Table 1: Correlation Matrix of unseasoned variables (in levels)

	PBLARG_unsz	PBLARG_TT_unsz	PBLARG_NT_unsz	PBLARG_TE_unsz	TCR_US	CPLARG	Fed_Funds	IPMP_Agro	IPMP_Total	TOT	GDP_Brasil_unsz	GDP_China_unszn	GDP_US_unszn
PBLARG_unsz	1	0.927	0.927	0.675	-0.425	0.392	-0.572	0.770	0.822	0.917	0.946	0.824	0.832
PBLARG_TT_unsz	0.927	1	1	0.574	-0.486	0.131	-0.435	0.787	0.826	0.803	0.806	0.588	0.602
PBLARG_NT_unsz	0.927	1	1	0.574	-0.486	0.131	-0.435	0.787	0.826	0.803	0.806	0.588	0.602
PBLARG_TE_unsz	0.675	0.574	0.574	1	-0.075	0.386	-0.368	0.431	0.497	0.581	0.665	0.609	0.671
TCR_US	-0.425	-0.486	-0.486	-0.075	1	0.012	-0.043	-0.224	-0.222	-0.238	-0.228	-0.206	-0.060
CPLARG	0.392	0.131	0.131	0.386	0.012	1	-0.323	0.247	0.276	0.507	0.511	0.779	0.729
Fed_Funds	-0.572	-0.435	-0.435	-0.368	-0.043	-0.323	1	-0.671	-0.660	-0.743	-0.733	-0.623	-0.610
IPMP_Agro	0.770	0.787	0.787	0.431	-0.224	0.247	-0.671	1	0.989	0.859	0.803	0.577	0.581
IPMP_Total	0.822	0.826	0.826	0.497	-0.222	0.276	-0.660	0.989	1	0.893	0.851	0.624	0.642
TOT	0.917	0.803	0.803	0.581	-0.238	0.507	-0.743	0.859	0.893	1	0.960	0.857	0.856
GDP_Brasil_unsz	0.946	0.806	0.806	0.665	-0.228	0.511	-0.733	0.803	0.851	0.960	1	0.894	0.910
GDP_China_unszn	0.824	0.588	0.588	0.609	-0.206	0.779	-0.623	0.577	0.624	0.857	0.894	1	0.955
GDP_US_unszn	0.832	0.602	0.602	0.671	-0.060	0.729	-0.610	0.581	0.642	0.856	0.910	0.955	1