Table 7 OLS Regressions

##########################################################  
### All assets level on level plus changes in INTERNET ###  
##########################################################  
  
# Level of diversification index regressed on levels of RHS and diff of INTERNET  
lm\_world\_all\_level\_change\_INT

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.5092 -1.5686 0.3292 3.3507 4.5340   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 87.7525 5.9719 14.694 1.78e-09 \*\*\*  
TED -14.2461 4.8570 -2.933 0.011644 \*   
VIX 0.5547 0.2358 2.352 0.035079 \*   
SENT 0.2997 2.3670 0.127 0.901185   
FEDFUNDS 1.5143 0.8836 1.714 0.110300   
INTERNET\_diff -7.1842 1.6478 -4.360 0.000773 \*\*\*  
ERM -15.4421 5.5508 -2.782 0.015558 \*   
Euro -11.6641 4.7707 -2.445 0.029491 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 4.884 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8824, Adjusted R-squared: 0.819   
F-statistic: 13.93 on 7 and 13 DF, p-value: 4.052e-05

#####################################################################  
### Special 12 all assets level on level plus changes in INTERNET ###  
#####################################################################  
  
res\_sp\_12\_level\_change\_INT

$Australia  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-26.764 -3.655 1.486 6.043 11.764   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 84.4788 13.9718 6.046 4.12e-05 \*\*\*  
TED -27.9785 11.3635 -2.462 0.0286 \*   
VIX 1.0161 0.5517 1.842 0.0884 .   
SENT 0.3698 5.5377 0.067 0.9478   
FEDFUNDS 2.0073 2.0673 0.971 0.3493   
INTERNET\_diff -10.8155 3.8552 -2.805 0.0149 \*   
ERM -14.1955 12.9866 -1.093 0.2942   
Euro -19.2440 11.1614 -1.724 0.1084   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 11.43 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.755, Adjusted R-squared: 0.6231   
F-statistic: 5.723 on 7 and 13 DF, p-value: 0.003448  
  
  
$Belgium  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-15.316 -2.325 1.857 5.736 9.207   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 73.5302 10.8534 6.775 1.31e-05 \*\*\*  
TED -16.6858 8.8272 -1.890 0.081222 .   
VIX 1.2182 0.4286 2.842 0.013857 \*   
SENT 7.3667 4.3017 1.713 0.110537   
FEDFUNDS 2.5881 1.6059 1.612 0.131044   
INTERNET\_diff -13.8298 2.9947 -4.618 0.000482 \*\*\*  
ERM -30.8554 10.0881 -3.059 0.009148 \*\*   
Euro -19.7423 8.6703 -2.277 0.040342 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.877 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8844, Adjusted R-squared: 0.8222   
F-statistic: 14.21 on 7 and 13 DF, p-value: 3.635e-05  
  
  
$Canada  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-6.0799 -1.8886 0.6362 1.6075 4.7067   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 89.7687 4.3453 20.659 2.52e-11 \*\*\*  
TED -23.0066 3.5341 -6.510 1.97e-05 \*\*\*  
VIX 0.4424 0.1716 2.578 0.02293 \*   
SENT 0.3659 1.7223 0.212 0.83505   
FEDFUNDS 2.5539 0.6430 3.972 0.00159 \*\*   
INTERNET\_diff -7.6165 1.1990 -6.352 2.53e-05 \*\*\*  
ERM -1.3163 4.0389 -0.326 0.74968   
Euro -23.5063 3.4713 -6.772 1.32e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.554 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9698, Adjusted R-squared: 0.9535   
F-statistic: 59.61 on 7 and 13 DF, p-value: 7.22e-09  
  
  
$France  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-13.861 -3.680 1.131 4.197 8.189   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 77.2811 9.7864 7.897 2.58e-06 \*\*\*  
TED -19.0951 7.9594 -2.399 0.032141 \*   
VIX 0.8915 0.3864 2.307 0.038159 \*   
SENT 2.8641 3.8788 0.738 0.473392   
FEDFUNDS 2.9809 1.4480 2.059 0.060154 .   
INTERNET\_diff -14.1291 2.7003 -5.232 0.000162 \*\*\*  
ERM -29.6287 9.0963 -3.257 0.006241 \*\*   
Euro -18.3252 7.8179 -2.344 0.035621 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.004 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9101, Adjusted R-squared: 0.8616   
F-statistic: 18.79 on 7 and 13 DF, p-value: 7.558e-06  
  
  
$Germany  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-11.3243 -3.7026 0.9952 4.6665 9.5329   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 77.47943 9.45249 8.197 1.71e-06 \*\*\*  
TED -10.79879 7.68786 -1.405 0.18356   
VIX 0.79240 0.37326 2.123 0.05354 .   
SENT -0.07469 3.74648 -0.020 0.98440   
FEDFUNDS 2.06197 1.39863 1.474 0.16421   
INTERNET\_diff -9.77660 2.60818 -3.748 0.00243 \*\*   
ERM -29.80629 8.78600 -3.392 0.00481 \*\*   
Euro -9.81438 7.55117 -1.300 0.21627   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 7.731 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8277, Adjusted R-squared: 0.735   
F-statistic: 8.924 on 7 and 13 DF, p-value: 0.0004227  
  
  
$Italy  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-15.643 -2.581 1.522 4.929 9.444   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 82.2751 10.8130 7.609 3.85e-06 \*\*\*  
TED -7.2549 8.7943 -0.825 0.424282   
VIX 0.6965 0.4270 1.631 0.126801   
SENT 3.3607 4.2857 0.784 0.447001   
FEDFUNDS 1.5700 1.5999 0.981 0.344359   
INTERNET\_diff -14.1845 2.9836 -4.754 0.000377 \*\*\*  
ERM -29.3979 10.0505 -2.925 0.011826 \*   
Euro -13.9757 8.6380 -1.618 0.129671   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.844 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8624, Adjusted R-squared: 0.7883   
F-statistic: 11.64 on 7 and 13 DF, p-value: 0.0001069  
  
