

Multi-destination Firms and the Impact of Exchange-Rate Risk on Trade

Online Appendix (Not for publication)

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Table A.1: Alternative Measure of Exchange-rate Volatility - Nominal Exchange Rate (NER) Volatility - Intensive Margin

Dep. Variable	Ln Export Volume				Ln Export Value			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil NER Volatility	-0.023 ^b (0.012)	0.077 ^b (0.034)			-0.025 ^b (0.011)	0.081 ^b (0.031)		
Ln GDP	0.616 ^a (0.056)	0.609 ^a (0.056)			0.516 ^a (0.050)	0.509 ^a (0.050)		
Ln Country price index	-0.015 (0.016)	-0.015 (0.016)			0.011 (0.016)	0.011 (0.016)		
Ln Bil NER Volatility \times Ln Nb Dest _{<i>t</i>-1}		-0.036 ^a (0.013)	-0.033 ^b (0.014)	-0.013 ^c (0.008)		-0.038 ^a (0.012)	-0.032 ^b (0.012)	-0.011 (0.007)
Observations	1444914	1444914	1444914	1444914	1444914	1444914	1444914	1444914
<i>R</i> ²	0.682	0.682	0.683	0.929	0.562	0.562	0.564	0.900
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, exchange-rate volatility is computed as follows. We compute the standard deviation of monthly log deviation of *nominal* exchange rates, instead of the real exchange-rate levels as we did within the paper. We exclude Euro Area observations because they exhibit zero NER volatility after 1999, which may generate a bias in the estimation. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table A.2: Alternative Measure of Exchange-rate Volatility - Nominal Exchange Rate (NER) Volatility - Extensive Margin

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil NER Volatility	-0.002 (0.002)	0.006 (0.005)			0.004 (0.003)	0.013 (0.011)		
Ln GDP	0.133 ^a (0.011)	0.133 ^a (0.011)			0.149 ^a (0.019)	0.148 ^a (0.019)		
Ln country price index	0.012 ^a (0.002)	0.012 ^a (0.002)			0.021 ^a (0.004)	0.021 ^a (0.004)		
Ln Bil NER Volatility \times Ln Nb Dest _{t-1}		-0.002 (0.002)	-0.002 (0.002)	-0.001 (0.001)		-0.003 (0.003)	-0.001 (0.002)	-0.002 ^a (0.001)
Observations	2672139	2672139	2672139	2672139	4819302	4819302	4819302	4819302
R^2	0.181	0.181	0.183	0.402	0.198	0.198	0.207	0.440
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, exchange-rate volatility is computed as follows. We compute the standard deviation of monthly log deviation of *nominal* exchange rates, instead of the real exchange-rate levels as we did within the paper. We exclude Euro Area observations because they exhibit zero NER volatility after 1999, which may generate a bias in the estimation. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table A.3: Alternative Measure of RER volatility - GARCH model- Intensive Margin

Dep. Variable	Ln Export Volume				Ln Export Value			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.012 ^c (0.007)	0.170 ^a (0.019)			-0.018 ^a (0.006)	0.272 ^a (0.020)		
Ln GDP	0.898 ^a (0.069)	0.919 ^a (0.068)			0.532 ^a (0.051)	0.566 ^a (0.050)		
Ln country price index	-0.040 ^b (0.016)	-0.047 ^a (0.015)			0.005 (0.015)	-0.006 (0.014)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.066 ^a (0.007)	-0.067 ^a (0.007)	-0.015 ^a (0.004)		-0.105 ^a (0.007)	-0.107 ^a (0.007)	-0.020 ^a (0.004)
Observations	2099923	2099923	2099923	2099923	2099923	2099923	2099923	2099923
R ²	0.676	0.676	0.677	0.922	0.540	0.542	0.543	0.885
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, RER volatility is the residual variance produced by GARCH estimation on the first-difference RER monthly levels. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table A.4: Alternative Measure of RER volatility - GARCH model - Extensive margin

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.003 ^a (0.001)	0.026 ^a (0.003)			-0.005 ^a (0.001)	0.035 ^a (0.003)		
Ln GDP	0.109 ^a (0.013)	0.109 ^a (0.013)			0.115 ^a (0.014)	0.130 ^a (0.014)		
Ln country price index	0.005 ^c (0.003)	0.005 ^c (0.003)			0.010 ^a (0.003)	0.010 ^a (0.003)		
Ln Bil RER Volatility \times Ln Nb Dest _{<i>t</i>-1}		-0.009 ^a (0.001)	-0.010 ^a (0.001)	-0.001 (0.001)		-0.013 ^a (0.001)	-0.013 ^a (0.001)	-0.001 ^b (0.001)
Observations	6996200	6996200	6996200	6996200	10594924	9372203	9372203	9372203
R^2	0.263	0.264	0.269	0.396	0.287	0.275	0.281	0.450
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, RER volatility is the residual variance produced by a GARCH estimation on the first-difference RER monthly levels. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table A.5: Alternative Measure of RER volatility - HP filter- Intensive Margin

