

Table A1. Unit root test results

	ADF test statistic		PP test results	
	level	% change	Level	% change
STOXX	0.82	-5.98***	-1.54	-13.52***
CPI	0.69	-5.58***	-0.63	-13.14***
OIL	0.68	-6.01***	-1.78	-12.78***
M2	0.49	-4.27***	1.71	-15.37***
INT	0.27	-3.82**	-1.05	-10.21***
IPC1	0.05	-14.79***	-3.42**	-25.98***
IP1	0.41	-13.80***	-2.49	-16.26***
GEP1	0.14	-7.60***	-3.46**	-17.53***
GEP2	0.22	-7.50***	-3.06**	-17.90***
EPU	0.20	-6.83***	-4.12***	-20.23***
CCI	0.24	-4.30***	-2.08	-4.90***

Note: We perform an Augmented Dickey-Fuller (ADF) test as well as Phillips-Perron (PP) test to observe stationarity in the utilized variables. The null hypothesis is that there exists a unit root in a given series. For both tests, statistics are given for level data and % change data. Lag order (L) is 6. We repeat the analysis with L=2 and L=10 obtaining qualitatively same results. Table reports results on tests with an assumption of no trend. We also repeat the analysis with the assumption of a trend and results are qualitatively identical. *, ** and *** present significance at 10%, 5% and 1% levels, respectively.