  
$Japan  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-12.813 -3.010 1.209 4.185 6.172   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 85.6090 7.3824 11.596 3.15e-08 \*\*\*  
TED -15.6179 6.0042 -2.601 0.0220 \*   
VIX 0.6186 0.2915 2.122 0.0536 .   
SENT -1.3492 2.9260 -0.461 0.6523   
FEDFUNDS 1.7887 1.0923 1.638 0.1255   
INTERNET\_diff -3.9463 2.0370 -1.937 0.0747 .   
ERM -13.2747 6.8619 -1.935 0.0751 .   
Euro 11.3209 5.8975 1.920 0.0771 .   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 6.038 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.6485, Adjusted R-squared: 0.4592   
F-statistic: 3.426 on 7 and 13 DF, p-value: 0.02649  
  
  
$Netherlands  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-15.9963 -5.9211 0.6193 6.0546 10.8325   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 69.3378 12.2405 5.665 7.74e-05 \*\*\*  
TED -14.1553 9.9554 -1.422 0.17861   
VIX 1.0754 0.4834 2.225 0.04442 \*   
SENT 2.1999 4.8515 0.453 0.65770   
FEDFUNDS 3.2334 1.8112 1.785 0.09755 .   
INTERNET\_diff -14.7316 3.3775 -4.362 0.00077 \*\*\*  
ERM -30.5657 11.3774 -2.687 0.01867 \*   
Euro -13.3112 9.7784 -1.361 0.19655   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.01 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.862, Adjusted R-squared: 0.7878   
F-statistic: 11.6 on 7 and 13 DF, p-value: 0.0001087  
  
  
$`New Zealand`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-13.779 -2.848 2.434 4.506 9.454   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 90.673396 9.792595 9.259 4.36e-07 \*\*\*  
TED -37.321230 7.964468 -4.686 0.000426 \*\*\*  
VIX 0.662968 0.386692 1.714 0.110170   
SENT 0.004139 3.881278 0.001 0.999165   
FEDFUNDS 3.224824 1.448954 2.226 0.044357 \*   
INTERNET\_diff -6.983775 2.702020 -2.585 0.022656 \*   
ERM -18.966340 9.102121 -2.084 0.057484 .   
Euro -25.560875 7.822864 -3.267 0.006119 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.009 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8794, Adjusted R-squared: 0.8144   
F-statistic: 13.54 on 7 and 13 DF, p-value: 4.739e-05  
  
  
$`South Africa`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-18.169 -3.387 1.609 4.623 9.365   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 93.4936 11.2789 8.289 1.51e-06 \*\*\*  
TED -36.1471 9.1733 -3.940 0.00169 \*\*   
VIX 1.2280 0.4454 2.757 0.01631 \*   
SENT 0.4805 4.4704 0.107 0.91604   
FEDFUNDS 0.7024 1.6689 0.421 0.68073   
INTERNET\_diff -11.7299 3.1121 -3.769 0.00234 \*\*   
ERM -21.4467 10.4836 -2.046 0.06157 .   
Euro -29.4234 9.0102 -3.266 0.00614 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.225 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8511, Adjusted R-squared: 0.7709   
F-statistic: 10.61 on 7 and 13 DF, p-value: 0.0001741  
  
  
$`United Kingdom`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-13.710 -4.376 2.198 5.572 8.626   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 76.8524 10.1425 7.577 4.03e-06 \*\*\*  
TED -11.3089 8.2491 -1.371 0.193603   
VIX 0.7261 0.4005 1.813 0.092991 .   
SENT 2.9550 4.0200 0.735 0.475337   
FEDFUNDS 2.7237 1.5007 1.815 0.092670 .   
INTERNET\_diff -14.2496 2.7986 -5.092 0.000207 \*\*\*  
ERM -25.0882 9.4274 -2.661 0.019590 \*   
Euro -8.3865 8.1024 -1.035 0.319509   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.296 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8849, Adjusted R-squared: 0.8229   
F-statistic: 14.28 on 7 and 13 DF, p-value: 3.544e-05  
  
  
$`United States`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-4.6550 -1.7331 0.3365 1.3630 5.9790   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 99.86744 4.61334 21.648 1.4e-11 \*\*\*  
TED 6.93698 3.75210 1.849 0.08735 .   
VIX -0.33011 0.18217 -1.812 0.09313 .   
SENT 1.89254 1.82849 1.035 0.31953   
FEDFUNDS -0.07624 0.68261 -0.112 0.91277   
INTERNET\_diff -4.06182 1.27294 -3.191 0.00709 \*\*   
ERM 1.26878 4.28806 0.296 0.77199   
Euro -3.72325 3.68539 -1.010 0.33080   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.773 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8118, Adjusted R-squared: 0.7104   
F-statistic: 8.009 on 7 and 13 DF, p-value: 0.0007226

##############  
### Equity ###  
##############  
  
lm\_world\_eq\_level\_change\_INT #all

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-9.3178 -1.5556 0.5421 2.4305 5.3157   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 92.52378 6.00781 15.401 9.97e-10 \*\*\*  
TED -11.89281 4.88625 -2.434 0.030108 \*   
VIX 0.30995 0.23724 1.307 0.214025   
SENT 0.03137 2.38119 0.013 0.989689   
FEDFUNDS 1.15895 0.88894 1.304 0.214937   
INTERNET\_diff -8.18352 1.65770 -4.937 0.000272 \*\*\*  
ERM -12.63056 5.58420 -2.262 0.041490 \*   
Euro -6.81799 4.79937 -1.421 0.178972   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 4.914 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8806, Adjusted R-squared: 0.8162   
F-statistic: 13.69 on 7 and 13 DF, p-value: 4.457e-05