Dep. Variable	Ln Export Volume				Ln Export Value			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.002 (0.012)	0.230 ^a (0.025)			-0.009 (0.011)	0.358 ^a (0.026)		
Ln GDP	0.770 ^a (0.058)	0.788 ^a (0.058)			0.561 ^a (0.059)	0.590 ^a (0.057)		
Ln country price index	-0.024 (0.016)	-0.033 ^b (0.016)			0.018 (0.017)	0.004 (0.016)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.087 ^a (0.008)	-0.089 ^a (0.009)	-0.013 ^a (0.005)		-0.138 ^a (0.009)	-0.139 ^a (0.009)	-0.024 ^a (0.004)
Observations	1976201	1976201	1976201	1976201	1976201	1976201	1976201	1976201
R ²	0.683	0.683	0.684	0.923	0.548	0.550	0.551	0.887
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, RER volatility is computed as follows. It is the standard deviation of monthly log deviation of RER levels detrended with a Hodrick-Prescott filter (following the recommendation of [Ravn and Uhlig \(2002\)](#) for monthly data, the smoothing parameter has been set to 129,600). Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table A.6: Alternative Measure of RER volatility - HP filter- Extensive margin

Dep. Variable	Entry				Participation			
	$Pr(X_{ijt} > 0 X_{ijt-1} = 0)$				$Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.012 ^a (0.004)	0.025 ^a (0.008)			-0.016 ^a (0.006)	0.031 ^a (0.009)		
Ln GDP	0.098 ^a (0.014)	0.096 ^a (0.014)			0.121 ^a (0.016)	0.119 ^a (0.016)		
Ln Country price index	0.008 ^a (0.003)	0.008 ^a (0.003)			0.014 ^a (0.003)	0.014 ^a (0.003)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.012 ^a (0.002)	-0.014 ^a (0.001)	-0.004 ^a (0.002)		-0.015 ^a (0.001)	-0.016 ^a (0.001)	-0.004 ^a (0.002)
Observations	6484612	6484612	6484612	6484612	8719258	8719258	8719258	8719258
R^2	0.273	0.274	0.279	0.405	0.283	0.284	0.289	0.457
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, RER volatility is computed as follows. It is the standard deviation of monthly log deviation of RER levels detrended with a Hodrick-Prescott filter (following the recommendation of [Ravn and Uhlig \(2002\)](#) for monthly data, the smoothing parameter has been set to 129,600). Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table B.1: Alternative Measures of Firm Performance - Intensive Margin: Volume

Dep. Variable	Ln Export Volume								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ln Bil RER Volatility \times Ln Nb Dest $_{t-1}$		-0.084 ^a (0.008)	-0.013 ^a (0.005)		-0.018 ^a (0.006)	-0.009 ^c (0.005)		-0.086 ^a (0.008)	-0.018 ^a (0.005)
Ln Bil RER Volatility \times Ln Labor Productivity $_{t-1}$	-0.032 ^a (0.005)	-0.020 ^a (0.005)	-0.011 ^b (0.004)						
Ln Bil RER Volatility \times Ln Nb Employees $_{t-1}$				-0.102 ^a (0.007)	-0.099 ^a (0.007)	-0.010 ^a (0.004)			
Ln Bil RER Volatility \times Ln Capital Intensity $_{t-1}$							-0.075 ^a (0.006)	-0.066 ^a (0.005)	0.006 ^c (0.004)
Observations	2013986	2013986	2013986	2070118	2070118	2070118	1816195	1816195	1816195
R^2	0.673	0.674	0.922	0.677	0.677	0.921	0.676	0.676	0.926
Firm-year FE	X	X	X	X	X	X	X	X	X
Country-year FE	X	X	X	X	X	X	X	X	X
Firm-country FE			X			X			X

Note: In this table, we introduce additional firm performance measures: apparent labor productivity (value added per employee), total firm-level employment, and capital intensity, measured as the ratio of total fixed assets to employment. All these variables are found in the BRN dataset. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table B.2: Alternative Measures of Firm Performance - Extensive Margin: Entry

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ln Bil RER Volatility \times Ln Nb Dest $_{t-1}$		-0.015 ^a (0.001)	-0.004 ^b (0.002)		-0.017 ^a (0.001)	-0.003 ^c (0.002)		-0.015 ^a (0.001)	-0.004 ^b (0.002)
Ln Bil RER Volatility \times Ln Labor Productivity $_{t-1}$	-0.001 ^a (0.000)	0.001 ^b (0.000)	-0.001 ^c (0.001)						
Ln Bil RER Volatility \times Ln Nb Employees $_{t-1}$				-0.001 ^a (0.000)	0.002 ^a (0.000)	-0.001 (0.000)			
Ln Bil RER Volatility \times Ln Capital Intensity $_{t-1}$							0.001 ^a (0.000)	0.002 ^a (0.000)	0.001 ^c (0.000)
Observations	5723604	5723604	5723604	5723604	5723604	5723604	5723604	5723604	5723604
R^2	0.254	0.255	0.407	0.254	0.255	0.407	0.254	0.255	0.407
Firm-year FE	X	X	X	X	X	X	X	X	X
Country-year FE	X	X	X	X	X	X	X	X	X
Firm-country FE			X			X			X

Note: In this table, we introduce additional firm performance measures: apparent labor productivity (value added per employee), total firm-level employment, and capital intensity, measured as the ratio of total fixed assets to employment. All these variables are found in the BRN dataset. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table B.3: Alternative Measures of Firm Performance -Total Factor Productivity- Intensive Margin: Volume

