

## Appendix: China's IPO Activity and Equity Market Volatility

This Appendix provides regression results for “China’s IPO Activity and Equity Market Volatility,” by Frank Packer and Mark Spiegel, *FRBSF Economic Letter* 2015-18, June 6, 2016. <http://www.frbsf.org/economic-research/publications/economic-letter/2016/june/China-initial-public-offerings-and-market-volatility/>

### Regression 1:

This shows that the average index growth for the past three months does have a very significant effect on the number of new IPOs. The *t*-values are shown below the coefficient in parentheses.

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	Sum of new IPOs, Shanghai and Shenzhen
Average index growth of Shanghai and Shenzhen in past 3 months	30.928 (3.41)**
Constant term	17.413 (11.59)**
$R^2$	0.18
Number	56

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\*  $p < 0.05$ ; \*\*  $p < 0.01$

### Regression 2:

This shows that the concurrent month’s index growth does not have a significant effect on the number of new IPOs. The *t*-values are shown below the coefficient in parentheses.

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	Sum of new IPOs, Shanghai and Shenzhen
Average index growth of Shanghai and Shenzhen in concurrent month	17.979 (0.91)
Constant term	18.414 (11.64)**
$R^2$	0.01
Number	59

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\*  $p < 0.05$ ; \*\*  $p < 0.01$