

## Online Appendix

Table A1: List of countries

<i>Country</i>	<i>World Bank Country Code</i>	<i>Country</i>	<i>World Bank Country Code</i>
<i>Aruba</i>	<i>ABW</i>	<i>Korea</i>	<i>KOR</i>
<i>Australia</i>	<i>AUS</i>	<i>Kuwait</i>	<i>KWT</i>
<i>Austria</i>	<i>AUT</i>	<i>Lebanon</i>	<i>LBN</i>
<i>Belgium</i>	<i>BEL</i>	<i>Latvia</i>	<i>LVA</i>
<i>Bulgaria</i>	<i>BGR</i>	<i>Macao</i>	<i>MAC</i>
<i>Bahrain</i>	<i>BHR</i>	<i>Mexico</i>	<i>MEX</i>
<i>Bahamas</i>	<i>BHS</i>	<i>Malta</i>	<i>MLT</i>
<i>Bahrain</i>	<i>BHR</i>	<i>Mongolia</i>	<i>MNG</i>
<i>Bahamas</i>	<i>BHS</i>	<i>Mauritius</i>	<i>MUS</i>
<i>Bermuda</i>	<i>BMU</i>	<i>Malaysia</i>	<i>MYS</i>
<i>Brazil</i>	<i>BRA</i>	<i>Norway</i>	<i>NOR</i>
<i>Barbados</i>	<i>BRB</i>	<i>New Zealand</i>	<i>NZL</i>
<i>Canada</i>	<i>CAN</i>	<i>Mongolia</i>	<i>MNG</i>
<i>Chile</i>	<i>CHL</i>	<i>Pakistan</i>	<i>PAK</i>
<i>Colombia</i>	<i>COL</i>	<i>Panama</i>	<i>PAN</i>
<i>Costa Rica</i>	<i>CRI</i>	<i>Philippines</i>	<i>PHL</i>
<i>Cyprus</i>	<i>CYP</i>	<i>Poland</i>	<i>POL</i>
<i>Czech Republic</i>	<i>CZE</i>	<i>Portugal</i>	<i>PRT</i>
<i>Denmark</i>	<i>DNK</i>	<i>Russian Federation</i>	<i>RUS</i>
<i>Egypt</i>	<i>EGY</i>	<i>Singapore</i>	<i>SGP</i>
<i>Spain</i>	<i>ESP</i>	<i>Slovak Republic</i>	<i>SVK</i>
<i>Estonia</i>	<i>EST</i>	<i>Slovenia</i>	<i>SVN</i>
<i>Finland</i>	<i>FIN</i>	<i>Sweden</i>	<i>SWE</i>
<i>Greece</i>	<i>GRC</i>	<i>Thailand</i>	<i>THA</i>
<i>Hungary</i>	<i>HUN</i>	<i>Turkey</i>	<i>TUR</i>
<i>Indonesia</i>	<i>IDN</i>	<i>Ukraine</i>	<i>UKR</i>
<i>India</i>	<i>IND</i>	<i>Uruguay</i>	<i>URY</i>
<i>Ireland</i>	<i>IRL</i>	<i>Venezuela</i>	<i>VEN</i>
<i>Iceland</i>	<i>ISL</i>	<i>Vanuatu</i>	<i>VUT</i>
<i>Israel</i>	<i>ISR</i>		
<i>Kazakhstan</i>	<i>KAZ</i>		

Table A2: Summary statistics of variables for cross countries (2002-2015)

<b>Variable Names</b>	<b>Variable Definition</b>	<b>Obs.</b>	<b>Mean</b>	<b>Median</b>	<b>Std.Dev</b>	<b>Min</b>	<b>Max</b>
diff_USA	Absolute difference in U.S. asset holdings	14758	31.62	27.57	22.89	0	98.94
diff_JPN	Absolute difference in Japanese asset holdings	14758	2.85	1.37	3.52	0	26.94
diff_GBR	Absolute difference in UK asset holdings	14758	12.51	7.41	15.29	0	100
diff_DEU	Absolute difference in German asset holdings	14758	8.92	6.70	8.01	0	60.72
diff_FRA	Absolute difference in French asset holdings	14758	7.37	5.26	6.96	0	66.67
<i>k_speg</i>	Dummy for exchange rates regimes	14758	0.11	0	0.31	0	1
<i>Log bilateral distance</i>	Log of distance between two countries	14758	8.63	8.96	0.90	5.32	9.88
<i>Log DGDP</i>	Absolute difference in Log per-capita real GDP	14758	9.34	9.57	1.20	0.0005	11.78
<i>Log GDP<sub>i</sub></i>	Log per-capita real GDP in source country	13600	10.08	10.13	0.57	7.99	11.48
<i>Log GDP<sub>j</sub></i>	Log per-capita real GDP in host country	13600	9.99	10.02	0.60	7.87	11.48
<i>Log DPOP</i>	Log difference in population	14758	2.77	2.98	1.78	0.0004	7.22
<i>Log POP<sub>i</sub></i>	Log population in source country	14759	1.99	2.13	1.96	-2.77	7.22
<i>Log POP<sub>j</sub></i>	Log population in host country	14759	2.42	2.28	1.65	-2.87	7.22
<i>Contiguity</i>	Dummy for country pairs that share a common land border	14758	0.03	0	0.17	0	1
<i>Common language</i>	Dummy for common official or primary language	14758	0.08	0	0.28	0	1
<i>Common colonizer</i>	Dummy for common colonizer after 1945	14758	0.04	0	0.19	0	1
<i>Common religion</i>	Percentage in which the countries share religions	14758	0.16	0.03	0.25	0	0.98
Time difference	Time difference between source and host countries	11706	3.99	4	3.28	0	12
Correl. in growth rates	Correlation between the annual GDP growth rates	11706	0.27	0.33	0.37	-1	1
<i>Interest rate difference</i>	Absolute difference in real interest rate	3853	0.08	0.05	0.09	0	0.56
<i>DummyInterest</i>	Dummy variable which equals to one if the observation of real interest rate is available; 0 otherwise	11706	0.33	0	0.47	0	1
diff_stock	Difference in stock market returns	11706	-0.56	-0.75	35.78	-377.06	387.30
diff_KAOPEN	Absolute difference in capital account openness	11706	1.21	1	1.10	0	4