Dep. Variable	Ln Export Volume								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ln Bil RER Volatility \times Ln Nb Dest $_{t-1}$		-0.164 ^a (0.015)	-0.016 ^c (0.009)		-0.165 ^a (0.015)	-0.015 ^c (0.009)		-0.165 ^a (0.015)	-0.016 ^c (0.009)
Ln Bil RER Volat \times Ln TFP ¹ $_{t-1}$	-0.009 (0.006)	0.005 (0.006)	-0.010 ^c (0.006)						
Ln Bil RER Volat \times Ln TFP ² $_{t-1}$				0.004 (0.006)	0.015 ^b (0.006)	-0.012 ^c (0.007)			
Ln Bil RER Volat \times Ln TFP ³ $_{t-1}$							0.021 ^a (0.005)	0.025 ^a (0.005)	-0.014 ^b (0.007)
Observations	728094	728094	728094	726076	726076	726076	726076	726076	726076
R^2	0.714	0.715	0.941	0.714	0.715	0.941	0.714	0.715	0.941
Firm-year FE	X	X	X	X	X	X	X	X	X
Country-year FE	X	X	X	X	X	X	X	X	X
Firm-country FE			X			X			X

Note: In this table, we introduce Total Factor Productivity (TFP) as an additional firm performance measure. Using BRN dataset over 1995-2001 period (for which we have all the required information to compute TFP), we estimate TFP at the firm-level total. TFP¹ denotes the estimated TFP using OLS in a specification in which the value added is solely determined by employment. TFP² is the estimated TFP using OLS in a specification in which the value added is determined by employment and total fixed assets. TFP³ is the estimated TFP using OLS in a specification in which the value added is determined by employment and total fixed assets, under the assumption of constant returns to scale. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table B.4: Alternative Measures of Firm Performance -Total Factor Productivity- Intensive Margin: Value

Dep. Variable	Ln Export Value								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ln Bil RER Volatility \times Ln Nb Dest $_{t-1}$		-0.186 ^a (0.015)	-0.016 ^c (0.008)		-0.188 ^a (0.015)	-0.015 ^c (0.008)		-0.188 ^a (0.015)	-0.016 ^c (0.008)
Ln Bil RER Volat \times Ln TFP ¹ $_{t-1}$	-0.037 ^a (0.005)	-0.021 ^a (0.005)	-0.003 (0.006)						
Ln Bil RER Volat \times Ln TFP ² $_{t-1}$				-0.017 ^a (0.005)	-0.005 (0.005)	-0.003 (0.006)			
Ln Bil RER Volat \times Ln TFP ³ $_{t-1}$							0.007 (0.005)	0.012 ^a (0.005)	-0.002 (0.006)
Observations	728094	728094	728094	726076	726076	726076	726076	726076	726076
R^2	0.578	0.580	0.912	0.578	0.580	0.912	0.578	0.580	0.912
Firm-year FE	X	X	X	X	X	X	X	X	X
Country-year FE	X	X	X	X	X	X	X	X	X
Firm-country FE			X			X			X

Note: In this table, we introduce Total Factor Productivity (TFP) as an additional firm performance measure. Using BRN dataset over 1995-2001 period (for which we have all the required information to compute TFP), we estimate TFP at the firm-level total. TFP¹ denotes the estimated TFP using OLS in a specification in which the value added is solely determined by employment. TFP² is the estimated TFP using OLS in a specification in which the value added is determined by employment and total fixed assets. TFP³ is the estimated TFP using OLS in a specification in which the value added is determined by employment and total fixed assets, under the assumption of constant returns to scale. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table B.5: Alternative Measures of Firm Performance -Total Factor Productivity- Extensive Margin: Entry

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Ln Bil RER Volatility \times Ln Nb Dest $_{t-1}$		-0.003 ^a (0.001)	-0.000 (0.001)		-0.003 ^a (0.001)	-0.000 (0.001)		-0.003 ^a (0.001)	-0.000 (0.001)
Ln Bil RER Volat \times Ln TFP ¹ $_{t-1}$	-0.000 (0.000)	0.000 (0.000)	0.001 ^b (0.000)						
Ln Bil RER Volat \times Ln TFP ² $_{t-1}$				-0.000 (0.000)	-0.000 (0.000)	0.001 ^c (0.000)			
Ln Bil RER Volat \times Ln TFP ³ $_{t-1}$							-0.001 ^b (0.000)	-0.000 (0.000)	0.000 (0.000)
Observations	5499244	5499244	5499244	5499244	5499244	5499244	5499244	5499244	5499244
R^2	0.164	0.164	0.247	0.164	0.164	0.247	0.164	0.164	0.247
Firm-year FE	X	X	X	X	X	X	X	X	X
Country-year FE	X	X	X	X	X	X	X	X	X
Firm-country FE			X			X			X

Note: In this table, we introduce Total Factor Productivity (TFP) as an additional firm performance measure. Using BRN dataset over 1995-2001 period (for which we have all the required information to compute TFP), we estimate TFP at the firm-level total. TFP¹ denotes the estimated TFP using OLS in a specification in which the value added is solely determined by employment. TFP² is the estimated TFP using OLS in a specification in which the value added is determined by employment and total fixed assets. TFP³ is the estimated TFP using OLS in a specification in which the value added is determined by employment and total fixed assets, under the assumption of constant returns to scale. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table C.1: RER level as omitted variable

