Table 1. Drivers of the Emerging Market 5-Year Nominal Yield and Its Components

	Nominal	E. Short Rate	Term Premium	Credit Rirsk
U.S. Term Premium	1.27***	0.96***	0.85***	-0.54***
	(0.17)	(0.09)	(0.11)	(0.14)
U.S. E. Short Rate	0.04	0.12***	0.02	-0.10**
	(0.06)	(0.04)	(0.04)	(0.04)
Policy Rate	0.41***	0.39***	0.06***	-0.05
	(0.03)	(0.02)	(0.02)	(0.02)
Inflation	12.34***	1.29	6.41***	4.64*
	(2.33)	(1.92)	(1.50)	(1.87)
Unemployment	18.56***	0.50	6.40***	11.65***
	(3.11)	(2.08)	(1.50)	(2.19)
LC per USD (Std.)	33.70***	28.68***	16.30***	-11.27**
	(5.28)	(3.74)	(3.13)	(3.73)
Log(Vix)	57.65***	-18.75	15.51*	60.90***
	(9.95)	(11.95)	(7.67)	(10.01)
Log(EPU U.S.)	8.97	-2.28	-1.37	12.63***
	(4.88)	(3.04)	(2.51)	(3.68)
Log(EPU Global)	-66.11***	-41.52***	-17.98	-6.61
	(16.52)	(7.66)	(9.91)	(10.40)
Global Ind. Prod.	2.32**	0.63	-0.11	1.81*
	(0.84)	(0.89)	(0.34)	(0.78)
Fixed Effects	Yes	Yes	Yes	Yes
Lags	4	4	4	4
No. Countries	15	15	15	15
Observations	2194	2194	2194	2194
R^2	0.74	0.74	0.42	0.28

Notes: Driscoll–Kraay standard errors in parenthesis. Lag length up to which the residuals may be auto-correlated is indicated. *, **, *** asterisks respectively indicate significance at the 10%, 5% and 1% level.