Appendix Table A.I

Deutsche Bank: Time-Varying Effect of Competitor Banks' Quote Revisions

This table estimates DM/US$ quote revisions by Deutsche Bank (DB) as a function of two lagged quote revisions by competitor banks and five own lags:

$$QM_{\tau}^{DB} = a + \sum_{k=1}^{5}\sum_{i=1}^{2} b_i^k \, QM^{k}_{(\tau-i)^k} + \sum_{i=1}^{5} c_i^{DB} \, QM^{DB}_{(\tau-i)^{DB}}$$

$$\text{where} \quad b_i^k = e_i^k + f_i^k * 1 / [(\tau-(\tau-i)^k)/60] ; \qquad c_i^{DB} = g_i^{DB} + h_i^{DB} * 1 / [(\tau-(\tau-i)^{DB})/60]$$

QM_{τ}^{DB} is measured as the per-minute percentage change in DB's midpoint quotes between time τ-1 and τ; $QM^{k}_{(\tau-i)^k}$ denotes the *i*th preceding per-minute quote change by competitor banks k = Societe Generale (SG), Chemical Bank (CH), Rabobank (RB), Den Norske Bank (DN), and BHF Bank (BH). $QM^{DB}_{(\tau-i)^{DB}}$ represents DB's own lagged indications. f_i^k and h_i^{DB} are coefficients which capture the time lapse between regressor banks' lagged quote revisions and DB's adjustment at time τ. The sample comprises 14 pooled Bundesbank intervention periods between Oct. 1, 1992 and Sept. 30, 1993. Table I lists their Reuters headline descriptions. -120/-60, -60/-25, -25/0, 0/+25 +25/+60 and -60/+60 are time intervals in minutes which define subsamples around Bundesbank intervention reports. The time stamp on intervention headline entries is denoted as time 0. Due to the time-varying nature of the model, marginal effects are reported in lieu of individual coefficient estimates. For instance, $\delta QM^{DB}/\delta QM^{SG}_{(\tau-1)^{SG}}$ measures the incremental impact of SG's time τ-1 quote changes on DB's time τ quote revisions. Statistical significance is denoted by * (**) at the 5% (1%) level using robust standard errors with Newey-West (1987) serial-correlation and heteroscedasticity correction.

[Insert Appendix Table A.I here]

Appendix Table A.I

Marginal Effects	-120/-60 min.		-60/-25 min.		-25/0 min.		0/+25 min.		+25/+60 min.		-60/+60 min.	
	$f^k_i=h^{DB}_i=0$	$f^k_i\neq h^{DB}_i\neq 0$	$f^k_i=h^{DB}_i=0$	$f^k_i\neq h^{DB}_i\neq 0$	$f^k_i=h^{DB}_i=0$	$f^k_i\neq h^{DB}_i\neq 0$	$f^k_i=h^{DB}_i=0$	$f^k_i\neq h^{DB}_i\neq 0$	$f^k_i=h^{DB}_i=0$	$f^k_i\neq h^{DB}_i\neq 0$	$f^k_i=h^{DB}_i=0$	$f^k_i\neq h^{DB}_i\neq 0$
a	0.05	0.06	-0.70	-0.66	-0.65	-0.65	0.39	0.41	0.27	0.51	-0.23	-0.15
	(0.12)	(0.26)	(-1.29)	(-1.37)	(-1.46)	(-1.53)	(0.84)	(0.95)	(0.54)	(1.01)	(-0.95)	(-0.64)
$\delta QM^{DB} / \delta QM^{SG}_{(\tau-1)SG}$	0.04	0.03	0.07	0.10	0.004	0.04	-0.008	0.0005	0.05	-0.03	-0.02	-0.02
	(0.80)	(0.61)	(1.09)	(1.20)	(0.05)	(0.48)	(-0.10)	(0.006)	(-1.06)	(-0.68)	(-0.49)	(-0.76)
$\delta QM^{DB} / \delta QM^{SG}_{(\tau-2)SG}$	0.07	0.06	0.08	0.06	0.16*	0.06*	-0.02	0.02	-0.03	-0.11	0.04	0.02
	(1.69)	(1.29)	(1.36)	(0.71)	(1.97)	(1.99)	(-0.42)	(0.35)	(-0.23)	(-1.25)	(0.93)	(0.58)
$\delta QM^{DB} / \delta QM^{CH}_{(\tau-1)CH}$	0.10	0.03	0.09	0.23	-0.05	-0.03	0.16	0.27*	0.14	0.16	0.08	0.08
	(1.57)	(0.53)	(0.74)	(1.69)	(-0.40)	(-0.22)	(1.32)	(2.16)	(0.73)	(0.82)	(1.29)	(1.31)
$\delta QM^{DB} / \delta QM^{CH}_{(\tau-2)CH}$	0.08	0.02	-0.19	-0.08	0.18*	0.20**	0.01	0.08	0.02	0.03	-0.003	0.03
	(1.43)	(0.26)	(-1.70)	(-0.57)	(2.48)	(3.04)	(0.20)	(0.92)	(0.18)	(0.30)	(-0.07)	(0.54)
$\delta QM^{DB} / \delta QM^{RB}_{(\tau-1)RB}$	0.02	-0.003	0.10	0.11	0.02	0.005	-0.19	-0.02	0.06	-0.02	0.06*	0.06*
	(0.20)	(-0.04)	(1.53)	(1.68)	(0.33)	(0.07)	(-0.23)	(-0.17)	(1.40)	(-0.31)	(2.03)	(2.32)
$\delta QM^{DB} / \delta QM^{RB}_{(\tau-2)RB}$	0.008	-0.007	-0.03	-0.05	0.03	0.006	0.03	0.05	0.05	0.03	-0.004	-0.18
	(0.26)	(-0.20)	(-0.49)	(-0.78)	(0.98)	(0.11)	(0.56)	(0.46)	(1.48)	(0.86)	(-0.13)	(-0.50)
$\delta QM^{DB} / \delta QM^{DN}_{(\tau-1)DN}$	0.22	0.13	0.30**	0.16	0.23*	0.27	0.22	0.22	0.005	-0.04	0.17**	0.12*
	(1.85)	(1.71)	(2.64)	(1.39)	(2.12)	(1.03)	(1.39)	(1.41)	(0.06)	(-0.58)	(3.13)	(2.26)
$\delta QM^{DB} / \delta QM^{DN}_{(\tau-2)DN}$	0.14	0.05	-0.002	-0.11	0.07	0.21	0.0001	0.0004	-0.11	-0.17	0.01	-0.003
	(1.83)	(0.57)	(-0.02)	(-0.95)	(0.69)	(1.28)	(0.001)	(0.002)	(-0.87)	(-1.44)	(0.26)	(-0.05)
$\delta QM^{DB} / \delta QM^{BH}_{(\tau-1)BH}$	0.03	0.17	0.37	0.54	0.29	0.25	0.09	0.04	-0.03	0.09	0.16	0.20
	(1.59)	(1.75)	(1.10)	(1.48)	(1.13)	(0.99)	(0.20)	(0.09)	(-0.13)	(0.34)	(1.16)	(1.45)
$\delta QM^{DB} / \delta QM^{BH}_{(\tau-2)BH}$	0.03	-0.04	0.45	0.40	0.20	0.18	0.34	0.27	0.14	0.06	0.28*	0.23
	(0.43)	(-0.53)	(1.44)	(1.30)	(1.13)	(1.20)	(0.85)	(0.83)	(0.80)	(0.33)	(2.05)	(1.71)
$\delta QM^{DB} / \delta QM^{DB}_{(\tau-1)DB}$	-0.07*	-0.09*	-0.22**	-0.29**	-0.21**	-0.30**	-0.34*	-0.30*	-0.12**	-0.18**	-0.20**	-0.23**
	(-1.98)	(-2.47)	(-3.72)	(-4.74)	(-3.27)	(-3.12)	(-2.40)	(-2.11)	(-2.71)	(-3.30)	(-5.06)	(-5.82)
$\delta QM^{DB} / \delta QM^{DB}_{(\tau-2)DB}$	0.005	-0.02	0.006	-0.05	-0.22	-0.10	-0.19	-0.15	-0.003	0.005	-0.02	-0.03
	(0.13)	(-0.51)	(0.15)	(-0.94)	(-0.26)	(-1.07)	(-1.28)	(-0.13)	(-0.08)	(0.12)	(-0.41)	(-0.63)
$\delta QM^{DB} / \delta QM^{DB}_{(\tau-3)DB}$	0.03	0.01	0.08	0.10	-0.10	-0.08	-0.09	-0.16	-0.13	-0.11*	-0.004	0.007
	(0.60)	(0.27)	(0.89)	(1.08)	(-0.97)	(-0.89)	(-1.28)	(-1.53)	(-1.86)	(-2.25)	(0.08)	(1.13)
$\delta QM^{DB} / \delta QM^{DB}_{(\tau-4)DB}$	0.04	0.004	0.03	0.05	0.06	0.06	-0.19	-0.33	0.09*	0.06	0.03	0.03
	(0.87)	(0.10)	(0.76)	(1.27)	(1.10)	(1.25)	(-1.50)	(-1.66)	(2.08)	(1.31)	(0.87)	(0.91)
$\delta QM^{DB} / \delta QM^{DB}_{(\tau-5)DB}$	0.11	0.06	-0.03	-0.006	0.05	0.05	0.007	-0.05	-0.03	0.004	0.004	0.004
	(1.82)	(0.91)	(-1.08)	(-0.17)	(1.10)	(0.68)	(0.11)	(-0.42)	(-1.02)	(0.13)	(0.23)	(0.26)
N	437		303		238		210		253		1004	
$\bar{R}^2$	0.02	0.07	0.03	0.15	0.05	0.12	0.07	0.05	0.03	0.04	0.03	0.07
DW	2.04	2.02	2.04	2.09	2.00	2.06	2.01	2.06	2.00	2.03	2.00	2.01