Dep. Variable	Ln Export Volume			Ln Export Value		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil. RER Volatility	0.003 (0.011)			-0.007 (0.010)		
Ln Country Price Index	-0.075 ^a (0.017)			-0.057 ^a (0.016)		
Ln GDP	0.862 ^a (0.070)			0.482 ^a (0.050)		
Ln RER level	0.125 ^a (0.032)			0.218 ^a (0.033)		
Ln. Bil. RER Volatility \times Ln Nb. Dest _{<i>t</i>-1}		-0.039 ^a (0.007)	-0.009 ^c (0.005)		-0.092 ^a (0.007)	-0.019 ^a (0.004)
Ln RER level \times Ln Nb. Dest _{<i>t</i>-1}		0.060 ^a (0.003)	0.016 ^a (0.003)		0.062 ^a (0.003)	0.019 ^a (0.002)
Observations	2107382	2107382	2107382	2107382	2107382	2107382
<i>R</i> ²	0.676	0.678	0.922	0.540	0.546	0.885
Firm-year FE	X	X	X	X	X	X
Country-year FE		X	X		X	X
Firm-country FE			X			X
Country FE	X			X		

Note: Robust clustered standard errors in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels. All standard errors are clustered at the country-year level.

Table C.2: Quality of Political Governance level as omitted variable

Dep. Variable	Ln Export Volum			Ln Export Value		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil. RER Volatility	0.004 (0.013)			-0.011 (0.013)		
Ln Country Price Index	-0.037 ^b (0.018)			0.007 (0.018)		
Ln GDP	0.845 ^a (0.084)			0.489 ^a (0.060)		
Ln Quality of gvce - poli.	0.066 ^a (0.016)			0.036 ^b (0.016)		
Ln. Bil. RER Volatility \times Ln Nb. Dest _{<i>t</i>-1}		-0.051 ^a (0.011)	-0.005 (0.004)		-0.105 ^a (0.012)	-0.020 ^a (0.004)
Ln Quality of gvce - pol. \times Ln Nb. Dest _{<i>t</i>-1}		0.076 ^a (0.010)	0.023 ^a (0.005)		0.090 ^a (0.010)	0.017 ^a (0.005)
Observations	1577338	1577338	1577338	1577338	1577338	1577338
<i>R</i> ²	0.679	0.680	0.929	0.545	0.549	0.898
Firm-year FE	X	X	X	X	X	X
Country FE	X			X		
Country-year FE		X	X		X	X
Firm-country FE			X			X

Note: In this table, we include economic governance quality to control for country-specific risks. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table C.3: Quality of Economic Governance as omitted variable

Dep. Variable	Ln Export Volume			Ln Export Value		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil. RER Volatility	-0.008 (0.011)			0.004 (0.011)		
Ln Country Price Index	0.008 (0.015)			-0.037 ^b (0.016)		
Ln GDP	0.523 ^a (0.050)			0.884 ^a (0.072)		
Ln Quality of gvce - econ.	0.141 (0.113)			0.244 ^b (0.114)		
Ln. Bil. RER Volatility × Ln Nb. Dest _{t-1}		-0.093 ^a (0.008)	-0.019 ^a (0.003)		-0.045 ^a (0.008)	-0.008 ^b (0.003)
Ln Quality of gvce - econ. × Ln Nb. Dest _{t-1}		1.080 ^a (0.040)	0.250 ^a (0.023)		0.934 ^a (0.044)	0.225 ^a (0.027)
Observations	2056816	2056816	2056816	2056816	2056816	2056816
R^2	0.544	0.550	0.886	0.678	0.681	0.923
Firm-year FE	X	X	X	X	X	X
Country FE	X			X		
Country-year FE		X	X		X	X
Firm-country FE			X			X

Note: In this table, we include economic governance quality to control for country-specific risks. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table C.4: Real Market Potential as omitted variable

Dep. Variable	Ln Export Volume			Ln Export Value		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil. RER Volatility	-0.015 (0.012)			-0.010 (0.011)		
Ln Country Price Index	-0.028 (0.021)			-0.006 (0.019)		
Ln GDP	0.924 ^a (0.097)			0.847 ^a (0.089)		
ln RMP (HM04)	0.113 ^a (0.034)			0.119 ^a (0.031)		
Ln Bil. RER Volatility × Ln Nb. Dest _{t-1}		-0.047 ^a (0.011)	-0.009 (0.006)		-0.092 ^a (0.011)	-0.016 ^a (0.005)
ln RMP (HM04) × Ln Nb. Dest _{t-1}		0.106 ^a (0.006)	0.016 ^a (0.005)		0.101 ^a (0.007)	0.016 ^a (0.004)
Observations	1269109	1269109	1269109	1269109	1269109	1269109
<i>R</i> ²	0.678	0.681	0.941	0.536	0.541	0.907
Firm-year FE	X	X	X	X	X	X
Country FE	X			X		
Country-year FE		X	X		X	X
Firm-country FE			X			X

Note: In this table, we include the estimated Real Market Potential (*RMP*) from [Head and Mayer \(2004\)](#) to control for country-specific export opportunities. Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table C.5: Experience