lm\_dev\_eq\_level\_change\_INT #developing countries

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-16.5736 -4.0448 0.9204 4.5265 10.0077   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 87.4860 11.3648 7.698 3.4e-06 \*\*\*  
TED -12.1639 9.2431 -1.316 0.210911   
VIX 0.3736 0.4488 0.832 0.420171   
SENT 1.0691 4.5044 0.237 0.816086   
FEDFUNDS 1.8237 1.6816 1.085 0.297833   
INTERNET\_diff -16.2548 3.1358 -5.184 0.000176 \*\*\*  
ERM -17.9343 10.5634 -1.698 0.113345   
Euro -4.0191 9.0788 -0.443 0.665269   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.295 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8674, Adjusted R-squared: 0.796   
F-statistic: 12.15 on 7 and 13 DF, p-value: 8.523e-05

lm\_emerg\_eq\_level\_change\_INT #emerging

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-6.8892 -0.8455 0.2533 1.9777 4.0497   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.9072 4.5944 21.092 1.94e-11 \*\*\*  
TED -17.9805 3.7367 -4.812 0.000340 \*\*\*  
VIX 0.5053 0.1814 2.785 0.015467 \*   
SENT -0.7594 1.8210 -0.417 0.683456   
FEDFUNDS 0.5705 0.6798 0.839 0.416550   
INTERNET\_diff -6.9306 1.2677 -5.467 0.000108 \*\*\*  
ERM -7.1382 4.2705 -1.672 0.118501   
Euro -14.5144 3.6703 -3.955 0.001647 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.758 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9208, Adjusted R-squared: 0.8782   
F-statistic: 21.59 on 7 and 13 DF, p-value: 3.394e-06

lm\_front\_eq\_level\_change\_INT #frontier

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-2.5711 -1.1241 -0.1719 0.9733 2.3964   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 94.80923 2.01490 47.054 6.58e-16 \*\*\*  
TED -11.90365 1.63875 -7.264 6.33e-06 \*\*\*  
VIX 0.28853 0.07957 3.626 0.00307 \*\*   
SENT 0.08301 0.79860 0.104 0.91880   
FEDFUNDS 1.04443 0.29813 3.503 0.00389 \*\*   
INTERNET\_diff -1.07125 0.55596 -1.927 0.07614 .   
ERM -4.64331 1.87283 -2.479 0.02765 \*   
Euro -9.78909 1.60962 -6.082 3.89e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 1.648 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9291, Adjusted R-squared: 0.891   
F-statistic: 24.35 on 7 and 13 DF, p-value: 1.678e-06

#############  
### Bonds ###  
#############  
  
lm\_world\_b\_level\_change\_INT

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-22.433 -2.118 1.826 3.218 9.397   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 70.4744 10.4849 6.722 1.42e-05 \*\*\*  
TED -18.0304 8.5275 -2.114 0.05437 .   
VIX 1.3104 0.4140 3.165 0.00745 \*\*   
SENT 0.4099 4.1557 0.099 0.92294   
FEDFUNDS 2.5362 1.5514 1.635 0.12607   
INTERNET\_diff -4.1051 2.8930 -1.419 0.17944   
ERM -21.9596 9.7456 -2.253 0.04215 \*   
Euro -26.0079 8.3759 -3.105 0.00836 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.576 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.7692, Adjusted R-squared: 0.6449   
F-statistic: 6.19 on 7 and 13 DF, p-value: 0.00243

#############  
### REITs ###  
#############  
  
lm\_world\_r\_level\_change\_INT

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-8.566 -1.248 0.000 1.741 6.131   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 90.2123 5.7537 15.679 7.99e-10 \*\*\*  
TED -20.6873 4.6796 -4.421 0.000691 \*\*\*  
VIX 0.7299 0.2272 3.212 0.006804 \*\*   
SENT 2.5052 2.2805 1.099 0.291901   
FEDFUNDS 1.5948 0.8513 1.873 0.083679 .   
INTERNET\_diff -6.8882 1.5876 -4.339 0.000804 \*\*\*  
ERM -14.9262 5.3480 -2.791 0.015291 \*   
Euro -16.9768 4.5964 -3.694 0.002703 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 4.706 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9065, Adjusted R-squared: 0.8561   
F-statistic: 18 on 7 and 13 DF, p-value: 9.675e-06

###############################  
# All assets level on change #  
###############################  
  
lm\_world\_all\_level\_change # Level of diversification index regressed on diff of RHS

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.6410 -3.3355 0.6456 3.7188 6.9394   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.6007 2.5749 37.516 8.26e-14 \*\*\*  
TED\_diff -9.1461 7.2816 -1.256 0.23300   
VIX\_diff -0.3163 0.3422 -0.924 0.37348   
SENT\_diff 1.3115 2.5859 0.507 0.62122   
FEDFUNDS\_diff -0.7573 1.1712 -0.647 0.53005   
INTERNET\_diff -6.6561 1.7395 -3.826 0.00241 \*\*   
ERM -20.8854 6.7591 -3.090 0.00936 \*\*   
Euro -20.6817 7.6098 -2.718 0.01869 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 5.619 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.843, Adjusted R-squared: 0.7514   
F-statistic: 9.203 on 7 and 12 DF, p-value: 0.0005213

#############################################  
### Special 12 all assets level on change ###  
#############################################  
  
res\_sp\_12\_level\_change

$Australia  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-18.5593 -5.2860 0.5877 9.4739 12.1553   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 95.4392 5.5190 17.293 7.56e-10 \*\*\*  
TED\_diff -20.9890 15.6074 -1.345 0.2036   
VIX\_diff -0.6821 0.7334 -0.930 0.3707   
SENT\_diff 1.0471 5.5427 0.189 0.8533   
FEDFUNDS\_diff -1.3831 2.5103 -0.551 0.5918   
INTERNET\_diff -8.8989 3.7284 -2.387 0.0343 \*   
ERM -23.1491 14.4874 -1.598 0.1361   
Euro -37.4998 16.3109 -2.299 0.0403 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 12.04 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.7323, Adjusted R-squared: 0.5762   
F-statistic: 4.69 on 7 and 12 DF, p-value: 0.009594  
  
