

Table 4.1: Set of potential indicators of financial market integration

The indicator measures the effect of financial integration on:	Price-based indicators	Quantity-based indicators
Credit and bond markets	Interest rate differentials in the money market, bond market, mortgage market, and corporate loan market	Importance of foreign banks (asset shares and number)
		Foreign assets and liabilities held by national banking sectors
	Cross-border banking fees	International Diversification of Bond and Money Market Funds
Stock markets	Correlation of national stock market returns	International Diversification of Equity Funds, Pension Funds, and Insurance Companies
Household decisions	Saving-investment correlations	
	Consumption correlation across countries	
Corporate decisions	Cross-border M&A activity	
Legal Institutions	Dispute Resolution Index, Dispute Duration Index	

Table 5.1: Average Spreads Before and After 1999

The spreads are computed as difference between the rate reported in the first row of the table and the German counterpart. The first and the second column display the spread of the interbank 3-months rate before and after 1999. The third and the fourth the spread of the 10-years benchmark bond yields before and after 1999. The fifth and sixth the spread of the mortgage rates. The seventh and the eighth the spread of the loans to enterprises rates.

	Interbank 3-months rates		Benchmark 10-years yields		Mortgage rates		Corporate loans rates	
	Before '99	After '99	Before '99	After '99	Before '99	After '99	Before '99	After '99
Austria	9.729168	0	15.05063	25.01576	46.97778	0.121213	-89.06667	-199.303
Belgium	7.437499	0	31.84375	31.01848	-7.833329	34.57576	-332.0417	-342.6364
Denmark	79.85417	53.03571	85.45625	37.29969	n.a.	n.a.	-166.8462	-245.875
Finland	40.22917	0	84.14375	22.36242	19.33333	-40.81818	-249.4583	-350.8788
France	74.25	0	20.82916	12.61211	183.3125	72.54546	-142.1667	-307.5455
Greece	1059.188	380.0909	n.a.	n.a.	n.a.	187.7273	1234.063	413.4242
Ireland	216.4792	0	84.56041	14.3294	87.1875	-49.12121	201.8542	86.85543
Italy	403.5833	0	261.925	32.21788	488.125	43.12121	250.9375	-207.4849
Luxembourg	n.a.	n.a.	-11.90833	18.92212	n.a.	n.a.	n.a.	n.a.
Netherlands	-11.625	0	-0.5895856	14.18515	12.79167	16.09091	-435.3125	-376.1515
Portugal	315.7708	0	203.6956	32.72121	376.0833	-3.121212	245.3125	-248.3939
Spain	298.6458	0	207.6242	27.65091	212.625	-27.54545	-53.9375	-335
Sweden	223.6875	-7.249999	171.3021	26.65121	185.6667	92.75	-45.37501	-304
UK	307.8125	179.6509	130.4375	19.40091	165.5417	140.8182	n.a.	n.a.

Table 5.2: Beta Convergence

The dependent variable in the first column is the change of the spread of interbank 3-months rates; in the second in the change of the spread of the 10-years benchmark yields; in the third the mortgage rates and in the fourth the rates on loans to enterprises up to 1 year. The specification includes a full set of country dummies, one lag of the level and lags 1 and 2 of the dependent variable. One-starred coefficient estimates are significant at the 5% level; two-starred are significant at the 1% level. The F-statistics tests the equality of the speed of convergence before and after the 1999. The associated p-values are shown in parentheses.