Appendix Table A.II

Societe Generale: Time-Varying Effect of Competitor Banks' Quote Revisions

This table estimates DM/US$ quote revisions by Societe Generale (SG) as a function of two lagged quote revisions by competitor banks and five own lags:

$$QM_{\tau}^{SG} = a + \sum_{k=1}^{5}\sum_{i=1}^{2} b_i^k \, QM^{k}_{(\tau-i)^k} + \sum_{i=1}^{5} c_i^{SG} \, QM^{SG}_{(\tau-i)^{SG}}$$

$$\text{where} \quad b_i^k = e_i^k + f_i^k * 1 / [(\tau-(\tau-i)^k)/60] ; \qquad c_i^{SG} = g_i^{SG} + h_i^{SG} * 1 / [(\tau-(\tau-i)^{SG})/60]$$

QM_{τ}^{SG} is measured as the per-minute percentage change in SG's midpoint quotes between time τ-1 and τ; $QM^{k}_{(\tau-i)^k}$ denotes the *i*th preceding per-minute quote change by competitor banks k = Deutsche Bank (DB), Chemical Bank (CH), Rabobank (RB), Den Norske Bank (DN), and BHF Bank (BH). $QM^{SG}_{(\tau-i)^{SG}}$ represents SG's own lagged indications. f_i^k and h_i^{SG} are coefficients which capture the time lapse between regressor banks' lagged quote revisions and SG's adjustment at time τ. The sample comprises 14 pooled Bundesbank intervention periods between Oct. 1, 1992 and Sept. 30, 1993. Table I lists their Reuters headline descriptions. -120/-60, -60/-25, -25/0, 0/+25 +25/+60 and -60/+60 are time intervals in minutes which define subsamples around Bundesbank intervention reports. The time stamp on intervention headline entries is denoted as time 0. Due to the time-varying nature of the model, marginal effects are reported in lieu of individual coefficient estimates. For instance, $\delta QM^{SG}/\delta QM^{DB}_{(\tau-1)^{DB}}$ measures the incremental impact of DB's time τ-1 quote changes on SG's time τ quote revisions. Statistical significance is denoted by * (**) at the 5% (1%) level using robust standard errors with Newey-West (1987) serial-correlation and heteroscedasticity correction.

[Insert Appendix Table A.II here]