  
$Belgium  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-19.083 -5.570 1.862 7.113 13.838   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.9372 5.3497 18.120 4.4e-10 \*\*\*  
TED\_diff -22.7351 15.1286 -1.503 0.15875   
VIX\_diff 0.3311 0.7109 0.466 0.64971   
SENT\_diff 7.6882 5.3727 1.431 0.17796   
FEDFUNDS\_diff -1.0285 2.4333 -0.423 0.68000   
INTERNET\_diff -11.3074 3.6140 -3.129 0.00871 \*\*   
ERM -40.8342 14.0430 -2.908 0.01313 \*   
Euro -38.9928 15.8105 -2.466 0.02970 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 11.68 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8031, Adjusted R-squared: 0.6882   
F-statistic: 6.991 on 7 and 12 DF, p-value: 0.001835  
  
  
$Canada  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.7977 -3.0033 0.4123 3.1327 6.1160   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 97.5524 2.3660 41.232 2.68e-14 \*\*\*  
TED\_diff -15.7389 6.6908 -2.352 0.036558 \*   
VIX\_diff -0.5018 0.3144 -1.596 0.136501   
SENT\_diff -1.2511 2.3761 -0.527 0.608103   
FEDFUNDS\_diff 0.8866 1.0762 0.824 0.426119   
INTERNET\_diff -7.8432 1.5983 -4.907 0.000362 \*\*\*  
ERM -5.0074 6.2106 -0.806 0.435781   
Euro -39.1291 6.9923 -5.596 0.000117 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 5.163 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.9376, Adjusted R-squared: 0.9012   
F-statistic: 25.77 on 7 and 12 DF, p-value: 2.559e-06  
  
  
$France  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-14.9423 -7.3675 0.2949 7.6166 11.9809   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.6637 4.6368 20.847 8.59e-11 \*\*\*  
TED\_diff -15.0769 13.1125 -1.150 0.272622   
VIX\_diff -0.1468 0.6162 -0.238 0.815749   
SENT\_diff 4.3198 4.6567 0.928 0.371871   
FEDFUNDS\_diff -0.7515 2.1091 -0.356 0.727784   
INTERNET\_diff -13.6224 3.1324 -4.349 0.000947 \*\*\*  
ERM -38.6749 12.1715 -3.177 0.007958 \*\*   
Euro -33.7057 13.7035 -2.460 0.030058 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.12 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8561, Adjusted R-squared: 0.7721   
F-statistic: 10.2 on 7 and 12 DF, p-value: 0.0003192  
  
  
$Germany  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-11.3484 -5.3035 0.2359 6.5830 11.4077   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 95.28892 4.12370 23.108 2.57e-11 \*\*\*  
TED\_diff -6.06269 11.66157 -0.520 0.61260   
VIX\_diff -0.06078 0.54799 -0.111 0.91352   
SENT\_diff 2.62563 4.14139 0.634 0.53798   
FEDFUNDS\_diff -1.71172 1.87568 -0.913 0.37943   
INTERNET\_diff -9.64750 2.78579 -3.463 0.00469 \*\*   
ERM -38.27614 10.82471 -3.536 0.00410 \*\*   
Euro -16.28708 12.18719 -1.336 0.20620   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.999 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.7621, Adjusted R-squared: 0.6234   
F-statistic: 5.493 on 7 and 12 DF, p-value: 0.005119  
  
  
$Italy  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-16.292 -4.793 1.148 4.382 11.554   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 97.28913 4.41529 22.035 4.49e-11 \*\*\*  
TED\_diff -7.66940 12.48617 -0.614 0.550531   
VIX\_diff 0.07253 0.58674 0.124 0.903669   
SENT\_diff 6.63024 4.43423 1.495 0.160679   
FEDFUNDS\_diff -1.69960 2.00831 -0.846 0.413953   
INTERNET\_diff -13.13152 2.98278 -4.402 0.000862 \*\*\*  
ERM -37.74650 11.59013 -3.257 0.006870 \*\*   
Euro -22.59921 13.04895 -1.732 0.108896   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.636 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8362, Adjusted R-squared: 0.7406   
F-statistic: 8.75 on 7 and 12 DF, p-value: 0.0006608  
  
  
$Japan  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-14.3853 -3.9970 0.6158 4.7737 8.0375   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.7907 3.2997 29.333 1.54e-12 \*\*\*  
TED\_diff -7.9342 9.3313 -0.850 0.4118   
VIX\_diff -0.2383 0.4385 -0.543 0.5968   
SENT\_diff -0.5659 3.3138 -0.171 0.8673   
FEDFUNDS\_diff -0.7565 1.5009 -0.504 0.6233   
INTERNET\_diff -4.1353 2.2291 -1.855 0.0883 .   
ERM -18.7300 8.6617 -2.162 0.0515 .   
Euro 4.8031 9.7519 0.493 0.6312   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 7.201 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.5095, Adjusted R-squared: 0.2233   
F-statistic: 1.781 on 7 and 12 DF, p-value: 0.1813  
  
  
$Netherlands  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-18.9539 -8.6166 0.4524 8.5787 12.4989   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.23242 5.69754 16.890 9.93e-10 \*\*\*  
TED\_diff -9.54950 16.11231 -0.593 0.56440   
VIX\_diff 0.05024 0.75714 0.066 0.94819   
SENT\_diff 5.64426 5.72199 0.986 0.34340   
FEDFUNDS\_diff -2.01228 2.59155 -0.776 0.45250   
INTERNET\_diff -14.73066 3.84902 -3.827 0.00241 \*\*   
ERM -42.79634 14.95605 -2.861 0.01431 \*   
Euro -24.22686 16.83853 -1.439 0.17578   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 12.43 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.786, Adjusted R-squared: 0.6612   
F-statistic: 6.297 on 7 and 12 DF, p-value: 0.002889  
  