Dep. Variable	Ln Export Volume					
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil. RER Volatility	0.001 (0.013)			-0.011 (0.016)		
Ln Country Price Index	-0.066 ^a (0.017)			-0.035 (0.027)		
Ln GDP	1.085 ^a (0.073)			1.035 ^a (0.091)		
Ln Experience	0.494 ^a (0.008)	0.576 ^a (0.023)	0.338 ^a (0.027)			
Ln Bil. RER Volatility × Ln Nb. Dest _{t-1}		-0.102 ^a (0.009)	-0.019 ^a (0.005)		-0.106 ^a (0.012)	-0.016 ^a (0.006)
Ln Bil. RER Volatility × Ln Experience		0.015 ^a (0.005)	0.000 (0.006)			
Observations	2066455	2066455	2066455	867738	867738	867738
<i>R</i> ²	0.683	0.684	0.922	0.700	0.702	0.932
Firm-year FE	X	X	X	X	X	X
Country-year FE		X	X		X	X
Firm-country FE			X			X
Country FE	X			X		

Note: Robust clustered standard errors in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels. All standard errors are clustered at the country-year level. Firms may have different expectations regarding the volatility of RER on foreign markets: experienced firms could indeed anticipate RER volatility and decrease their exports on the contrary to "younger" firms. Since experienced exporters are potentially multi-destination firms, we control for this "experience" margin in this table. First, we compute the age (Experience) of a firm in a destination as the number of continuous years it was present. Additional evidence of this result is displayed in columns (4) to (6) that constrains the sample to be experienced firms, ie having more than 5 years of experience.

Table C.6: Experience

Dep. Variable	Ln Export Value					
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil. RER Volatility	-0.009 (0.012)			-0.020 (0.014)		
Ln country price index	-0.023 (0.016)			0.033 (0.025)		
Ln GDP	0.732 ^a (0.057)			0.766 ^a (0.089)		
Ln Experience	0.506 ^a (0.007)	0.491 ^a (0.021)	0.293 ^a (0.025)			
Ln Bil. RER Volatility × Ln Nb. Dest _{t-1}		-0.150 ^a (0.009)	-0.029 ^a (0.005)		-0.160 ^a (0.014)	-0.027 ^a (0.005)
Ln Bil. RER Volatility × Ln Experience		-0.007 (0.004)	-0.007 (0.005)			
Observations	2066455	2066455	2066455	867738	867738	867738
R^2	0.555	0.559	0.886	0.576	0.580	0.908
Firm-year FE	X	X	X	X	X	X
Country-year FE		X	X		X	X
Firm-country FE			X			X
Country FE	X			X		

Note: Robust clustered standard errors in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels. All standard errors are clustered at the country-year level. Firms may have different expectations regarding the volatility of RER on foreign markets: experienced firms could indeed anticipate RER volatility and decrease their exports on the contrary to "younger" firms. Since experienced exporters are potentially multi-destination firms, we control for this "experience" margin in this table. First, we compute the age (Experience) of a firm in a destination as the number of continuous years it was present. Additional evidence of this result is displayed in columns (4) to (6) that constrains the sample to be experienced firms, ie having more than 5 years of experience.

Table D.1: IV- 2SLS estimations

Stage	Second Stage				First Stage	
Dep. Variable	Ln Export Volume		Ln Export Value		Ln. Bil. RER Volatility × Ln Nb. Dest _{t-1}	
	(1)	(2)	(3)	(4)	(5)	(6)
Ln. Bil. RER Volatility × Ln Nb. Dest _{t-1}	-0.157 ^a (0.017)	-0.243 ^c (0.126)	-0.186 ^a (0.016)	-0.116 (0.100)		
Ln. Bil. RER Volatility × Ln Nb. Dest _{t-2}					0.613 ^a (0.021)	0.037 (0.028)
Ln. Bil. RER Volatility × Ln Nb. Dest _{t-3}					0.267 ^a (0.018)	0.062 ^a (0.017)
Observations	600978	600978	600978	600978	600978	600978
R^2	0.735	0.943	0.606	0.919	0.717	0.504
Firm-country FE		X		X		X
Hansen stat.	0.078	1.034	0.043	5.715		
p-value	0.779	0.309	0.836	0.016		
Kleibergen-Paap stat.	234.36	27.80	234.36	27.80		

Note: Robust clustered standard errors in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels. All standard errors are clustered at the country-year level. All estimations include firm-year and country-year fixed effects. The interaction term number of destinations (Ln. Bil. RER Volatility × Nb. Dest_{t-1}) is instrumented by its first two lags (Ln. Bil. RER Volatility × Nb. Dest_{t-2} and Ln. Bil. RER Volatility × Nb. Dest_{t-3}). The first-stage results are displayed in the last two columns of the table : column 5 presents the results when the first stage does not include firm-country FE (and used in columns (1) and (3)) , while column 6 presents the first stage results in which firm-country FE are included (and used in columns (2) and (4)).

