

1. Record Nr.	UNINA9910818880803321
Autore	Sosa Sebastian
Titolo	External Shocks and Business Cycle Fluctuations in Mexico : : How Important are U.S. Factors? // Sebastian Sosa
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
ISBN	1-4623-5277-4 1-4527-7229-0 1-282-84055-X 1-4518-6961-4 9786612840555
Edizione	[1st ed.]
Descrizione fisica	1 online resource (33 p.)
Collana	IMF Working Papers IMF working paper ; ; WP/08/100
Disciplina	338.542
Soggetti	Business cycles - Mexico - Econometric models Exports and Imports Macroeconomics Industries: General Trade: General Macroeconomics: Production Prices, Business Fluctuations, and Cycles: General (includes Measurement and Data) Energy: Demand and Supply Prices International economics Economic growth Industrial production Exports Imports Business cycles Oil prices Industries Mexico Foreign economic relations United States Econometric models Mexico Economic conditions Econometric models United States
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa

Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	<p>Contents; I. Introduction; II. The Econometric Model; A. Specification and Identification Strategy; B. Block Structure, Variables, and Data; C. Estimation Issues; III. The Role of U.S. Demand and Other External Shocks in Mexican Output Fluctuations..; Tables; 1. Variance Decomposition of Mexican Real Output: Post-NAFTA Period; 2. Size of the Shocks and Output Response in Mexico: Post-NAFTA; Figures; 1. Response of Real Output to a U.S. Industrial Production Shock; 3. Variance Decomposition of Mexican Real Output: Post-NAFTA Period (Using U.S. GDP as a Proxy for U.S. Demand)</p> <p>4. Variance Decomposition of Mexican Real Output: Post-NAFTA Period (Using U.S. Imports as a Proxy for U.S. Demand)2. Response of Real Output to a U.S. GDP Shock; 5. Variance Decomposition of Mexican Real Output: Post-NAFTA Period (Using U.S. Real Interest Rate as a Proxy for International Financial Conditions); 3. Response of Real Output to a U.S. Imports Shock; 6. Variance Decomposition of Mexican Real Output: Post-NAFTA Period (Using VIX Volatility Index as a Proxy for International Financial Conditions)</p> <p>7. Variance Decomposition of Mexican Real Output: Post-NAFTA Period (Using Junk Bond Yields as a Proxy for International Financial Conditions)8. Variance Decomposition of Mexican Real Output: 1980Q1-2007Q2; 9. Size of the Shocks and Output Response in Mexico: 1980Q1-2007Q2; 4. Response of Real Output to a U.S. Demand Shock (Post-NAFTA and 1980-2007); IV. Capturing U.S. Demand Linkages to Mexico: Which U.S. Variables Help Explain Fluctuations in Mexican Economic Activity?; A. Bivariate VARs: Variance Decomposition Analysis; B. Synchronization Between the U.S. and Mexican Economies</p> <p>10. Mexican GDP and U.S. Variables: Bivariate VARs11. Mexican Exports and U.S. Variables: Bivariate VARs; 5. Synchronization Between Mexican GDP and U.S. Variables; 12. Cross Correlations of Mexican GDP and U.S. Variables; 13. Cross Correlations of Mexican Exports and U.S. Variables; 6. Synchronization Between Mexican Exports and U.S. Variables; V. U.S. Shocks and Business Cycle Fluctuations in Mexico: Potential Spillovers and Channels of Transmission; 7. Synchronization Between Mexican GDP (Services) and U.S. Variables; A. Explaining Services Sector GDP, with Unrestricted VAR Models</p> <p>14. Cross Correlations of Mexican GDP (Services) and U.S. Variables15. Variance Decomposition of Mexico's Real Output in Services; 16. Variance Decomposition of Mexico's Real Output in Services (Using U.S. GDP as a Proxy for U.S. Demand); 8. Response of Real Output in Services to a U.S. Industrial Production Shock; 17. Variance Decomposition of Mexico's Real Output in Services (Using U.S. Imports as a Proxy for U.S. Demand); 9. Response of Real Output in Services to a U.S. GDP Shock; 10. Response of Real Output in Services to a U.S. Imports Shock; B. Channels Other Than External Trade?</p> <p>VI. Concluding Remarks</p>
Sommario/riassunto	<p>This paper examines the relative importance of external shocks as sources of business cycle fluctuations in Mexico, and identifies the dynamic responses of domestic output to foreign disturbances. Using a VAR model with block exogeneity restrictions, it finds that U.S. shocks explain a large share of Mexico's macroeconomic fluctuations after NAFTA. This partly reflects greater trade integration-but also Mexico's "Great Moderation," as the country escaped its former pattern of macro-financial crises. In this period, Mexico's output fluctuations have</p>

been closely synchronized with the U.S. cycle, with a large and rapid impact of U.S. shocks on Mexican growth.