  
$`New Zealand`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-16.2822 -4.4873 0.0881 6.3688 10.2994   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 97.6863 4.4104 22.149 4.22e-11 \*\*\*  
TED\_diff -24.3682 12.4722 -1.954 0.07443 .   
VIX\_diff -0.9287 0.5861 -1.585 0.13905   
SENT\_diff -1.6464 4.4293 -0.372 0.71659   
FEDFUNDS\_diff 1.2580 2.0061 0.627 0.54235   
INTERNET\_diff -6.8581 2.9794 -2.302 0.04007 \*   
ERM -23.9780 11.5772 -2.071 0.06057 .   
Euro -48.3512 13.0344 -3.710 0.00298 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.625 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8319, Adjusted R-squared: 0.7338   
F-statistic: 8.482 on 7 and 12 DF, p-value: 0.0007641  
  
  
$`South Africa`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-16.7573 -6.1774 -0.4884 6.8541 12.5402   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 97.2478 4.8030 20.247 1.21e-10 \*\*\*  
TED\_diff -18.2814 13.5825 -1.346 0.2032   
VIX\_diff -1.3250 0.6383 -2.076 0.0600 .   
SENT\_diff -1.5154 4.8236 -0.314 0.7588   
FEDFUNDS\_diff -2.4143 2.1846 -1.105 0.2908   
INTERNET\_diff -8.8244 3.2447 -2.720 0.0186 \*   
ERM -30.6067 12.6078 -2.428 0.0319 \*   
Euro -43.2613 14.1947 -3.048 0.0101 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.48 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8141, Adjusted R-squared: 0.7057   
F-statistic: 7.51 on 7 and 12 DF, p-value: 0.001333  
  
  
$`United Kingdom`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-14.6126 -4.8974 0.5709 6.1660 11.2833   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.5878 4.5808 21.085 7.52e-11 \*\*\*  
TED\_diff -7.0488 12.9543 -0.544 0.596323   
VIX\_diff -0.0299 0.6087 -0.049 0.961632   
SENT\_diff 6.0058 4.6005 1.305 0.216205   
FEDFUNDS\_diff -1.7206 2.0836 -0.826 0.425045   
INTERNET\_diff -14.4419 3.0946 -4.667 0.000545 \*\*\*  
ERM -35.3851 12.0247 -2.943 0.012310 \*   
Euro -18.5602 13.5382 -1.371 0.195486   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.997 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8307, Adjusted R-squared: 0.7319   
F-statistic: 8.411 on 7 and 12 DF, p-value: 0.0007944  
  
  
$`United States`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.9567 -1.2357 -0.0543 1.4647 6.7726   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.4665 1.8070 53.384 1.23e-15 \*\*\*  
TED\_diff 0.5231 5.1102 0.102 0.9202   
VIX\_diff 0.1289 0.2401 0.537 0.6012   
SENT\_diff 3.3298 1.8148 1.835 0.0914 .   
FEDFUNDS\_diff 0.4009 0.8219 0.488 0.6346   
INTERNET\_diff -3.6933 1.2207 -3.025 0.0106 \*   
ERM 2.6050 4.7434 0.549 0.5930   
Euro -6.6927 5.3405 -1.253 0.2340   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.944 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.7919, Adjusted R-squared: 0.6705   
F-statistic: 6.522 on 7 and 12 DF, p-value: 0.002484

##############  
### Equity ###  
##############  
  
lm\_world\_eq\_level\_change #all

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.0851 -2.4237 -0.3215 3.0646 7.2083   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 96.5711 2.3101 41.804 2.28e-14 \*\*\*  
TED\_diff -6.8566 6.5328 -1.050 0.314594   
VIX\_diff -0.4009 0.3070 -1.306 0.216025   
SENT\_diff 1.1707 2.3200 0.505 0.622973   
FEDFUNDS\_diff -0.5214 1.0507 -0.496 0.628685   
INTERNET\_diff -7.8478 1.5606 -5.029 0.000295 \*\*\*  
ERM -16.5949 6.0640 -2.737 0.018043 \*   
Euro -14.9069 6.8272 -2.183 0.049587 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 5.041 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8715, Adjusted R-squared: 0.7966   
F-statistic: 11.63 on 7 and 12 DF, p-value: 0.0001676

lm\_dev\_eq\_level\_change #developing countries

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-12.2988 -5.7090 -0.8709 6.2753 13.2915   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 95.6040 4.3042 22.212 4.09e-11 \*\*\*  
TED\_diff -5.4408 12.1721 -0.447 0.662841   
VIX\_diff -0.4876 0.5720 -0.853 0.410618   
SENT\_diff 4.4855 4.3227 1.038 0.319886   
FEDFUNDS\_diff -1.3461 1.9578 -0.688 0.504795   
INTERNET\_diff -16.1751 2.9077 -5.563 0.000123 \*\*\*  
ERM -25.3651 11.2986 -2.245 0.044397 \*   
Euro -14.1089 12.7207 -1.109 0.289109   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.393 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8615, Adjusted R-squared: 0.7806   
F-statistic: 10.66 on 7 and 12 DF, p-value: 0.0002572

lm\_emerg\_eq\_level\_change #emerging

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.8896 -2.1435 -0.3821 2.1064 6.5931   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 98.1410 2.0168 48.661 3.72e-15 \*\*\*  
TED\_diff -10.8440 5.7035 -1.901 0.08154 .   
VIX\_diff -0.5580 0.2680 -2.082 0.05940 .   
SENT\_diff -2.2300 2.0255 -1.101 0.29251   
FEDFUNDS\_diff -0.3054 0.9174 -0.333 0.74498   
INTERNET\_diff -5.8034 1.3625 -4.259 0.00111 \*\*   
ERM -9.6863 5.2942 -1.830 0.09225 .   
Euro -22.3582 5.9605 -3.751 0.00277 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 4.401 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8932, Adjusted R-squared: 0.8308   
F-statistic: 14.33 on 7 and 12 DF, p-value: 5.837e-05