Appendix Table A.II

Marginal Effects	-120/-60 min.		-60/-25 min.		-25/0 min.		0/+25 min.		+25/+60 min.		-60/+60 min.	
	$f^k_i=h^{SG}_i=0$	$f^k_i\neq h^{SG}_i\neq 0$	$f^k_i=h^{SG}_i=0$	$f^k_i\neq h^{SG}_i\neq 0$	$f^k_i=h^{SG}_i=0$	$f^k_i\neq h^{SG}_i\neq 0$	$f^k_i=h^{SG}_i=0$	$f^k_i\neq h^{SG}_i\neq 0$	$f^k_i=h^{SG}_i=0$	$f^k_i\neq h^{SG}_i\neq 0$	$f^k_i=h^{SG}_i=0$	$f^k_i\neq h^{SG}_i\neq 0$
a	0.27 (0.85)	0.21 (0.57)	0.39 (0.50)	0.86 (1.26)	0.55 (1.28)	0.40 (0.85)	0.30 (0.55)	0.92 (1.40)	-0.60 (-1.04)	-0.66 (-1.15)	0.15 (0.50)	0.38 (1.06)
$\delta QM^{SG} / \delta QM^{DB}_{(\tau-1)^{DB}}$	0.03 (0.50)	0.03 (0.55)	0.05** (2.58)	0.01* (2.18)	-0.02* (-2.34)	0.004* (2.08)	-0.02 (-0.21)	0.009 (0.08)	-0.10 (-1.54)	-0.15 (-1.81)	0.002 (0.04)	0.01 (0.02)
$\delta QM^{SG} / \delta QM^{DB}_{(\tau-2)^{DB}}$	0.03 (0.50)	0.10 (1.32)	0.02 (0.67)	0.03 (0.74)	0.12* (2.06)	0.08* (2.45)	0.07 (0.85)	0.12 (1.23)	0.06 (0.91)	-0.04 (-0.44)	0.07* (2.40)	0.06* (2.11)
$\delta QM^{SG} / \delta QM^{CH}_{(\tau-1)^{CH}}$	0.11 (1.35)	0.07 (0.83)	0.20 (1.79)	0.21 (1.32)	-0.02* (-2.30)	0.01* (2.16)	0.25** (3.35)	0.31** (2.94)	0.25 (1.10)	0.36* (2.00)	0.14** (3.27)	0.14** (3.36)
$\delta QM^{SG} / \delta QM^{CH}_{(\tau-2)^{CH}}$	-0.04 (-0.80)	-0.12 (-1.29)	0.17 (1.39)	0.40 (1.16)	0.08* (2.23)	-0.09* (-2.28)	0.04 (0.67)	0.18 (1.65)	-0.22 (-1.48)	-0.16 (-0.92)	-0.001 (-0.04)	0.02 (0.43)
$\delta QM^{SG} / \delta QM^{RB}_{(\tau-1)^{RB}}$	0.14 (1.38)	0.12 (1.13)	-0.14 (-0.81)	-0.06 (-0.48)	0.14 (0.82)	0.13 (1.23)	-0.07 (-1.26)	0.01 (0.19)	0.08 (0.66)	-0.05 (-0.37)	0.0001 (0.01)	0.008 (0.12)
$\delta QM^{SG} / \delta QM^{RB}_{(\tau-2)^{RB}}$	-0.04 (-0.62)	-0.057 (-0.59)	0.03 (0.58)	0.09 (0.72)	0.07 (1.02)	0.12 (1.07)	-0.03 (-0.68)	0.003 (0.06)	0.02 (0.38)	-0.007 (-0.14)	0.03 (1.10)	0.04 (0.87)
$\delta QM^{SG} / \delta QM^{DN}_{(\tau-1)^{DN}}$	0.25 (1.12)	0.18 (1.00)	-0.05 (-0.41)	0.01 (0.11)	0.16* (2.17)	-0.14* (-2.04)	-0.17 (-1.68)	-0.20 (-1.86)	-0.01 (-0.14)	-0.05 (-0.55)	-0.02 (-0.38)	-0.04 (-0.77)
$\delta QM^{SG} / \delta QM^{DN}_{(\tau-2)^{DN}}$	0.19 (1.79)	0.21 (1.52)	0.04 (0.35)	-0.14 (-0.77)	0.02 (0.09)	0.13 (0.42)	0.17 (1.36)	0.24 (1.59)	0.09 (0.69)	0.25* (2.16)	0.03 (0.40)	0.002 (0.03)
$\delta QM^{SG} / \delta QM^{BH}_{(\tau-1)^{BH}}$	-0.13 (-0.56)	0.03 (0.12)	-0.83 (-1.93)	-0.51 (-1.04)	0.13 (0.37)	0.14 (0.48)	-0.21 (-0.71)	-0.17 (-0.59)	-0.13 (-0.69)	0.05 (0.28)	-0.28 (-1.80)	-0.23 (-1.57)
$\delta QM^{SG} / \delta QM^{BH}_{(\tau-2)^{BH}}$	0.50 (1.34)	0.10 (0.33)	-1.09 (-0.84)	-1.06 (-0.69)	0.03 (0.06)	0.13 (0.23)	-0.30 (-0.61)	-0.50 (-1.02)	0.18 (0.24)	0.64 (1.12)	-0.32 (-0.77)	-0.33 (-0.75)
$\delta QM^{SG} / \delta QM^{SG}_{(\tau-1)^{SG}}$	-0.18 (-1.78)	-0.09* (-1.96)	-0.16** (-3.35)	-0.21* (-2.24)	-0.05 (-0.46)	-0.39** (-2.94)	-0.21** (-2.72)	-0.18* (-2.70)	-0.19 (-1.67)	-0.26** (-2.60)	-0.14** (-3.32)	-0.09** (-2.61)
$\delta QM^{SG} / \delta QM^{SG}_{(\tau-2)^{SG}}$	-0.09 (-0.77)	-0.20* (-2.27)	-0.06 (-1.10)	-0.02 (-0.22)	0.0003 (0.002)	-0.10 (-0.70)	-0.05 (-0.97)	-0.06 (-1.29)	-0.06 (-1.00)	-0.08 (-0.76)	-0.03 (-1.29)	-0.03 (-1.01)
$\delta QM^{SG} / \delta QM^{SG}_{(\tau-3)^{SG}}$	0.04 (0.61)	0.08 (1.38)	-0.04 (-0.61)	-0.04 (-0.65)	0.03 (0.23)	-0.06 (-0.54)	-0.20** (-2.63)	-0.18* (-2.44)	-0.09 (-1.63)	-0.05 (-0.85)	-0.07 (-1.66)	-0.05 (-1.48)
$\delta QM^{SG} / \delta QM^{SG}_{(\tau-4)^{SG}}$	-0.02 (-0.51)	0.01 (0.27)	-0.20* (-2.52)	-0.09* (-2.48)	-0.09 (-1.15)	-0.24** (-2.66)	0.10 (1.26)	0.12 (1.68)	0.03 (-0.34)	-0.04 (-0.72)	-0.08 (-1.50)	-0.06 (-1.42)
$\delta QM^{SG} / \delta QM^{SG}_{(\tau-5)^{SG}}$	0.008 (0.18)	0.04 (0.77)	-0.10 (-1.40)	-0.06 (-0.55)	0.01 (0.18)	-0.20* (-1.96)	0.20* (2.16)	0.18 (1.87)	0.0007 (0.01)	0.03 (0.42)	-0.01 (-0.27)	0.002 (0.05)
N	230		192		127		131		167		617	
$\bar{R}^2$	0.08	0.11	0.02	0.10	0.02	0.22	0.07	0.15	0.03	0.14	0.02	0.07
DW	2.05	2.12	2.08	2.11	2.06	2.12	2.12	2.11	2.01	2.02	2.01	2.00

Appendix Table A.III

Chemical Bank: Time-Varying Effect of Competitor Banks' Quote Revisions

This table estimates DM/US$ quote revisions by Chemical Bank (CH) as a function of two lagged quote revisions by competitor banks and five own lags:

$$QM_{\tau}^{CH} = a + \sum_{k=1}^{5}\sum_{i=1}^{2} b_i^k \, QM^{k}_{(\tau-i)^k} + \sum_{i=1}^{5} c_i^{CH} \, QM^{CH}_{(\tau-i)^{CH}}$$

$$\text{where} \quad b_i^k = e_i^k + f_i^k * 1 / [(\tau-(\tau-i)^k)/60] \; ; \qquad c_i^{CH} = g_i^{CH} + h_i^{CH} * 1 / [(\tau-(\tau-i)^{CH})/60]$$

QM_{τ}^{CH} is measured as the per-minute percentage change in CH's midpoint quotes between time τ-1 and τ; $QM^{k}_{(\tau-i)^k}$ denotes the *i*th preceding per-minute quote change by competitor banks k = Deutsche Bank (DB), Societe Generale (SG), Rabobank (RB), Den Norske Bank (DN), and BHF Bank (BH). $QM^{CH}_{(\tau-i)^{CH}}$ represents CH's own lagged indications. f_i^k and h_i^{CH} are coefficients which capture the time lapse between regressor banks' lagged quote revisions and CH's adjustment at time τ. The sample comprises 14 pooled Bundesbank intervention periods between Oct. 1, 1992 and Sept. 30, 1993. Table I lists their Reuters headline descriptions. -120/-60, -60/-25, -25/0, 0/+25 +25/+60 and -60/+60 are time intervals in minutes which define subsamples around Bundesbank intervention reports. The time stamp on intervention headline entries is denoted as time 0. Due to the time-varying nature of the model, marginal effects are reported in lieu of individual coefficient estimates. For instance, $\delta QM^{CH}/\delta QM^{DB}_{(\tau-1)^{DB}}$ reflects the incremental impact of DB's time τ-1 quote changes on CH's time τ quote revisions. Statistical significance is denoted by * (**) at the 5% (1%) level using robust standard errors with Newey-West (1987) serial-correlation and heteroscedasticity correction.