Table D.2: Sample of continuous exporters : baseline estimations

Dep. Variable	Ln Export Value				Ln Export Volume			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln. Bil. RER Volatility	-0.028 ^a (0.011)	0.518 ^a (0.032)			-0.016 (0.012)	0.345 ^a (0.031)		
Ln GDP	0.695 ^a (0.055)	0.729 ^a (0.054)			0.992 ^a (0.073)	1.015 ^a (0.073)		
Ln country price index	0.006 (0.019)	-0.012 (0.019)			-0.029 (0.020)	-0.041 ^b (0.019)		
Ln. Bil. RER Volatility \times Ln Nb. Dest _{t-1}		-0.183 ^a (0.010)	-0.184 ^a (0.010)	-0.026 ^a (0.006)		-0.121 ^a (0.010)	-0.123 ^a (0.010)	-0.019 ^a (0.007)
Observations	636015	636015	636015	636015	636015	636015	636015	636015
R^2	0.497	0.500	0.502	0.852	0.623	0.624	0.626	0.888
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table E.1: Alternative Definitions of the Extensive Margin

Dep. Variable	Entry 2 $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0, X_{ijt+1} > 0)$					Exit $Pr(X_{ijt} = 0 \mid X_{ijt-1} > 0)$				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Ln Bil RER Volatility	-0.006 ^a (0.002)	0.018 ^a (0.004)				-0.006 (0.004)	0.028 ^a (0.006)			
Ln Country Price Index	0.002 (0.001)	0.002 (0.001)				0.005 ^c (0.003)	0.005 ^c (0.003)			
Ln GDP	0.055 ^a (0.008)	0.054 ^a (0.008)				0.078 ^a (0.011)	0.077 ^a (0.011)			
Ln Bil RER Volatility \times Ln Nb Dest _{<i>t</i>-1}		-0.008 ^a (0.001)	-0.011 ^a (0.001)	-0.004 ^a (0.001)	-0.003 ^a (0.001)		-0.011 ^a (0.001)	-0.015 ^a (0.001)	-0.002 (0.001)	-0.001 (0.002)
Ln Bil RER Volatility \times Ln Assets _{<i>t</i>-1}			0.002 ^a (0.000)		-0.000 (0.000)			0.002 ^a (0.000)		-0.000 (0.000)
Observations	6996200	6996200	6996200	6996200	6996200	7012880	7012880	7012880	7012880	7012880
<i>R</i> ²	0.192	0.193	0.198	0.409	0.409	0.271	0.272	0.276	0.402	0.402
Firm-year FE	X	X	X	X	X	X	X	X	X	X
Country FE	X	X				X	X			
Country-year FE			X	X	X			X	X	X
Firm-country FE				X	X				X	X

Note: Robust standard errors clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels. All specifications include firm-year and firm-country fixed effects.

Table E.2: Product-level evidence

Dep. Variable	Ln Product Export Value			Ln Nber of Products		
		Ln(X_{ijpt})		Ln($NbProd_{ijpt}$)		
	(1)	(2)	(3)	(4)	(5)	(6)
Ln Bil RER Volatility	-0.026 (0.017)	0.133 ^a (0.032)		-0.029 ^a (0.008)	0.144 ^a (0.017)	
Ln Country price index	-0.061 ^b (0.026)	-0.070 ^a (0.026)		0.101 ^a (0.017)	0.112 ^a (0.018)	
Ln GDP	0.429 ^a (0.093)	0.432 ^a (0.098)		0.540 ^a (0.043)	0.571 ^a (0.044)	
Ln Bil RER Volatility × Nb dest		-0.049 ^a (0.009)	-0.046 ^a (0.009)		-0.055 ^a (0.005)	-0.057 ^a (0.005)
Observations	10628030	9232481	9232481	2107382	2107382	2107382
R^2	0.761	0.756	0.757	0.922	0.920	0.922
Firm-year-product FE	X	X	X			
Firm-year FE				X	X	X
Country FE	X	X		X	X	
Country-year FE			X			X

Note: Robust clustered standard errors in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels. All standard errors are clustered at the country-year level.

Table F.1: Non-Euro Sample: Intensive Margin

Dep. Variable	Ln Export Value				Ln Export Volume			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil. RER Volatility	-0.030 ^a (0.010)	0.180 ^a (0.033)			-0.019 ^c (0.011)	0.115 ^a (0.033)		
Ln GDP	0.506 ^a (0.045)	0.522 ^a (0.044)			0.767 ^a (0.075)	0.789 ^a (0.074)		
Ln Country price index	0.005 (0.015)	0.004 (0.014)			-0.027 ^c (0.015)	-0.030 ^b (0.015)		
Ln Bil. RER Volatility \times Ln Nb Dest _{<i>t</i>-1}		-0.077 ^a (0.012)	-0.076 ^a (0.013)	-0.018 ^a (0.006)		-0.048 ^a (0.012)	-0.046 ^a (0.012)	-0.017 ^b (0.007)
Observations	1573916	1573916	1573916	1573916	1573916	1573916	1573916	1573916
<i>R</i> ²	0.570	0.545	0.547	0.891	0.693	0.673	0.674	0.926
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, we exclude the euro area observations. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.2: Non-Euro Sample: Extensive Margin

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil. RER Volatility	-0.006 ^a (0.002)	0.019 ^a (0.004)			-0.008 ^a (0.002)	0.032 ^a (0.005)		
Ln GDP	0.118 ^a (0.008)	0.117 ^a (0.008)			0.146 ^a (0.010)	0.145 ^a (0.010)		
Ln country price index	0.004 ^c (0.002)	0.004 ^c (0.002)			0.008 ^a (0.003)	0.008 ^a (0.003)		
Ln Bil. RER Volatility × Nb dest		-0.008 ^a (0.001)	-0.008 ^a (0.001)	-0.002 ^c (0.001)		-0.013 ^a (0.002)	-0.013 ^a (0.002)	-0.002 ^b (0.001)
Observations	5795594	5795594	5795594	5795594	7604953	7604953	7604953	7604953
R^2	0.279	0.279	0.281	0.421	0.279	0.280	0.281	0.460
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, we exclude the euro area observations. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.3: Multinational Firms Excluded sample: Intensive Margin