lm\_front\_eq\_level\_change #frontier

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-2.994 -1.659 0.469 1.502 2.546   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 98.3852 1.0513 93.584 < 2e-16 \*\*\*  
TED\_diff -8.8054 2.9730 -2.962 0.011881 \*   
VIX\_diff -0.2423 0.1397 -1.734 0.108434   
SENT\_diff -0.6833 1.0558 -0.647 0.529714   
FEDFUNDS\_diff 0.3948 0.4782 0.826 0.425091   
INTERNET\_diff -0.8142 0.7102 -1.146 0.273986   
ERM -6.3542 2.7597 -2.303 0.040015 \*   
Euro -17.3912 3.1070 -5.597 0.000117 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 2.294 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8691, Adjusted R-squared: 0.7928   
F-statistic: 11.38 on 7 and 12 DF, p-value: 0.0001862

#############  
### Bonds ###  
#############  
  
lm\_world\_b\_level\_change

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-25.194 -6.442 2.657 6.447 9.083   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 95.76950 5.01246 19.106 2.38e-10 \*\*\*  
TED\_diff -12.34059 14.17492 -0.871 0.4011   
VIX\_diff 0.01282 0.66610 0.019 0.9850   
SENT\_diff 2.05515 5.03396 0.408 0.6903   
FEDFUNDS\_diff -2.24973 2.27993 -0.987 0.3432   
INTERNET\_diff -3.31056 3.38620 -0.978 0.3475   
ERM -33.21686 13.15769 -2.525 0.0267 \*   
Euro -34.92518 14.81381 -2.358 0.0362 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.94 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.6396, Adjusted R-squared: 0.4293   
F-statistic: 3.042 on 7 and 12 DF, p-value: 0.04373

#############  
### REITs ###  
#############  
  
lm\_world\_r\_level\_change

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-9.3481 -3.3804 0.5223 4.5112 6.6469   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 98.8073 2.7870 35.453 1.62e-13 \*\*\*  
TED\_diff -16.7610 7.8815 -2.127 0.05488 .   
VIX\_diff -0.3540 0.3704 -0.956 0.35800   
SENT\_diff 1.2330 2.7990 0.441 0.66739   
FEDFUNDS\_diff 0.2726 1.2677 0.215 0.83336   
INTERNET\_diff -5.3911 1.8828 -2.863 0.01426 \*   
ERM -19.0831 7.3159 -2.608 0.02287 \*   
Euro -30.8814 8.2367 -3.749 0.00277 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 6.082 on 12 degrees of freedom  
 (7 observations deleted due to missingness)  
Multiple R-squared: 0.8484, Adjusted R-squared: 0.7599   
F-statistic: 9.59 on 7 and 12 DF, p-value: 0.0004284

##########################################################  
### All assets level on RHS lag ##########################  
##########################################################  
  
# Level of diversification index regressed on lags of RHS  
lm\_world\_all\_level\_lag

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-4.057 -2.376 0.000 2.129 5.255   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 112.1573 4.8307 23.217 5.74e-12 \*\*\*  
TED 2.1514 3.7738 0.570 0.578342   
VIX -0.3302 0.1643 -2.010 0.065641 .   
SENT 3.3754 1.5813 2.134 0.052420 .   
FEDFUNDS -2.0474 0.7135 -2.869 0.013157 \*   
INTERNET -1.2424 0.1503 -8.265 1.56e-06 \*\*\*  
ERM -20.8292 4.0158 -5.187 0.000175 \*\*\*  
Euro -1.7368 4.3031 -0.404 0.693061   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.425 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9265, Adjusted R-squared: 0.887   
F-statistic: 23.42 on 7 and 13 DF, p-value: 2.112e-06

#####################################################################  
### Special 12 all assets level on RHS lag ##########################  
#####################################################################  
  
res\_sp\_12\_level\_lag

$Australia  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-23.296 -3.200 3.017 4.857 16.916   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 106.4594 13.0668 8.147 6.87e-07 \*\*\*  
TED -7.1841 10.8450 -0.662 0.51774   
VIX -0.1330 0.4829 -0.275 0.78674   
SENT 1.1650 4.8917 0.238 0.81498   
FEDFUNDS -0.8131 2.0319 -0.400 0.69467   
INTERNET -1.5581 0.3907 -3.988 0.00119 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.62 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.7111, Adjusted R-squared: 0.6148   
F-statistic: 7.384 on 5 and 15 DF, p-value: 0.00113  
  
  
$Belgium  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-24.964 -3.674 2.071 4.483 10.336   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 81.1191 10.7131 7.572 1.68e-06 \*\*\*  
TED -8.1815 8.8915 -0.920 0.3721   
VIX 0.8039 0.3959 2.030 0.0604 .   
SENT 6.0212 4.0105 1.501 0.1540   
FEDFUNDS 0.6918 1.6659 0.415 0.6838   
INTERNET -1.7314 0.3203 -5.406 7.29e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.704 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8332, Adjusted R-squared: 0.7776   
F-statistic: 14.99 on 5 and 15 DF, p-value: 2.246e-05  
  
  
$Canada  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-9.1256 -2.3145 -0.1266 2.5238 10.4108   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 104.2026 7.0294 14.824 2.29e-10 \*\*\*  
TED 5.1570 5.8341 0.884 0.391   
VIX -0.3963 0.2598 -1.526 0.148   
SENT -0.9366 2.6315 -0.356 0.727   
FEDFUNDS -0.2497 1.0931 -0.228 0.822   
INTERNET -1.3521 0.2102 -6.434 1.13e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 5.711 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8778, Adjusted R-squared: 0.837   
F-statistic: 21.54 on 5 and 15 DF, p-value: 2.336e-06  
  
