Table OA5. Predicting Exchange Rates: Foreign Currency Cross-Border Lending
All Currencies

	Exchange Rate Percent Change (1-QUARTER)				
	(1)	(2)	(3)	(4)	(5)
lag chg log cross-brdr foreign curr lend, foreign dlrs	-0.0152**	-0.0202**		-0.0213**	-0.0228**
	(-4.20)	(-4.02)		(-3.90)	(-4.99)
lag chg log cross-brdr foreign curr lend, domestic dlrs	0.0052	0.0092*		0.0084*	0.0099*
	(1.27)	(2.61)		(2.37)	(3.07)
lag chg log Fed QE purchases	0.0013	0.0004	-0.0001	0.0002	-0.0005
	(0.96)	(0.24)	(-0.04)	(0.12)	(-0.24)
lag Fed Funds rate	0.0014	-0.0003	0.0005	-0.0005	-0.0008
	(0.49)	(-0.11)	(0.17)	(-0.18)	(-0.24)
lag short rate differential	0.0040	0.0056	0.0065	0.0062	0.0062
	(1.15)	(1.31)	(1.30)	(1.34)	(1.22)
lag chg Fed Funds rate	-0.0390	-0.0395	-0.0478	-0.0396	-0.0369
	(-1.56)	(-1.64)	(-2.09)	(-1.65)	(-1.50)
lag chg short rate differential	0.0413	0.0419	0.0441*	0.0363	0.0339
	(2.13)	(1.91)	(2.48)	(1.86)	(1.51)
lag chg in VIX	0.0000	0.0000	0.0001	0.0001	0.0001
	(0.15)	(0.13)	(0.23)	(0.32)	(0.50)
lag VIX	0.0000	0.0001	-0.0000	0.0000	0.0000
	(0.15)	(0.41)	(-0.02)	(0.09)	(0.05)
lag 1-year chg stock return differential	-0.0021	-0.0003	-0.0008	-0.0015	-0.0031
	(-0.45)	(-0.09)	(-0.20)	(-0.35)	(-0.44)
lag chg exch rate	0.0962	0.1155	0.1077	0.1108	0.0944
	(1.10)	(1.27)	(1.17)	(1.18)	(0.99)
lag chg log cross-brdr dollar lending, foreign dlrs		0.1076**	0.0694	0.0920*	0.1117
		(3.49)	(2.03)	(2.74)	(2.01)
lag chg log cross-brdr dollar lending, domestic dlrs		-0.0483	-0.0368	-0.0424	-0.0233
		(-1.12)	(-0.79)	(-0.90)	(-0.36)
lag chg log s.t. borrowing, foreign			0.0653	0.0735	0.0729
			(1.07)	(1.32)	(1.29)
lag chg log s.t. borrowing, domestic			-0.0164	-0.0172	-0.0309
			(-0.34)	(-0.39)	(-0.67)
lag chg log cross-brdr foreign curr lend, foreign banks					0.0133
					(0.62)
lag chg log cross-brdr foreign curr lend, domestic banks					-0.0072
					(-1.66)
lag chg log cross-brdr dollar lending, foreign banks					0.0226
					(0.30)
lag chg log cross-brdr dollar lending, domestic banks					-0.0415
					(-0.66)
r2	0.086	0.137	0.103	0.152	0.173
N	220	208	208	208	204

t statistics in parentheses

Note: The dependent variable is the one-month percent change in the dollar/foreign currency exchange rate, with a panel of 5 major currency pairs. Cross-border dollar lending is from the Treasury International Capital (TIC) BC form. Cross-border foreign currency lending is from the TIC BQ2 form. Short-term borrowing is the aggregate overnight and continuing repurchase agreements and securities lending agreements of the specified subset of primary dealers in the United States. Foreign indicates dealers or banks headquartered outside the United States whereas domestic is U.S.-headquartered dealers or banks.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$