[Insert Appendix Table A.III here]

Appendix Table A.III

Marginal Effects	-120/-60 min.		-60/-25 min.		-25/0 min.		0/+25 min.		+25/+60 min.		-60/+60 min.	
	$f^k_i=h_i^{CH}=0$	$f^k_i\neq h_i^{CH}\neq 0$	$f^k_i=h_i^{CH}=0$	$f^k_i\neq h_i^{CH}\neq 0$	$f^k_i=h_i^{CH}=0$	$f^k_i\neq h_i^{CH}\neq 0$	$f^k_i=h_i^{CH}=0$	$f^k_i\neq h_i^{CH}\neq 0$	$f^k_i=h_i^{CH}=0$	$f^k_i\neq h_i^{CH}\neq 0$	$f^k_i=h_i^{CH}=0$	$f^k_i\neq h_i^{CH}\neq 0$
a	0.02	0.006	0.08	0.12	-1.02	-0.74	0.43	0.32	-0.20	-0.10	-0.30	-0.21
	(0.07)	(0.03)	(0.44)	(1.75)	(-1.81)	(-1.62)	(1.30)	(1.06)	(-1.06)	(-0.43)	(-1.31)	(-1.14)
$\delta QM^{CH} / \delta QM^{DB}_{(\tau-1)DB}$	-0.08	-0.07	-0.02*	-0.02*	0.07	0.02	0.13	0.03	-0.06	-0.05	0.04	0.05
	(-0.98)	(-1.01)	(-2.17)	(-2.20)	(1.13)	(0.31)	(1.66)	(0.65)	(-1.13)	(-0.96)	(1.10)	(1.43)
$\delta QM^{CH} / \delta QM^{DB}_{(\tau-2)DB}$	0.09	0.07	0.004	0.02	0.09	0.09*	-0.04	-0.06	0.007	0.009	0.01	0.006
	(1.56)	(1.73)	(0.12)	(0.65)	(1.63)	(1.97)	(-0.69)	(-0.98)	(0.22)	(0.25)	(0.52)	(0.29)
$\delta QM^{CH} / \delta QM^{SG}_{(\tau-1)SG}$	-0.02	-0.04	0.006	0.03	0.10	0.05	-0.03	-0.04	0.08	0.10	0.04	0.03
	(-0.25)	(-0.75)	(0.18)	(1.06)	(1.15)	(0.78)	(-0.55)	(-0.80)	(1.90)	(1.71)	(1.13)	(1.08)
$\delta QM^{CH} / \delta QM^{SG}_{(\tau-2)SG}$	0.02	0.02	0.06	0.02	0.26**	0.17**	-0.002	0.003	0.10	0.08	0.07*	0.06*
	(0.52)	(0.53)	(1.19)	(0.55)	(2.72)	(2.77)	(-0.07)	(0.07)	(1.35)	(1.26)	(2.33)	(2.13)
$\delta QM^{CH} / \delta QM^{RB}_{(\tau-1)RB}$	0.08	0.04	0.01	0.07	0.14	0.18	-0.04	0.007	0.05	0.05	0.04	0.06
	(1.51)	(0.86)	(0.40)	(1.52)	(1.28)	(1.90)	(-0.75)	(0.15)	(1.46)	(1.81)	(0.90)	(1.71)
$\delta QM^{CH} / \delta QM^{RB}_{(\tau-2)RB}$	0.07	0.05	-0.02	-0.02	-0.06	-0.03	0.02	0.05	-0.06	0.02	-0.005	0.03
	(1.64)	(1.35)	(-0.48)	(-0.43)	(-1.00)	(-0.35)	(0.46)	(1.47)	(-0.33)	(1.03)	(-0.29)	(1.94)
$\delta QM^{CH} / \delta QM^{DN}_{(\tau-1)DN}$	0.08	0.07	0.04	0.06	-0.15	-0.24	0.09	0.04	0.09	0.16	0.07	0.09
	(0.91)	(0.60)	(1.33)	(1.78)	(-0.71)	(-0.79)	(1.36)	(0.70)	(1.20)	(1.71)	(0.83)	(1.14)
$\delta QM^{CH} / \delta QM^{DN}_{(\tau-2)DN}$	0.02	0.06	0.06	0.07	-0.48*	-0.62*	0.28*	0.12	0.07*	0.05	0.02	-0.008
	(0.18)	(0.69)	(1.61)	(1.32)	(-2.17)	(-1.98)	(2.31)	(0.55)	(2.22)	(0.93)	(0.66)	(-0.21)
$\delta QM^{CH} / \delta QM^{BH}_{(\tau-1)BH}$	0.005	0.08	0.41	0.41	-0.21	0.08	0.14	0.30	-0.03	-0.02	0.09	0.10
	(0.10)	(1.49)	(1.18)	(1.45)	(-0.93)	(0.35)	(0.62)	(1.33)	(-0.33)	(-0.23)	(1.29)	(1.48)
$\delta QM^{CH} / \delta QM^{BH}_{(\tau-2)BH}$	-0.10	-0.22	0.27	0.29	0.33	0.20	0.20	0.06	0.14	0.14	0.21	0.20
	(-1.74)	(-1.67)	(1.55)	(1.75)	(1.38)	(0.81)	(1.04)	(0.31)	(1.16)	(1.14)	(1.87)	(1.52)
$\delta QM^{CH} / \delta QM^{CH}_{(\tau-1)CH}$	-0.29**	-0.21**	-0.19	-0.37**	0.009	-0.09	0.008	-0.24*	-0.15**	-0.05	-0.07	-0.07
	(-4.00)	(-3.88)	(-1.88)	(-5.64)	(0.04)	(-0.42)	(0.17)	(-2.11)	(-3.52)	(-0.83)	(-0.87)	(-1.11)
$\delta QM^{CH} / \delta QM^{CH}_{(\tau-2)CH}$	0.03	-0.02	-0.09	-0.10*	-0.25	-0.24	-0.14**	-0.13*	0.02	0.03	-0.04	-0.07
	(0.45)	(-0.47)	(-1.83)	(-1.99)	(-1.52)	(-1.19)	(-2.63)	(-2.25)	(0.40)	(0.53)	(-0.80)	(-1.65)
$\delta QM^{CH} / \delta QM^{CH}_{(\tau-3)CH}$	-0.08	-0.01	-0.04	-0.09	0.43*	0.40*	0.02	-0.02	-0.06	-0.04	0.10	0.09
	(-0.84)	(-0.31)	(-0.53)	(-1.19)	(2.16)	(2.10)	(0.41)	(-0.32)	(-0.73)	(-0.70)	(1.51)	(1.66)
$\delta QM^{CH} / \delta QM^{CH}_{(\tau-4)CH}$	-0.05	-0.007	-0.07	-0.05	-0.20	-0.31**	-0.09	-0.09	-0.06	-0.10	-0.08	-0.08
	(-1.03)	(-0.15)	(-1.19)	(-0.88)	(-1.17)	(-1.65)	(-1.78)	(-1.12)	(-0.75)	(-1.44)	(-1.69)	(-1.49)
$\delta QM^{CH} / \delta QM^{CH}_{(\tau-5)CH}$	-0.02	-0.05	-0.03	-0.03	-0.16	-0.14	0.02	0.03	-0.009	-0.05	-0.05	-0.04
	(-0.34)	(-0.82)	(-0.51)	(-0.49)	(-1.18)	(-1.05)	(0.36)	(0.55)	(-0.19)	(-0.85)	(-0.90)	(-1.14)
N	259		190		143		147		184		664	
$\bar{R}^2$	0.08	0.25	0.05	0.43	0.14	0.13	0.03	0.15	0.01	0.04	0.04	0.05
DW	2.13	2.08	1.98	2.06	1.92	2.01	2.01	2.06	2.02	2.01	1.99	2.03