  
$France  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-25.416 -2.595 0.877 4.948 9.224   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 88.9661 10.6808 8.330 5.22e-07 \*\*\*  
TED -2.8960 8.8647 -0.327 0.748   
VIX 0.2018 0.3947 0.511 0.617   
SENT 5.1034 3.9984 1.276 0.221   
FEDFUNDS 0.3059 1.6609 0.184 0.856   
INTERNET -1.7961 0.3193 -5.625 4.84e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.678 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8439, Adjusted R-squared: 0.7919   
F-statistic: 16.22 on 5 and 15 DF, p-value: 1.389e-05  
  
  
$Germany  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-26.5429 -2.2997 -0.2877 6.6800 10.3939   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 88.1337 11.2937 7.804 1.17e-06 \*\*\*  
TED -3.2273 9.3733 -0.344 0.73539   
VIX 0.3814 0.4174 0.914 0.37529   
SENT 4.4396 4.2279 1.050 0.31031   
FEDFUNDS -0.3959 1.7562 -0.225 0.82470   
INTERNET -1.2758 0.3377 -3.778 0.00182 \*\*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.176 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.6699, Adjusted R-squared: 0.5598   
F-statistic: 6.087 on 5 and 15 DF, p-value: 0.002852  
  
  
$Italy  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-27.7046 -1.6080 0.9858 2.9707 13.9377   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 105.5717 12.2659 8.607 3.46e-07 \*\*\*  
TED 7.9483 10.1802 0.781 0.44709   
VIX -0.1103 0.4533 -0.243 0.81100   
SENT 10.0407 4.5918 2.187 0.04503 \*   
FEDFUNDS -3.3725 1.9074 -1.768 0.09736 .   
INTERNET -1.9027 0.3667 -5.188 0.00011 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 9.966 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.7433, Adjusted R-squared: 0.6578   
F-statistic: 8.687 on 5 and 15 DF, p-value: 0.0004924  
  
  
$Japan  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-16.2244 -4.2739 0.7193 5.5707 11.8448   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 106.36113 9.98105 10.656 2.15e-08 \*\*\*  
TED -1.22144 8.28388 -0.147 0.8847   
VIX -0.02068 0.36888 -0.056 0.9560   
SENT 3.58162 3.73647 0.959 0.3530   
FEDFUNDS -2.23577 1.55208 -1.441 0.1703   
INTERNET -0.68821 0.29841 -2.306 0.0358 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.11 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.3427, Adjusted R-squared: 0.1235   
F-statistic: 1.564 on 5 and 15 DF, p-value: 0.2298  
  
  
$Netherlands  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-29.0353 -3.1446 -0.3783 5.9577 13.6577   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 94.4145 12.7864 7.384 2.28e-06 \*\*\*  
TED 3.1328 10.6122 0.295 0.772   
VIX 0.3113 0.4726 0.659 0.520   
SENT 9.3770 4.7867 1.959 0.069 .   
FEDFUNDS -2.2228 1.9883 -1.118 0.281   
INTERNET -2.1410 0.3823 -5.601 5.06e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.39 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.791, Adjusted R-squared: 0.7213   
F-statistic: 11.35 on 5 and 15 DF, p-value: 0.0001143  
  
  
$`New Zealand`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-20.4026 -6.0936 -0.3598 6.0689 20.1063   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 105.3467 14.5629 7.234 2.91e-06 \*\*\*  
TED -3.4835 12.0867 -0.288 0.7771   
VIX -0.4925 0.5382 -0.915 0.3746   
SENT 1.9454 5.4517 0.357 0.7262   
FEDFUNDS 0.5521 2.2646 0.244 0.8107   
INTERNET -1.1848 0.4354 -2.721 0.0158 \*   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 11.83 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.6421, Adjusted R-squared: 0.5228   
F-statistic: 5.383 on 5 and 15 DF, p-value: 0.004958  
  
  
$`South Africa`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-24.436 -5.996 1.510 6.260 13.468   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 120.1283 13.1856 9.111 1.68e-07 \*\*\*  
TED -8.5250 10.9435 -0.779 0.448096   
VIX -0.4832 0.4873 -0.992 0.337119   
SENT 3.6847 4.9361 0.746 0.466913   
FEDFUNDS -2.1174 2.0504 -1.033 0.318121   
INTERNET -1.6301 0.3942 -4.135 0.000882 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 10.71 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.7269, Adjusted R-squared: 0.6359   
F-statistic: 7.986 on 5 and 15 DF, p-value: 0.0007618  
  
  
$`United Kingdom`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-22.3181 -3.0950 0.5967 3.1920 10.4267   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 91.9611 9.9029 9.286 1.31e-07 \*\*\*  
TED 2.1363 8.2190 0.260 0.798   
VIX 0.2133 0.3660 0.583 0.569   
SENT 5.4649 3.7072 1.474 0.161   
FEDFUNDS -1.0042 1.5399 -0.652 0.524   
INTERNET -1.9051 0.2961 -6.435 1.12e-05 \*\*\*  
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 8.046 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8491, Adjusted R-squared: 0.7989   
F-statistic: 16.89 on 5 and 15 DF, p-value: 1.085e-05  
  
  
$`United States`  
  
Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-6.734 -2.411 -0.023 2.367 7.873   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 91.31665 5.08906 17.944 1.51e-11 \*\*\*  
TED 0.01032 4.22372 0.002 0.9981   
VIX -0.19291 0.18808 -1.026 0.3213   
SENT 0.16836 1.90512 0.088 0.9308   
FEDFUNDS 1.60653 0.79136 2.030 0.0605 .   
INTERNET -0.16343 0.15215 -1.074 0.2997   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 4.135 on 15 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.6755, Adjusted R-squared: 0.5673   
F-statistic: 6.244 on 5 and 15 DF, p-value: 0.002536