Estimation interval:	Interbank 3-months rates	Benchmark 10-years yields	Mortgage rates	Corporate loans rates
$b_{pre-emu}$	-0.0302** (0.0093)	-0.0407** (0.0053)	-0.0135** (0.0045)	-0.0004 (0.0052)
$b_{post-emu}$	-0.0764** (0.0216)	-0.0791* (0.0360)	-0.0724** (0.0125)	-0.0203** (0.0075)
Austria	-0.0935 (0.0830)	-0.0039 (0.0212)	-0.0177 (0.0253)	0.1415 (0.0726)
Belgium	-0.1077 (0.0831)	-0.0062 (0.0211)	-0.0042 (0.0252)	0.1383 (0.0806)
Denmark	-0.0924 (0.0819)	0.0003 (0.0209)	n.a.	n.a.
Finland	-0.1083 (0.0825)	-0.0232 (0.0209)	-0.0364 (0.0244)	0.1306 (0.0787)
France	-0.1267 (0.0820)	-0.0134 (0.0215)	n.a.	0.1463 (0.0754)
Greece	-0.0149 (0.0953)	n.a.	-0.0373 (0.0255)	n.a.
Ireland	-0.0891 (0.0801)	-0.0072 (0.0210)	n.a.	n.a.
Italy	-0.1205 (0.0790)	-0.0150 (0.0213)	0,120833 (0.0241)	0.1052 (0.0648)
Luxembourg	n.a.	-0.0033 (0.0215)	n.a.	n.a.
Netherlands	-0.1007 (0.0834)	-0.0113 (0.0216)	0,157639 (0.0411)	0.1614 (0.0840)
Portugal	-0.1439 (0.0795)	-0.0088 (0.0210)	-0.0298 (0.0251)	0.0641 (0.0653)
Spain	-0.1194 (0.0795)	-0.0151 (0.0209)	n.a.	0.0985 (0.0737)
Δi_{t-1}	-0.3886** (0.0315)	-0.0158 (0.0306)	0.3136** (0.0340)	-0.0833* (0.0380)
Δi_{t-2}	-0.0054 (0.0310)	-0.0349 (0.0301)	0.0350 (0.0330)	-0.0126 (0.0378)
Constant	0.0970 (0.0625)	0.0153 (0.0140)	0.0195 (0.0134)	-0.1900** (0.0588)
Observation	1004	1014	807	699
R-squared	0.1877	0.0766	0.1687	0.0621
F-test	6.42 (0.0114)	1.28 (0.2582)	21.90 (0.0001)	9.63 (0.0020)

Table 5.3: Sigma convergence

In the first two columns, the dependent variable is the cross-country standard deviation of the 3-months interbank rate within the relevant month for the non-Euro zone and for the Euro zone respectively; in the third and fourth column, the change of the spread of the 10 years benchmark; in the fifth and sixth column, the mortgage rate and in the seventh and eight column the rate on loan to enterprises up to 1 year. The explanatory variable is a linear time trend. The regressions are estimated with OLS. Standard errors are shown in parentheses. One-starred coefficient estimates are significant at the 5% level; two-starred are significant at the 1% level. The null H_{0A} is that the trend before and after the emu is equal. The null H_{0B} is that the trend across the two groups of countries is equal.

	Interbank 3-months rates		Benchmark 10-years yields		Mortgage rates		Corporate loans rates	
	Euro and non Euro-zone	Euro-zone	Euro and non Euro-zone	Euro-zone	Euro and non Euro-zone	Euro-zone	Euro and non Euro-zone	Euro-zone
$S_{pre-emu}$	-0.0021 (0.0013)	-0.0182** (0.0019)	-0.0150** (0.0005)	-0.0185** (0.0006)	-0.0060** (0.0009)	-0.0094** (0.0012)	-0.0036** (0.0013)	-0.0107** (0.0016)
$S_{post-emu}$	-0.0429** (0.0022)	Convergence achieved	-0.0012** (0.0009)	0.0005 (0.0011)	-0.0176** (0.0016)	-0.0058** (0.0021)	-0.0344** (0.0022)	-0.0131** (0.0028)
$a_{pre-emu}$	69.2651** (17.2878)	276.7812** (25.0592)	214.6554** (7.1433)	261.9454** (8.6341)	102.0929** (12.2355)	147.8907** (16.0733)	97.9599** (17.2419)	180.5029** (21.6647)
$a_{post-emu}$	652.3706** (33.0800)	Convergence achieved	20.6913 (13.6687)	-5.3027 (16.5214)	271.4765** (23.4126)	94.2660** (30.7561)	539.3032** (32.9922)	213.6257** (41.4553)
Observations	81	81	81	81	81	81	81	81
R-squared	0.9895	0.9548	0.9812	0.9748	0.9814	0.9647	0.9931	0.9785
F-test	249.16		166.49	216.81	40.01	2.19	143.02	0.55
H_{0A}	(0.00001)		(0.00001)	(0.00001)	(0.00001)	(0.1431)	(0.00001)	(0.4598)
F-test	125.46		233.45	18.20	60.03	234.97	80.65	235.87
H_{0B}	(0.00001)		(0.00001)	(0.0001)	(0.00001)	(0.00001)	(0.00001)	(0.00001)