Appendix Table A.IV

Rabobank: Time-Varying Effect of Competitor Banks' Quote Revisions

This table estimates DM/US$ quote revisions by Rabobank (RB) as a function of two lagged quote revisions by competitor banks and five own lags:

$$QM_{\tau}^{RB} = a + \sum_{k=1}^{3}\sum_{i=1}^{2} b_i^k \, QM^{k}_{(\tau-i)^k} + \sum_{i=1}^{5} c_i^{RB} \, QM^{RB}_{(\tau-i)^{RB}}$$

$$\text{where} \quad b_i^k = e_i^k + f_i^k * 1 / [(\tau-(\tau-i)^k)/60] ; \qquad c_i^{RB} = g_i^{RB} + h_i^{RB} * 1 / [(\tau-(\tau-i)^{RB})/60]$$

QM_{τ}^{RB} is measured as the per-minute percentage change in RB's midpoint quotes between time τ-1 and τ; $QM^{k}_{(\tau-i)^k}$ denotes the *i*th preceding per-minute quote change by competitor banks k = Deutsche Bank (DB), Societe Generale (SG), Chemical Bank (CH), Den Norske Bank (DN), and BHF Bank (BH). $QM^{RB}_{(\tau-i)^{RB}}$ represents RB's own lagged indications. f_i^k and h_i^{RB} are coefficients which capture the time lapse between regressor banks' lagged quote revisions and RB's adjustment at time τ. The sample comprises 14 pooled Bundesbank intervention periods between Oct. 1, 1992 and Sept. 30, 1993. Table I lists their Reuters headline descriptions. -120/-60, -60/-25, -25/0, 0/+25 +25/+60 and -60/+60 are time intervals in minutes which define subsamples around Bundesbank intervention reports. The time stamp on intervention headline entries is denoted as time 0. Due to the time-varying nature of the model, marginal effects are reported in lieu of individual coefficient estimates. For instance, $\delta QM^{RB}/\delta QM^{DB}_{(\tau-1)^{DB}}$ measures the incremental impact of DB's time τ-1 quote changes on RB's time τ quote revisions. Statistical significance is denoted by * (**) at the 5% (1%) level using robust standard errors with Newey-West (1987) serial-correlation and heteroscedasticity correction.

[Insert Appendix Table A.IV here]

Appendix Table A.IV

Marginal Effects	-120/-60 min.		-60/-25 min.		-25/0 min.		0/+25 min.		+25/+60 min.		-60/+60 min.	
	$f^k_i=h^{RB}_i=0$	$f^k_i\neq h^{RB}_i\neq 0$	$f^k_i=h^{RB}_i=0$	$f^k_i\neq h^{RB}_i\neq 0$	$f^k_i=h^{RB}_i=0$	$f^k_i\neq h^{RB}_i\neq 0$	$f^k_i=h^{RB}_i=0$	$f^k_i\neq h^{RB}_i\neq 0$	$f^k_i=h^{RB}_i=0$	$f^k_i\neq h^{RB}_i\neq 0$	$f^k_i=h^{RB}_i=0$	$f^k_i\neq h^{RB}_i\neq 0$
a	-0.01 (-0.05)	-0.06 (-0.20)	0.44 (1.58)	0.22 (0.81)	0.55 (1.10)	0.75 (1.94)	-0.19 (-0.61)	0.007 (0.02)	0.06 (0.11)	0.09 (0.21)	0.08 (0.37)	0.01 (0.06)
$\delta QM^{RB} / \delta QM^{DB}_{(\tau-1)^{DB}}$	0.07 (1.34)	0.03 (0.71)	-0.05 (-1.89)	-0.05* (-1.98)	0.19* (2.47)	0.03 (0.59)	0.36* (2.22)	0.44* (2.42)	0.20 (1.58)	0.21 (1.66)	0.09 (1.37)	0.09 (1.35)
$\delta QM^{RB} / \delta QM^{DB}_{(\tau-2)^{DB}}$	0.0005 (0.001)	-0.05 (-0.65)	0.01** (3.43)	0.02** (2.57)	0.03 (0.38)	0.01 (0.11)	-0.02 (-0.27)	0.08 (0.69)	0.10 (1.45)	0.14** (3.15)	0.04 (1.09)	0.04 (1.57)
$\delta QM^{RB} / \delta QM^{SG}_{(\tau-1)^{SG}}$	0.03 (0.65)	0.09 (1.24)	-0.004 (-0.08)	-0.07 (-1.67)	0.15 (1.19)	0.04 (0.44)	0.01 (0.37)	0.004 (0.11)	0.10 (1.46)	0.10 (1.50)	0.05 (1.41)	0.04 (1.23)
$\delta QM^{RB} / \delta QM^{SG}_{(\tau-2)^{SG}}$	-0.04 (-0.61)	0.01 (0.15)	-0.04 (-1.24)	-0.006 (-0.20)	0.20 (1.32)	0.35** (3.64)	0.01 (0.23)	-0.03 (-0.43)	0.03 (0.45)	-0.04 (-0.39)	-0.02 (-0.64)	-0.008 (-0.34)
$\delta QM^{RB} / \delta QM^{CH}_{(\tau-1)^{CH}}$	0.11 (1.13)	0.10 (1.11)	0.27 (1.34)	0.61 (1.58)	0.34 (0.33)	0.79* (2.02)	0.12* (2.00)	0.02 (0.11)	-0.03 (-0.09)	0.15 (0.46)	0.18 (1.91)	0.15 (1.21)
$\delta QM^{RB} / \delta QM^{CH}_{(\tau-2)^{CH}}$	0.20 (1.34)	0.26 (1.68)	-0.15 (-0.71)	0.07 (0.46)	-0.04 (-0.16)	-0.05 (-0.21)	-0.13* (-2.05)	-0.05 (-0.38)	-0.13 (-0.27)	0.16 (0.43)	-0.04 (-0.68)	-0.08 (-0.83)
$\delta QM^{RB} / \delta QM^{DN}_{(\tau-1)^{DN}}$	0.02 (0.27)	-0.005 (-0.05)	0.004 (0.04)	-0.07 (-0.87)	0.87 (1.90)	0.22 (0.74)	0.15 (0.71)	0.36 (1.34)	0.33 (0.40)	0.06 (0.47)	0.18 (1.55)	0.11 (0.97)
$\delta QM^{RB} / \delta QM^{DN}_{(\tau-2)^{DN}}$	0.001 (0.02)	-0.04 (-0.53)	-0.03 (-0.45)	-0.08 (-0.94)	-0.27 (-1.00)	-0.75** (-3.20)	0.02 (0.06)	-0.07 (-0.32)	0.09 (0.45)	-0.12 (-0.50)	-0.06 (-0.78)	-0.09 (-1.13)
$\delta QM^{RB} / \delta QM^{BH}_{(\tau-1)^{BH}}$	0.29 (1.72)	0.32* (2.11)	0.34 (1.83)	0.28 (1.56)	-0.59 (-1.21)	-0.24 (-0.69)	0.51 (1.04)	0.20 (0.49)	-0.05 (-0.12)	-0.07 (-0.23)	0.13 (0.82)	0.19 (1.35)
$\delta QM^{RB} / \delta QM^{BH}_{(\tau-2)^{BH}}$	0.33* (2.03)	0.38* (2.28)	0.29 (1.33)	0.20 (0.94)	-0.22 (-0.71)	-0.32 (-1.14)	0.08 (0.24)	0.06 (0.16)	0.04 (0.16)	0.14 (0.70)	0.12 (0.87)	0.16 (1.19)
$\delta QM^{RB} / \delta QM^{RB}_{(\tau-1)^{RB}}$	-0.22** (-3.13)	-0.22** (-2.91)	-0.27** (-3.61)	-0.30** (-3.85)	-0.40** (-3.79)	-0.59** (-3.91)	-0.19 (-1.61)	-0.37* (-2.01)	-0.24* (-2.41)	-0.27 (-1.64)	-0.20** (-4.30)	-0.25** (-3.27)
$\delta QM^{RB} / \delta QM^{RB}_{(\tau-2)^{RB}}$	-0.03 (-0.49)	-0.03 (-0.48)	-0.15* (-2.48)	-0.12 (-1.73)	-0.27 (-1.85)	-0.40** (-2.84)	-0.09 (-0.78)	-0.10 (-0.94)	0.03 (0.34)	0.05 (0.75)	-0.05 (-1.03)	-0.06 (-1.29)
$\delta QM^{RB} / \delta QM^{RB}_{(\tau-3)^{RB}}$	0.06 (0.45)	0.09 (0.91)	-0.29** (-2.70)	-0.26** (-3.33)	0.10 (0.70)	0.10 (0.86)	-0.15 (-0.35)	-0.09 (-1.23)	-0.19 (-1.68)	-0.09 (-1.02)	-0.12 (-1.64)	-0.11* (-2.11)
$\delta QM^{RB} / \delta QM^{RB}_{(\tau-4)^{RB}}$	0.04 (0.79)	0.03 (0.52)	-0.16* (-2.43)	-0.14* (-2.22)	-0.005 (-0.03)	-0.11 (-0.64)	-0.03 (-0.46)	-0.15 (-1.57)	0.39 (1.62)	-0.20* (-2.04)	-0.18 (-1.60)	-0.16 (-1.76)
$\delta QM^{RB} / \delta QM^{RB}_{(\tau-5)^{RB}}$	-0.005 (-0.08)	-0.04 (-0.71)	-0.06 (-1.41)	-0.06 (-1.34)	0.04 (0.31)	0.05 (0.49)	0.02 (0.17)	-0.04 (-0.66)	-0.07 (-0.94)	-0.05 (-0.62)	-0.05 (-1.17)	-0.06 (-1.44)
N	229		198		123		102		133		556	
$\bar{R}^2$	0.05	0.05	0.14	0.23	0.25	0.50	0.10	0.26	0.16	0.29	0.08	0.12
DW	2.14	2.15	2.00	2.10	2.11	1.89	2.37	2.34	2.11	2.16	2.01	2.00