##############  
### Equity ###  
##############  
  
lm\_world\_ols\_eq\_level\_lag #all

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-5.723 -1.675 0.000 1.288 6.991   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 111.9861 5.2190 21.458 1.56e-11 \*\*\*  
TED 2.1759 4.0771 0.534 0.60257   
VIX -0.5276 0.1775 -2.973 0.01079 \*   
SENT 2.6259 1.7084 1.537 0.14827   
FEDFUNDS -1.5134 0.7708 -1.963 0.07137 .   
INTERNET -1.1712 0.1624 -7.211 6.83e-06 \*\*\*  
ERM -16.3385 4.3385 -3.766 0.00236 \*\*   
Euro 1.5184 4.6489 0.327 0.74915   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.701 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9173, Adjusted R-squared: 0.8727   
F-statistic: 20.59 on 7 and 13 DF, p-value: 4.471e-06

lm\_dev\_ols\_eq\_level\_lag #developing countries

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-12.1172 -0.7524 0.0000 1.3633 11.7605   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 114.3738 9.0365 12.657 1.10e-08 \*\*\*  
TED 5.3595 7.0594 0.759 0.4613   
VIX -0.7397 0.3073 -2.407 0.0317 \*   
SENT 4.5972 2.9581 1.554 0.1442   
FEDFUNDS -2.0194 1.3347 -1.513 0.1542   
INTERNET -2.1956 0.2812 -7.808 2.92e-06 \*\*\*  
ERM -21.6797 7.5120 -2.886 0.0127 \*   
Euro 9.5014 8.0495 1.180 0.2590   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 6.408 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9262, Adjusted R-squared: 0.8865   
F-statistic: 23.31 on 7 and 13 DF, p-value: 2.171e-06

lm\_emerg\_ols\_eq\_level\_lag #emerging

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-5.519 -2.309 0.000 2.419 5.171   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 110.9198 5.1840 21.397 1.62e-11 \*\*\*  
TED -5.7858 4.0498 -1.429 0.176688   
VIX -0.4217 0.1763 -2.392 0.032575 \*   
SENT -0.7366 1.6970 -0.434 0.671345   
FEDFUNDS -0.3777 0.7657 -0.493 0.630034   
INTERNET -0.8126 0.1613 -5.037 0.000227 \*\*\*  
ERM -9.7609 4.3094 -2.265 0.041248 \*   
Euro -5.2584 4.6178 -1.139 0.275363   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 3.676 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9032, Adjusted R-squared: 0.851   
F-statistic: 17.32 on 7 and 13 DF, p-value: 1.204e-05

lm\_front\_ols\_eq\_level\_lag #frontier

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-7.7368 -0.6050 0.3096 1.6697 3.3214   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 104.3714 4.2227 24.717 2.59e-12 \*\*\*  
TED 0.3684 3.2989 0.112 0.9128   
VIX -0.1571 0.1436 -1.094 0.2939   
SENT 0.6776 1.3823 0.490 0.6322   
FEDFUNDS -0.4297 0.6237 -0.689 0.5029   
INTERNET -0.3401 0.1314 -2.588 0.0225 \*   
ERM -7.4298 3.5104 -2.117 0.0542 .   
Euro -4.5093 3.7615 -1.199 0.2520   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 2.994 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.6823, Adjusted R-squared: 0.5113   
F-statistic: 3.989 on 7 and 13 DF, p-value: 0.01518

#############  
### Bonds ###  
#############  
  
lm\_world\_ols\_b\_level\_lag

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-10.7960 -1.0466 0.0658 2.1861 7.5358   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 114.0449 8.5731 13.303 6.02e-09 \*\*\*  
TED 6.8130 6.6974 1.017 0.327588   
VIX 0.3138 0.2916 1.076 0.301421   
SENT 5.9108 2.8064 2.106 0.055191 .   
FEDFUNDS -4.7436 1.2663 -3.746 0.002445 \*\*   
INTERNET -1.6413 0.2668 -6.152 3.48e-05 \*\*\*  
ERM -33.9868 7.1268 -4.769 0.000367 \*\*\*  
Euro -10.3398 7.6367 -1.354 0.198820   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 6.079 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.8555, Adjusted R-squared: 0.7777   
F-statistic: 11 on 7 and 13 DF, p-value: 0.0001444

#############  
### REITs ###  
#############  
  
lm\_world\_ols\_r\_level\_lag

Call:  
lm(formula = form, data = data\_ols, na.action = na.omit)  
  
Residuals:  
 Min 1Q Median 3Q Max   
-9.1124 -2.0157 0.0375 2.6332 6.4673   
  
Coefficients:  
 Estimate Std. Error t value Pr(>|t|)   
(Intercept) 109.5794 5.8376 18.771 8.44e-11 \*\*\*  
TED -5.9590 4.5604 -1.307 0.21397   
VIX -0.2004 0.1985 -1.010 0.33112   
SENT 3.7936 1.9109 1.985 0.06863 .   
FEDFUNDS -0.6058 0.8622 -0.703 0.49471   
INTERNET -1.0161 0.1817 -5.593 8.72e-05 \*\*\*  
ERM -18.3501 4.8528 -3.781 0.00229 \*\*   
Euro -6.7520 5.2000 -1.298 0.21669   
---  
Signif. codes: 0 '\*\*\*' 0.001 '\*\*' 0.01 '\*' 0.05 '.' 0.1 ' ' 1  
  
Residual standard error: 4.139 on 13 degrees of freedom  
 (6 observations deleted due to missingness)  
Multiple R-squared: 0.9064, Adjusted R-squared: 0.856   
F-statistic: 17.98 on 7 and 13 DF, p-value: 9.733e-06