Table 5.4: Cross-border bank credit transfers

The table reports by country of transfer origin the average costs (columns 2-4), the standard deviation of costs (columns 5-7), and the average duration (columns 8-10) of a 100 Euro cross-border bank credit transfer.

	Average costs (Euro)			Standard deviation of costs (Euro)			Average delay (days)		
	1999	2001	Change	1999	2001	Change	1999	2001	change
Austria	10.61	17.40	+6.79	-	-	-	3.62	2.97	-0.65
Belgium	13.37	11.87	-1.50	4.05	1.25	+2.80	2.19	3.30	+1.11
France	16.88	18.06	+1.18	10.64	6.27	-4.40	2.09	2.06	-0.03
Germany	13.78	11.93	-1.85	3.36	3.69	+0.33	4.19	3.31	-0.88
Ireland	25.98	25.04	-0.94	3.67	6.68	+3.01	3.24	5.91	+2.67
Italy	18.28	19.74	+1.46	12.09	6.04	-6.05	3.63	2.88	-0.75
Luxembourg	8.91	9.58	+0.67	-	-	-	3.65	3.38	-0.27
Netherlands	10.00	11.45	+1.45	6.83	8.41	+1.58	3.03	3.78	0.75
Portugal	29.68	31.04	+1.36	9.98	4.53	-5.45	3.97	2.84	-1.13
Spain	20.5	20.56	+0.06	3.61	6.69	+3.08	3.81	2.55	-1.26
Mean	17.10	17.37	+0.27	6.51	5.45	-1.06	3.41 (3.42)*	3.31 (3.05)*	-0.10 (-0.37)*
Std.Deviation	6.66	6.53	-0.13	-	-	-	0.72 (0.75)*	0.98 (0.50)*	+0.26 (-0.25)*

*values when excluding Ireland from the sample

Table 5.5: Cross-border bank credit transfers – Country pairs

In columns 2 and 3 the table reports for the country pairs indicated in columns 1 (country1-country2) the difference between the average costs of a transfer from country 1 to country 2 minus the average costs of a transfer from country 2 to country 1. In columns 4 and 5 the table reports the standard deviation of the cost difference between a transfer from bank A in country 1 to bank B in country 2 and the costs of same transfer in the opposite direction.

	Average cost differences between countries depending on direction of transfer (Euro)		Standard deviation of price differences for inverted transfers between given banks (Euro)	
	1999	2001	1999	2001
Belgium - Germany	-1.71	-2.91	5.83	3.89
Italy - Austria	7.35	0.93	11.65	11.84
France - Netherlands	3.15	6.52	12.94	8.81
Ireland - Finland	11.88	13.89	9.07	6.96
Spain - Portugal	-5.77	-8.29	8.08	6.80
Mean*	5.97	6.51	9.51	7.66

- For the average price differences the table reports the mean of the absolute values.

Table 5.6: Share of foreign banks

The table reports the share of foreign banks in 1990 and 1997 or the closest year for which data was available. The 1990 value for Ireland and Sweden refers to 1991, the one for Denmark to 1992. The 1997 value reported for Sweden refers to 1996.