Appendix Table A.V

Den Norske Bank: Time-Varying Effect of Competitor Banks' Quote Revisions

This table estimates DM/US$ quote revisions by Den Norske Bank (DN) as a function of two lagged quote revisions by competitor banks and five own lags:

$$QM_{\tau}^{DN} = a + \sum_{k=1}^{5}\sum_{i=1}^{2} b_i^k \, QM^{k}_{(\tau-i)^k} + \sum_{i=1}^{5} c_i^{DN} \, QM^{DN}_{(\tau-i)^{DN}}$$

$$\text{where} \quad b_i^k = e_i^k + f_i^k * 1 / [(\tau-(\tau-i)^k)/60] ; \qquad c_i^{RB} = g_i^{RB} + h_i^{RB} * 1 / [(\tau-(\tau-i)^{RB})/60]$$

QM_{τ}^{DN} is measured as the per-minute percentage change in DN's midpoint quotes between time τ-1 and τ; $QM^{k}_{(\tau-i)^k}$ denotes the *i*th preceding per-minute quote change by competitor banks k = Deutsche Bank (DB), Societe Generale (SG), Chemical Bank (CH), Rabobank (RB), and BHF Bank (BH). $QM^{DN}_{(\tau-i)^{DN}}$ represents DN's own lagged indications. f_i^k and h_i^{DN} are coefficients which capture the time lapse between regressor banks' lagged quote revisions and DN's adjustment at time τ. The sample comprises 14 pooled Bundesbank intervention periods between Oct. 1, 1992 and Sept. 30, 1993. Table I lists their Reuters headline descriptions. -120/-60, -60/-25, -25/0, 0/+25 +25/+60 and -60/+60 are time intervals in minutes which define subsamples around Bundesbank intervention reports. The time stamp on intervention headline entries is denoted as time 0. Due to the time-varying nature of the model, marginal effects are reported in lieu of individual coefficient estimates. For instance, $\delta QM^{DN}/\delta QM^{DB}_{(\tau-1)^{DB}}$ measures the incremental impact of DB's time τ-1 quote changes on DN's time τ quote revisions. Statistical significance is denoted by * (**) at the 5% (1%) level using robust standard errors with Newey-West (1987) serial-correlation and heteroscedasticity correction.

[Insert Appendix Table A.V here]