Dep. Variable	Ln Export Value				Ln Export Volume			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.026 ^a (0.010)	0.322 ^a (0.023)			0.000 (0.010)	0.191 ^a (0.022)		
Ln GDP	0.542 ^a (0.047)	0.553 ^a (0.048)			0.835 ^a (0.068)	0.859 ^a (0.068)		
Ln Country price index	0.004 (0.015)	-0.007 (0.014)			-0.046 ^a (0.016)	-0.056 ^a (0.016)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.134 ^a (0.008)	-0.136 ^a (0.008)	-0.026 ^a (0.005)		-0.073 ^a (0.008)	-0.075 ^a (0.008)	-0.016 ^a (0.005)
Observations	1810204	1810204	1810204	1810204	1810204	1810204	1810204	1810204
R^2	0.551	0.527	0.528	0.879	0.702	0.683	0.685	0.926
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, we exclude firms that are reported to be multinational firms, after identifying them using the Lifi dataset. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.4: Multinational Firms Excluded sample: Extensive Margin

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.012 ^a (0.004)	0.026 ^a (0.007)			-0.016 ^a (0.005)	0.039 ^a (0.008)		
Ln GDP	0.107 ^a (0.013)	0.106 ^a (0.013)			0.123 ^a (0.015)	0.121 ^a (0.015)		
Ln Country price index	0.005 ^c (0.003)	0.005 ^c (0.003)			0.011 ^a (0.003)	0.010 ^a (0.003)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.013 ^a (0.002)	-0.014 ^a (0.001)	-0.004 ^a (0.002)		-0.019 ^a (0.001)	-0.020 ^a (0.001)	-0.005 ^a (0.002)
Observations	6261217	6261217	6261217	6261217	8352467	8352467	8352467	8352467
R^2	0.279	0.279	0.285	0.408	0.284	0.285	0.291	0.458
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, we exclude firms that are reported to be multinational firms, after identifying them using the Lifi dataset. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.5: OECD-only Sample: Intensive Margin

Dep. Variable	Ln Export Value				Ln Export Volume			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.020 (0.015)	0.266 ^a (0.033)			-0.008 (0.015)	0.128 ^a (0.031)		
Ln GDP	0.998 ^a (0.128)	0.894 ^a (0.126)			1.065 ^a (0.139)	0.970 ^a (0.137)		
Ln Country price index	0.092 ^c (0.047)	0.064 (0.043)			-0.036 (0.057)	-0.036 (0.056)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.108 ^a (0.011)	-0.109 ^a (0.012)	-0.019 ^a (0.006)		-0.047 ^a (0.010)	-0.050 ^a (0.011)	-0.000 (0.006)
Observations	1218486	1218486	1218486	1218486	1218486	1218486	1218486	1218486
R^2	0.626	0.611	0.612	0.895	0.750	0.734	0.734	0.934
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, we restrict the sample to exports to OECD countries. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.6: OECD-only Sample: Extensive Margin

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.015 ^c (0.008)	0.006 (0.012)			-0.019 ^b (0.009)	0.000 (0.013)		
Ln GDP	0.072 (0.046)	0.069 (0.046)			0.102 ^b (0.050)	0.100 ^b (0.050)		
Ln country price index	0.031 ^b (0.012)	0.030 ^b (0.012)			0.049 ^a (0.015)	0.049 ^a (0.015)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.007 ^a (0.002)	-0.009 ^a (0.001)	-0.008 ^b (0.003)		-0.006 ^a (0.002)	-0.008 ^a (0.001)	-0.008 ^a (0.003)
Observations	3227541	3227541	3227541	3227541	4584528	4584528	4584528	4584528
R^2	0.370	0.371	0.378	0.501	0.364	0.365	0.372	0.522
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this table, we restrict the sample to exports to OECD countries. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.7: BRICS-excluded Sample: Intensive Margin

Dep. Variable	Ln Export Value				Ln Export Volume			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.022 ^b (0.010)	0.372 ^a (0.026)			-0.000 (0.011)	0.250 ^a (0.025)		
Ln GDP	0.509 ^a (0.051)	0.522 ^a (0.050)			0.663 ^a (0.054)	0.682 ^a (0.054)		
Ln country price index	0.017 (0.014)	0.005 (0.013)			-0.042 ^a (0.016)	-0.051 ^a (0.016)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.149 ^a (0.009)	-0.150 ^a (0.009)	-0.028 ^a (0.005)		-0.094 ^a (0.008)	-0.096 ^a (0.009)	-0.015 ^a (0.005)
Observations	2020448	2020448	2020448	2020448	2020448	2020448	2020448	2020448
R^2	0.535	0.537	0.539	0.881	0.680	0.680	0.681	0.923
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this sample, we exclude Brazil, Russia, India, China and South Africa from the baseline sample. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.8: BRICS-excluded Sample: Extensive Margin

Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.013 ^a (0.004)	0.025 ^a (0.007)			-0.016 ^a (0.005)	0.031 ^a (0.008)		
Ln GDP	0.096 ^a (0.014)	0.094 ^a (0.014)			0.104 ^a (0.016)	0.115 ^a (0.016)		
Ln country price index	0.004 (0.003)	0.004 (0.003)			0.010 ^a (0.003)	0.010 ^a (0.003)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.013 ^a (0.002)	-0.014 ^a (0.001)	-0.004 ^a (0.002)		-0.016 ^a (0.001)	-0.017 ^a (0.001)	-0.005 ^a (0.002)
Observations	6643018	6643018	6643018	6643018	8945878	8945878	8945878	8945878
R^2	0.271	0.271	0.277	0.403	0.294	0.282	0.287	0.455
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: In this sample, we exclude Brazil, Russia, India, China and South Africa from the baseline sample. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.9: Top 25% in GDP growth excluded sample: Intensive Margin

Dep. Variable	Ln Export Value				Ln Export Volume			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.015 (0.011)	0.323 ^a (0.030)			-0.012 (0.013)	0.213 ^a (0.030)		
Ln GDP	0.617 ^a (0.076)	0.636 ^a (0.073)			0.849 ^a (0.072)	0.861 ^a (0.072)		
Ln Country price index	0.006 (0.020)	-0.007 (0.020)			-0.031 (0.020)	-0.039 ^b (0.020)		
Ln Bil RER Volatility × Ln Nb Dest _{t-1}		-0.125 ^a (0.011)	-0.125 ^a (0.011)	-0.024 ^a (0.006)		-0.083 ^a (0.010)	-0.084 ^a (0.011)	-0.010 ^c (0.006)
Observations	1605088	1605088	1605088	1605088	1605088	1605088	1605088	1605088
R^2	0.563	0.564	0.565	0.895	0.688	0.689	0.689	0.928
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: We exclude from our sample countries that are in the first quartile of annual GDP growth, providing robustness of our result with respect to self-selection of firms into fast-growing markets. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

Table F.10: Top 25% in GDP growth excluded sample: Extensive Margin

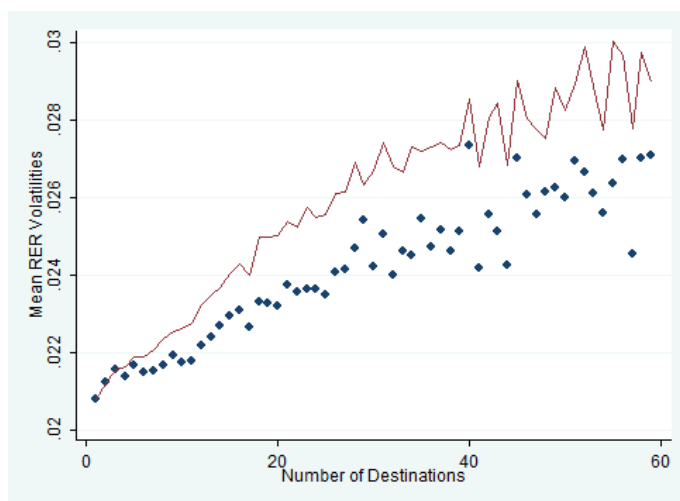
Dep. Variable	Entry $Pr(X_{ijt} > 0 \mid X_{ijt-1} = 0)$				Participation $Pr(X_{ijt} > 0)$			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Ln Bil RER Volatility	-0.005 ^a (0.001)	0.034 ^a (0.003)			-0.016 ^a (0.004)	0.032 ^a (0.008)		
Ln GDP	0.139 ^a (0.008)	0.137 ^a (0.008)			0.115 ^a (0.014)	0.127 ^a (0.015)		
Ln cCountry price index	0.003 (0.003)	0.003 (0.002)			0.009 ^a (0.003)	0.009 ^a (0.003)		
Ln Bil RER Volatility \times Ln Nb Dest _{<i>t</i>-1}		-0.013 ^a (0.001)	-0.013 ^a (0.001)	-0.001 (0.001)		-0.016 ^a (0.001)	-0.017 ^a (0.001)	-0.004 ^a (0.001)
Observations	5299828	5299828	5299828	5299828	10620929	9392868	9392868	9392868
R^2	0.295	0.295	0.296	0.441	0.288	0.276	0.281	0.449
Firm-year FE	X	X	X	X	X	X	X	X
Country FE	X	X			X	X		
Country-year FE			X	X			X	X
Firm-country FE				X				X

Note: We exclude from our sample countries that are in the first quartile of annual GDP growth, providing robustness of our result with respect to self-selection of firms into fast-growing markets. Robust standard errors are clustered by destination-year in parentheses with ^a, ^b and ^c respectively denoting significance at the 1%, 5% and 10% levels.

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Figure G.1: Average RER Volatilities : Arithmetic Mean and Effective Mean - Excluding Euro Area Destinations



Note : The full line represents, per number of destinations, the mean of the firm-level arithmetic mean RER volatility over all destinations. The dotted line represents, per number of destinations, the mean of the firm-level weighted mean RER volatility over all destinations.

Precisely, we compute for each firm two types of average RER volatility over all destinations she serves. We compute an arithmetic mean of the RER volatilities and second an average RER volatility weighted by the share of each destination in all firm-year exports. We then average it over all firms serving the same number of destinations. We exclude exports to the euro area.

Source: authors' computations from French Customs and IFS.