	Asset share of foreign banks		Number of foreign banks as a fraction of total banks	
	1990	1997	1990	1997
Austria	0.0272	0.0142	0.2800	0.2258
Belgium	0.0271	0.0155	0.2666	0.3889
Denmark	0.0022	0.0018	0.0541	0.0577
France	0.1524	0.0239	0.2500	0.1739
Germany	0.0322	0.0256	0.2558	0.2517
Greece	0.0067	0.0329	0.0909	0.2307
Ireland	0.1236	0.6585	0.3333	0.6470
Italy	0.0008	0.0005	0.0370	0.0526
Luxembourg	0.6566	0.5809	0.8688	0.8830
Netherlands	0.1806	0.0178	0.4000	0.3214
Portugal	0.0307	0.0327	0.1111	0.2143
Spain	0.1382	0.1003	0.2253	0.2737
Sweden	0.0502	0.0112	0.3333	0.1818
UK	0.2809	0.2167	0.4722	0.4848
Sample moments (all countries)				
Mean	0.1221	0.1238	0.2842	0.3138
Std.Deviation	0.1749	0.2180	0.2117	0.2272
Sample moments excluding Ireland and Luxembourg				
Mean	0.0774	0.0411	0.2314	0.2381
Std.Deviation	0.0894	0.0611	0.1365	0.1232

Table 5.7: Share of foreign assets and liabilities

The table reports the share of foreign assets and liabilities of the national banking sectors in the Euro area for January 1999 and September 2001. Foreign assets and liabilities include assets of other Euroland members. Greece is not included in the asset figure of January 1999. Greece, Portugal, and Ireland are not included in the liability figure of January 1999.

	Share of foreign assets		Share of foreign liabilities	
	Jan. 1999	Sept. 2001	Jan. 1999	Sept. 2001
Euro area	17.2 %	18.9%	33,3%	36,8%

Table 7.1: Capital mobility regressions

The table reports the slope coefficients of cross-country OLS regressions of the gross investment rate on the gross saving rate. One star indicates 5% significance level; two stars 1% level.

Year	Coefficient	Standard Error	R-squared
1980	1.0819*	0.2402	0.84
1981	0.9642*	0.2596	0.78
1982	0.8906*	0.2606	0.74
1983	0.9558*	0.2288	0.81
1984	0.8014**	0.1728	0.84
1985	0.8181*	0.2865	0.67
1986	0.7014	0.4465	0.38
1987	0.9392*	0.3038	0.70
1988	0.7374*	0.2210	0.69
1989	0.9120*	0.3092	0.63
1990	0.7745*	0.2550	0.61
1991	0.6395*	0.2004	0.59
1992	0.6289**	0.1554	0.70
1993	0.6912**	0.1627	0.69
1994	0.8145*	0.2434	0.58
1995	-0.0218	0.2424	0.00
1996	-0.0366	0.2370	0.00
1997	-0.1293	0.2448	0.02
1998	-0.2920	0.2548	0.10
1999	-0.3992	0.2644	0.16
2000	-0.4858	0.2470	0.24

Table 7.2: Risk-sharing regressions

The table reports the slope coefficients of cross-country OLS regressions of the growth rate of consumption on the growth rate of GDP. One star indicates 5% significance level; two stars 1% level.

Year	Coefficient	Standard Error	R-squared
1980	0.7169*	0.2709	0.3500
1981	0.7469*	0.3096	0.3092
1982	0.5588	0.6162	0.0595
1983	1.0526**	0.3399	0.4245
1984	0.7062**	0.1818	0.5372
1985	1.6267*	0.7086	0.2884
1986	1.0930**	0.2562	0.5834
1987	0.6437**	0.1512	0.5823
1988	0.0875	0.7416	0.0011
1989	0.8892**	0.2500	0.4931
1990	0.4437*	0.1928	0.2894
1991	1.0887**	0.1053	0.8917
1992	1.0302**	0.1713	0.7355
1993	0.4209	0.2658	0.1617
1994	0.9500**	0.1561	0.7402
1995	0.2443*	0.1087	0.2798
1996	0.6216**	0.0700	0.8586
1997	0.5438**	0.1121	0.6443
1998	0.6297**	0.0957	0.7689
1999	0.6297**	0.0957	0.7689
2000	0.6708**	0.0860	0.8238

Table 9.1: Regulation of Dispute Resolution index and expected duration of the procedure of collection of a bounced check