Appendix Table A.V

Marginal Effects	-120/-60 min.		-60/-25 min.		-25/0 min.		0/+25 min.		+25/+60 min.		-60/+60 min.	
	$f^k_i=h_i^{DN}=0$	$f^k_i\neq h_i^{DN}\neq 0$	$f^k_i=h_i^{DN}=0$	$f^k_i\neq h_i^{DN}\neq 0$	$f^k_i=h_i^{DN}=0$	$f^k_i\neq h_i^{DN}\neq 0$	$f^k_i=h_i^{DN}=0$	$f^k_i\neq h_i^{DN}\neq 0$	$f^k_i=h_i^{DN}=0$	$f^k_i\neq h_i^{DN}\neq 0$	$f^k_i=h_i^{DN}=0$	$f^k_i\neq h_i^{DN}\neq 0$
a	0.23 (0.91)	0.28 (1.21)	0.16 (0.45)	0.08 (0.27)	0.40 (0.90)	0.05 (0.17)	-0.33 (-0.76)	-0.23 (-0.52)	0.46 (1.14)	0.28 (0.75)	0.05 (0.25)	0.01 (0.05)
$\delta QM^{DN} / \delta QM^{DB}_{(\tau-1)DB}$	0.03 (0.80)	0.05 (1.28)	0.05* (2.49)	0.05* (1.99)	0.01 (0.22)	-0.06 (-0.98)	0.14 (1.60)	0.15* (1.98)	0.007 (0.27)	0.08 (1.60)	0.03* (2.29)	0.04* (2.49)
$\delta QM^{DN} / \delta QM^{DB}_{(\tau-2)DB}$	0.08** (2.56)	0.14** (2.71)	-0.06 (-1.85)	-0.05* (-2.05)	0.13** (2.77)	0.03 (0.55)	0.004 (0.05)	-0.004 (-0.05)	-0.26* (-2.48)	-0.56** (-3.83)	-0.06* (-2.26)	-0.08* (1.99)
$\delta QM^{DN} / \delta QM^{SG}_{(\tau-1)SG}$	0.15** (3.51)	0.16** (3.42)	-0.002 (-0.05)	-0.02 (-0.32)	-0.009 (-0.13)	0.04 (0.57)	0.10 (1.59)	0.10* (2.10)	0.007 (0.24)	-0.01 (-0.58)	0.05 (1.86)	0.004 (0.21)
$\delta QM^{DN} / \delta QM^{SG}_{(\tau-2)SG}$	-0.04 (-0.64)	-0.02 (-0.43)	-0.01 (-0.21)	0.02 (0.31)	0.13* (2.30)	0.05 (0.76)	-0.04 (-0.76)	-0.07 (-1.11)	0.09 (1.81)	0.07 (1.24)	0.05 (1.04)	0.001 (0.03)
$\delta QM^{DN} / \delta QM^{CH}_{(\tau-1)CH}$	0.05 (1.03)	0.05 (1.08)	0.20* (2.25)	0.24** (3.11)	0.39* (2.02)	0.59** (5.19)	-0.01 (-0.09)	0.09 (0.66)	0.34 (1.60)	0.41 (1.94)	0.21** (2.61)	0.23* (2.52)
$\delta QM^{DN} / \delta QM^{CH}_{(\tau-2)CH}$	0.05 (1.17)	0.05 (0.63)	0.09 (0.61)	0.11 (0.63)	0.09 (1.20)	0.06 (0.72)	0.19** (3.02)	0.35* (2.23)	0.19 (1.46)	0.06 (0.48)	0.18* (2.33)	0.10* (2.17)
$\delta QM^{DN} / \delta QM^{RB}_{(\tau-1)RB}$	0.12 (1.62)	0.08 (1.46)	0.05 (0.47)	0.01 (0.13)	-0.02 (-0.20)	-0.05 (-0.64)	0.11 (1.59)	0.19* (2.14)	0.05 (0.63)	0.008 (0.16)	0.07 (1.72)	-0.003 (-0.08)
$\delta QM^{DN} / \delta QM^{RB}_{(\tau-2)RB}$	0.12* (2.53)	0.12* (2.55)	-0.05 (-1.42)	-0.05 (-0.50)	-0.06 (-1.40)	0.09 (1.70)	0.001 (0.02)	0.22 (1.67)	0.06 (1.91)	0.05 (1.68)	0.003 (0.17)	-0.01 (-0.02)
$\delta QM^{DN} / \delta QM^{BH}_{(\tau-1)BH}$	-0.05 (-0.50)	-0.08 (-0.70)	-0.34 (-1.14)	-0.38 (-1.03)	-0.05 (-0.20)	0.03 (0.15)	0.18 (0.77)	0.07 (0.24)	0.10 (0.66)	0.18 (1.35)	0.19 (1.85)	-0.02 (-0.22)
$\delta QM^{DN} / \delta QM^{BH}_{(\tau-2)BH}$	0.18* (2.14)	0.17 (1.20)	0.004 (0.02)	-0.06 (-0.46)	0.77** (2.99)	0.57** (2.78)	0.18 (0.82)	-0.08 (-0.39)	-0.27 (-1.24)	-0.16 (-0.84)	0.18 (1.55)	-0.10 (-0.81)
$\delta QM^{DN} / \delta QM^{DN}_{(\tau-1)DN}$	-0.10 (-1.19)	-0.11 (-1.35)	-0.12 (-1.32)	-0.10 (-1.36)	-0.23* (-2.44)	-0.25** (-2.72)	-0.35** (-3.31)	-0.45** (-4.22)	-0.03 (-0.46)	-0.03 (-0.32)	-0.04 (-0.75)	-0.11* (-2.28)
$\delta QM^{DN} / \delta QM^{DN}_{(\tau-2)DN}$	0.09 (1.51)	0.05 (0.67)	0.009 (0.14)	-0.003 (-0.06)	-0.24** (-2.77)	-0.05 (-0.47)	-0.06 (-0.52)	-0.21* (-2.02)	-0.15 (-1.58)	-0.13 (-1.63)	0.02 (0.38)	-0.03 (-0.76)
$\delta QM^{DN} / \delta QM^{DN}_{(\tau-3)DN}$	0.06 (1.22)	0.04 (1.04)	-0.14 (-1.92)	-0.11 (-1.32)	-0.04 (-0.49)	-0.002 (-0.02)	-0.22* (-2.01)	-0.36** (-3.14)	-0.05 (-0.69)	-0.10 (-1.45)	0.03 (0.54)	-0.04 (-0.98)
$\delta QM^{DN} / \delta QM^{DN}_{(\tau-4)DN}$	-0.006 (-0.18)	-0.02 (-0.43)	-0.009 (-0.12)	-0.44 (-0.55)	0.11 (1.25)	0.20* (2.12)	-0.25 (-1.74)	-0.29* (-2.23)	0.12 (1.72)	0.07 (1.07)	0.14* (2.49)	0.05 (1.02)
$\delta QM^{DN} / \delta QM^{DN}_{(\tau-5)DN}$	-0.05 (-1.18)	-0.07 (-1.58)	-0.01 (-0.09)	-0.005 (-0.05)	0.09 (1.14)	0.09 (1.23)	-0.13 (-1.00)	-0.19* (-1.97)	-0.18 (-1.54)	-0.22* (-2.06)	0.008 (0.19)	-0.04 (-0.74)
N	256		145		103		97		128		473	
$\bar{R}^2$	0.06	0.17	0.03	0.03	0.17	0.27	0.02	0.10	0.07	0.11	0.12	0.14

DW	2.03	2.01	2.11	2.22	2.10	1.90	2.10	2.46	2.17	2.25	2.02	2.05

Appendix Table A.VI

BHF Bank: Time-Varying Effect of Competitor Banks' Quote Revisions

This table estimates DM/US$ quote revisions by BHF Bank (BH) as a function of two lagged quote revisions by competitor banks and five own lags:

$$QM_{\tau}^{BH} = a + \sum_{k=1}^{5}\sum_{i=1}^{2} b_i^k \, QM^{k}_{(\tau-i)^k} + \sum_{i=1}^{5} c_i^{BH} \, QM^{BH}_{(\tau-i)^{BH}}$$

$$\text{where} \quad b_i^k = e_i^k + f_i^k * 1 / [(\tau-(\tau-i)^k)/60] ; \qquad c_i^{BH} = g_i^{BH} + h_i^{BH} * 1 / [(\tau-(\tau-i)^{BH})/60]$$

QM_{τ}^{BH} is measured as the per-minute percentage change in BH's midpoint quotes between time τ-1 and τ; $QM^{k}_{(\tau-i)^k}$ denotes the *i*th preceding per-minute quote change by competitor banks k = Deutsche Bank (DB), Societe Generale (SG), Chemical Bank (CH), Rabobank (RB), and Den Norske Bank (DN). $QM^{BH}_{(\tau-i)^{BH}}$ represents BH's own lagged indications. f_i^k and h_i^{BH} are coefficients which capture the time lapse between regressor banks' lagged quote revisions and BH's adjustment at time τ. The sample comprises 14 pooled Bundesbank intervention periods between Oct. 1, 1992 and Sept. 30, 1993. Table I lists their Reuters headline descriptions. -120/-60, -60/-25, -25/0, 0/+25 +25/+60 and -60/+60 are time intervals in minutes which define subsamples around Bundesbank intervention reports. The time stamp on intervention headline entries is denoted as time 0. Due to the time-varying nature of the model, marginal effects are reported in lieu of individual coefficient estimates. For instance, $\delta QM^{BH}/\delta QM^{DB}_{(\tau-1)^{DB}}$ measures the incremental impact of DB's time τ-1 quote changes on BH's time τ quote revisions. Statistical significance is denoted by * (**) at the 5% (1%) level using robust standard errors with Newey-West (1987) serial-correlation and heteroscedasticity correction.

