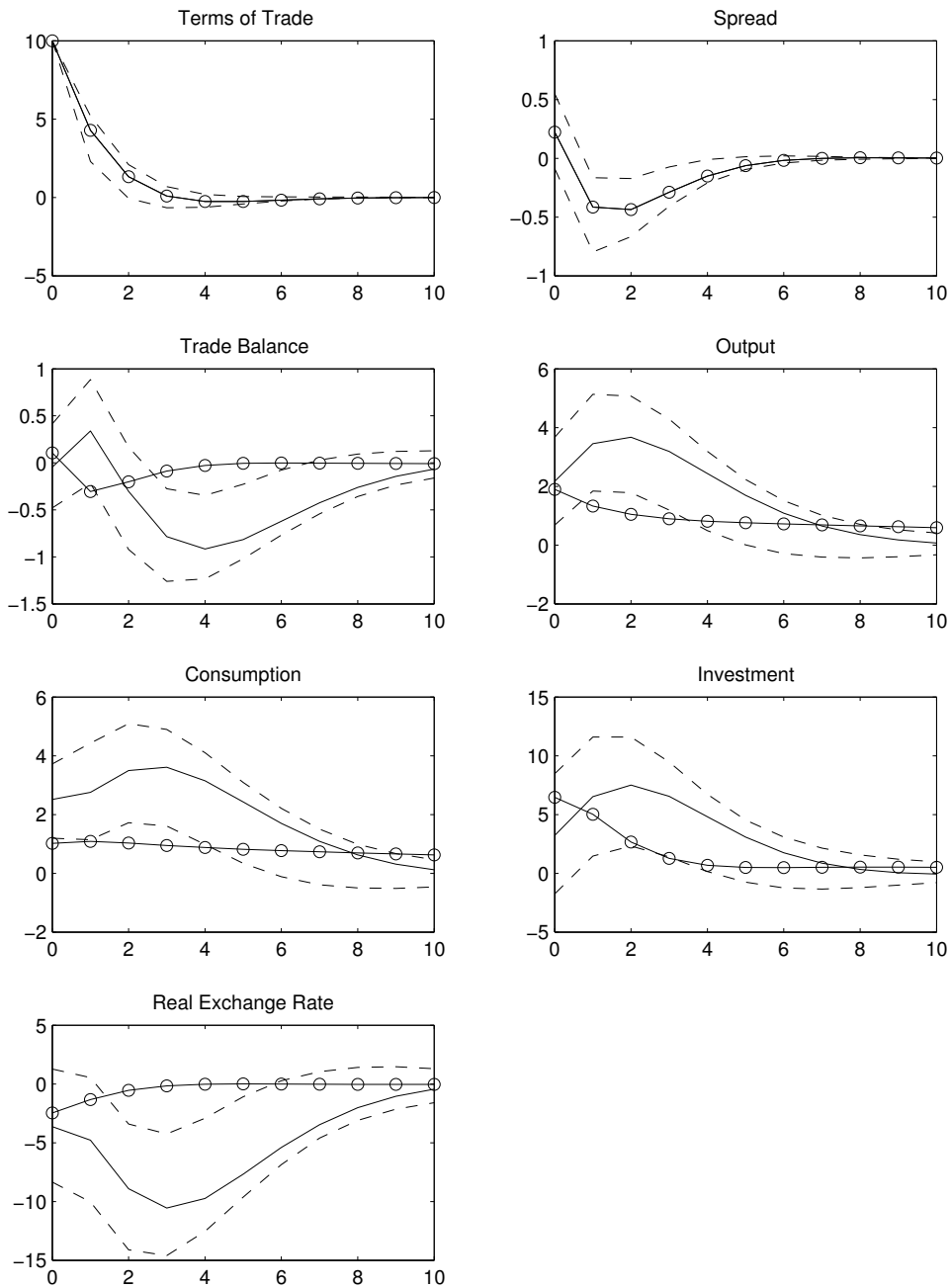
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Impulse Response to a ToT Shock: Turkey



The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.

Impulse Response to a ToT Shock: Uruguay



The x -axis measures years after the terms-of-trade shock. Solid lines are point estimates. Dashed lines mark a 66-percent confidence band estimated using bootstrapping methods. Circled-lines denote predictions of the MXN model.