1. Record Nr. UNINA9910968748503321

Autore	Leigh Lamin
Titolo	How Robust are Estimates of Equilibrium Real Exchange Rates : : The Case of China / / Lamin Leigh, Steven Dunaway, Xiangming Li
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2006
ISBN	9786613826008 9781462345762 146234576X 9781452765273 1452765278 9781283513555 1283513552 9781451909333 1451909330
Edizione	[1st ed.]
Descrizione fisica	1 online resource (15 p.)
Collana	IMF Working Papers
Altri autori (Persone)	DunawaySteven LiXiangming
Soggetti	Foreign exchange rates - China - Mathematical models Foreign exchange - China Balance of payments Currency Current Account Adjustment Current account balance Exchange rates Exports and Imports Foreign Exchange Foreign exchange International economics Purchasing power parity Real effective exchange rates Real exchange rates Short-term Capital Movements China, People's Republic of
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa

Livello bibliografico	Monografia
Note generali	"October 2006."
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	""Contents""; ""I. INTRODUCTION""; ""II. THE MACROECONOMIC BALANCE APPROACH""; ""III. THE EXTENDED PPP APPROACH: SINGLE-COUNTRY ESTIMATES""; ""IV. THE EXTENDED PPP APPROACH: PANEL DATA ESTIMATES""; ""V. CONCLUDING REMARKS""; ""APPENDIX. METHODOLOGICAL DIFFICULTIES OF DEALING WITH SLOPE HETEROGENEITY IN DYNAMIC PANEL DATA MODELS""; ""References""
Sommario/riassunto	Increased attention is being paid to assessments of the actual values of countries' real exchange rates relative to their "equilibrium" values as suggested by "fundamental" determining factors. This paper assesses the robustness of alternative approaches and models commonly used to derive equilibrium real exchange rate estimates. Using China's currency to illustrate this analysis, the variance in estimates raises serious questions regarding how robust the results are. The basic conclusion from the tests used here is that, at least for China, small changes in model specifications, explanatory variable definitions, and time periods used in estimation can lead to very substantial differences in equilibrium real exchange rate estimates. Thus, such estimates should be treated with great caution.