[Insert Appendix Table A.VI here]

Appendix Table A.VI

Marginal Effects	-120/-60 min.		-60/-25 min.		-25/0 min.		0/+25 min.		+25/+60 min.		-60/+60 min.	
	$f^k_i=h_i^{BH}=0$	$f^k_i\neq h_i^{BH}\neq 0$	$f^k_i=h_i^{BH}=0$	$f^k_i\neq h_i^{BH}\neq 0$	$f^k_i=h_i^{BH}=0$	$f^k_i\neq h_i^{BH}\neq 0$	$f^k_i=h_i^{BH}=0$	$f^k_i\neq h_i^{BH}\neq 0$	$f^k_i=h_i^{BH}=0$	$f^k_i\neq h_i^{BH}\neq 0$	$f^k_i=h_i^{BH}=0$	$f^k_i\neq h_i^{BH}\neq 0$
a	-0.10 (-0.71)	-0.07 (-0.49)	0.13 (0.80)	0.08 (0.55)	-0.13 (-0.77)	-0.12 (-0.73)	-0.09 (-0.49)	-0.13 (-0.61)	0.24 (1.12)	0.14 (0.74)	0.05 (0.59)	0.07 (0.75)
$\delta QM^{BH} / \delta QM^{DB}_{(\tau\text{-}1)DB}$	0.005 (0.11)	-0.003 (-0.06)	-0.03* (-2.19)	0.001 (1.02)	0.07** (3.63)	0.08** (3.99)	0.07 (1.85)	0.10** (2.65)	0.08* (2.36)	0.08** (2.99)	0.03 (1.63)	0.05** (3.06)
$\delta QM^{BH} / \delta QM^{DB}_{(\tau\text{-}2)DB}$	-0.03 (-0.34)	-0.07 (-0.89)	-0.03* (-2.43)	-0.01* (-2.02)	0.01 (0.36)	0.02 (0.80)	0.05 (0.98)	0.06 (1.09)	0.05 (1.36)	0.06 (1.74)	0.04 (0.33)	0.008 (0.64)
$\delta QM^{BH} / \delta QM^{SG}_{(\tau\text{-}1)SG}$	0.03 (0.76)	0.05 (1.91)	0.02 (0.37)	-0.01 (-0.30)	0.11** (2.62)	0.08 (1.92)	0.04 (1.43)	0.06* (2.26)	-0.0005 (-0.02)	0.02 (0.86)	0.02 (0.90)	0.02 (1.09)
$\delta QM^{BH} / \delta QM^{SG}_{(\tau\text{-}2)SG}$	0.04 (1.03)	0.06 (1.52)	0.03 (1.33)	-0.02 (-0.54)	0.14** (2.80)	0.18** (3.16)	0.004 (0.08)	-0.03 (-0.57)	0.02 (0.43)	0.02 (0.66)	0.01 (0.66)	0.007 (0.31)
$\delta QM^{BH} / \delta QM^{CH}_{(\tau\text{-}1)CH}$	-0.03 (-0.74)	-0.02 (-0.22)	0.07 (1.79)	0.16** (3.17)	0.27** (3.33)	0.27** (3.86)	0.12 (1.53)	0.21* (2.04)	0.20 (1.38)	0.20 (1.51)	0.13** (3.03)	0.14* (3.25)
$\delta QM^{BH} / \delta QM^{CH}_{(\tau\text{-}2)CH}$	-0.04 (-0.41)	-0.07 (-0.52)	0.13 (1.82)	0.18 (1.14)	0.005 (0.08)	-0.07 (-0.76)	-0.005 (-0.07)	0.03 (0.39)	0.12 (1.45)	0.13 (1.76)	0.09* (2.52)	0.10** (2.87)
$\delta QM^{BH} / \delta QM^{RB}_{(\tau\text{-}1)RB}$	0.04 (0.57)	0.005 (0.06)	0.04 (1.42)	0.06* (2.27)	-0.06 (-1.86)	-0.06* (-1.96)	0.02 (0.78)	0.04 (1.48)	0.02 (0.49)	0.02 (0.47)	0.01 (0.73)	0.03 (1.74)
$\delta QM^{BH} / \delta QM^{RB}_{(\tau\text{-}2)RB}$	-0.02 (-0.70)	0.01 (0.37)	-0.02 (-1.13)	0.04 (1.06)	0.01 (0.46)	0.06 (1.79)	0.02 (0.72)	0.12* (2.04)	0.004 (0.34)	0.005 (0.45)	0.003 (0.36)	0.02 (1.45)
$\delta QM^{BH} / \delta QM^{DN}_{(\tau\text{-}1)DN}$	0.14** (2.91)	0.13* (2.17)	0.04 (0.77)	0.03 (0.83)	0.26** (4.07)	0.27** (3.49)	-0.009 (-0.12)	0.03 (0.35)	-0.004 (-0.08)	-0.02 (-0.34)	0.03 (0.94)	0.02 (0.68)
$\delta QM^{BH} / \delta QM^{DN}_{(\tau\text{-}2)DN}$	0.008 (0.11)	-0.07 (-0.87)	0.06 (1.49)	0.06 (1.18)	0.05 (0.63)	0.08 (0.83)	-0.05 (-0.66)	0.09 (0.68)	-0.16 (-1.77)	-0.13 (-1.71)	-0.006 (-0.14)	-0.009 (-0.21)
$\delta QM^{BH} / \delta QM^{BH}_{(\tau\text{-}1)BH}$	-0.25* (-2.50)	-0.17** (-2.66)	-0.23** (-3.22)	-0.26* (-3.17)	-0.37** (-3.60)	-0.39** (-3.47)	-0.30 (-1.93)	-0.34* (-2.31)	-0.39** (-4.24)	-0.49** (-5.77)	-0.25** (-4.59)	-0.30** (-5.41)
$\delta QM^{BH} / \delta QM^{BH}_{(\tau\text{-}2)BH}$	0.06 (0.89)	0.09 (1.08)	-0.07 (-0.75)	-0.15 (-1.56)	-0.13 (-1.43)	0.03 (0.18)	0.12 (0.75)	0.03 (0.18)	-0.21 (-1.80)	-0.16 (-1.56)	-0.02 (-0.43)	-0.07 (-1.25)
$\delta QM^{BH} / \delta QM^{BH}_{(\tau\text{-}3)BH}$	0.16 (0.96)	0.20 (1.28)	-0.24* (-2.44)	-0.19* (-2.00)	-0.16 (-1.61)	-0.21* (-2.27)	0.13 (0.97)	0.07 (0.50)	-0.17 (-1.42)	-0.07 (-0.67)	-0.07 (-1.19)	-0.05 (-0.82)
$\delta QM^{BH} / \delta QM^{BH}_{(\tau\text{-}4)BH}$	0.05 (0.80)	0.10 (1.60)	-0.05 (-0.69)	0.02 (0.32)	0.09 (0.89)	0.08 (0.81)	0.03 (0.26)	-0.03 (-0.25)	-0.002 (-0.02)	0.16 (1.57)	0.05 (0.79)	0.07 (1.15)
$\delta QM^{BH} / \delta QM^{BH}_{(\tau\text{-}5)BH}$	-0.02 (-0.34)	-0.08 (-1.42)	-0.12 (-1.73)	-0.06 (-0.83)	0.12 (1.42)	0.02 (0.19)	0.04 (0.45)	0.03 (0.32)	0.01 (0.21)	-0.07 (-0.80)	-0.01 (-0.30)	-0.02 (-0.46)
N	259		176		95		97		127		495	
$\bar{R}^2$	0.07	0.22	0.08	0.16	0.26	0.32	0.08	0.10	0.07	0.22	0.08	0.14
DW	2.05	2.16	1.86	1.89	2.05	1.93	2.02	1.996	2.00	2.10	1.95	1.99