

Drivers of Emerging Market Nominal Yields and Their Components

	Nominal	E. Short Rate	Term Premium	Credit Risk
10Y				
U.S. Term Premium	0.97*** (0.14)	0.66*** (0.10)	0.73*** (0.05)	-0.37*** (0.10)
U.S. E. Short Rate	0.17 (0.09)	0.13* (0.06)	0.21*** (0.05)	-0.21*** (0.05)
Local Policy Rate	0.24*** (0.03)	0.50*** (0.03)	-0.20*** (0.02)	-0.03* (0.01)
Log(Vix)	49.95*** (12.63)	-28.79** (10.24)	37.61*** (8.12)	41.64*** (8.96)
R^2	0.68	0.72	0.48	0.24
2Y				
U.S. Term Premium	1.59*** (0.22)	1.57*** (0.22)	0.70*** (0.13)	-0.67*** (0.19)
U.S. E. Short Rate	-0.03 (0.04)	-0.05 (0.04)	0.08*** (0.02)	-0.08* (0.03)
Local Policy Rate	0.64*** (0.03)	0.72*** (0.04)	-0.03 (0.02)	-0.02 (0.02)
Log(Vix)	46.41*** (8.16)	-28.91* (12.45)	0.39 (7.85)	76.84*** (10.79)
R^2	0.80	0.74	0.22	0.34
No. Countries	15	15	15	15
Observations	2194	2194	2194	2194

Notes: Driscoll–Kraay standard errors in parenthesis. *, **, *** asterisks respectively indicate significance at the 10%, 5% and 1% level.