Collection of a bounced check		RDR	Duration
Austria		4,23	434
Belgium		2,54	120
Denmark		2,42	83
France		3,21	181
Finland		3,88	240
Germany		3,38	154
Greece		3,83	315
Ireland		3,36	130
Italy		3,86	645
Luxembourg		4,21	210
Netherlands		3,75	39
Portugal		4,58	420
Spain		5,96	147
Sweden		3,67	190
UK		2,51	101
EU15 mean		3,69	227
US		2,54	54
EU legal origin	Common law	2,93	115,5
	Civil law	3,81	244,5
	French	3,99	259,5
	German	3,80	294
	Scandinavian	3,32	115,5

Source: Djankov *et al.* (2001)

Figure 5.1: Interbank 3-months rate, January 1995 – September 2001

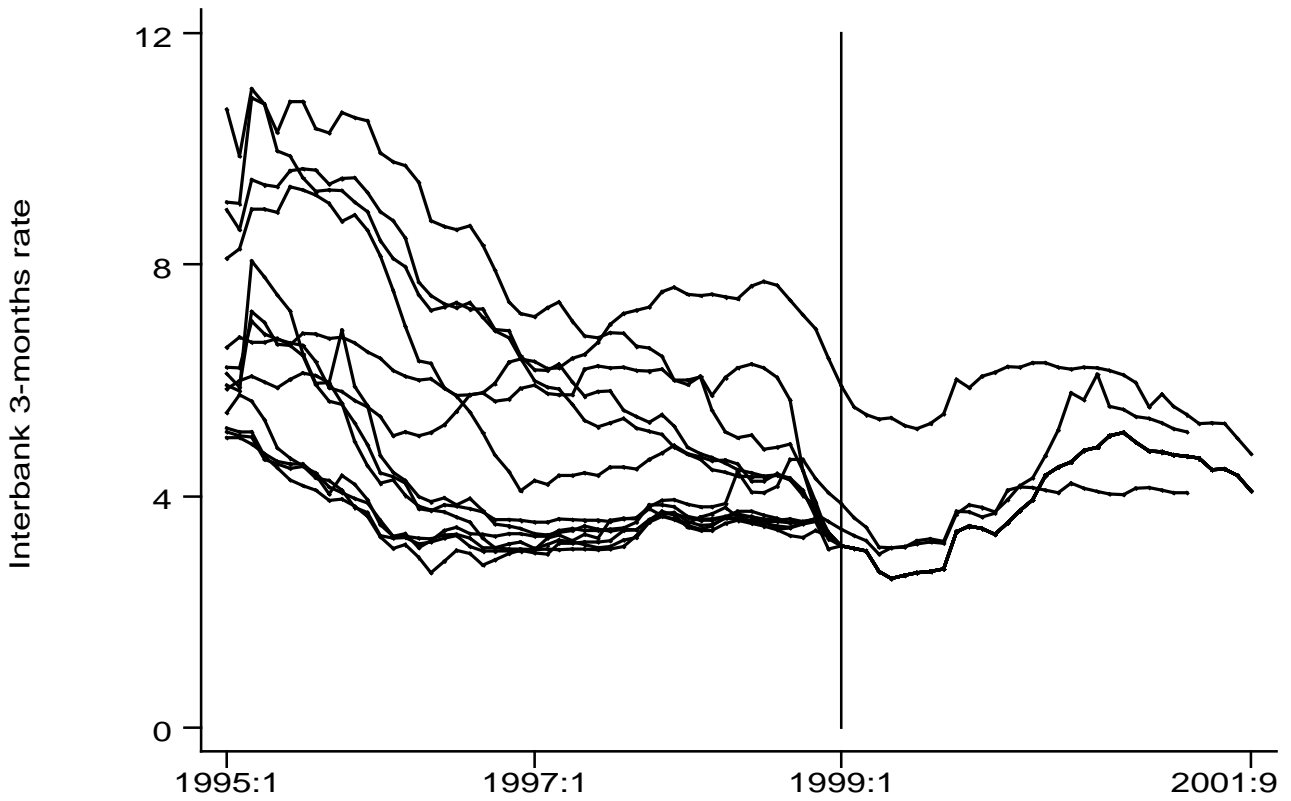


Figure 5.2: Interbank 3-months rate, January 1995 – September 2001, by countries

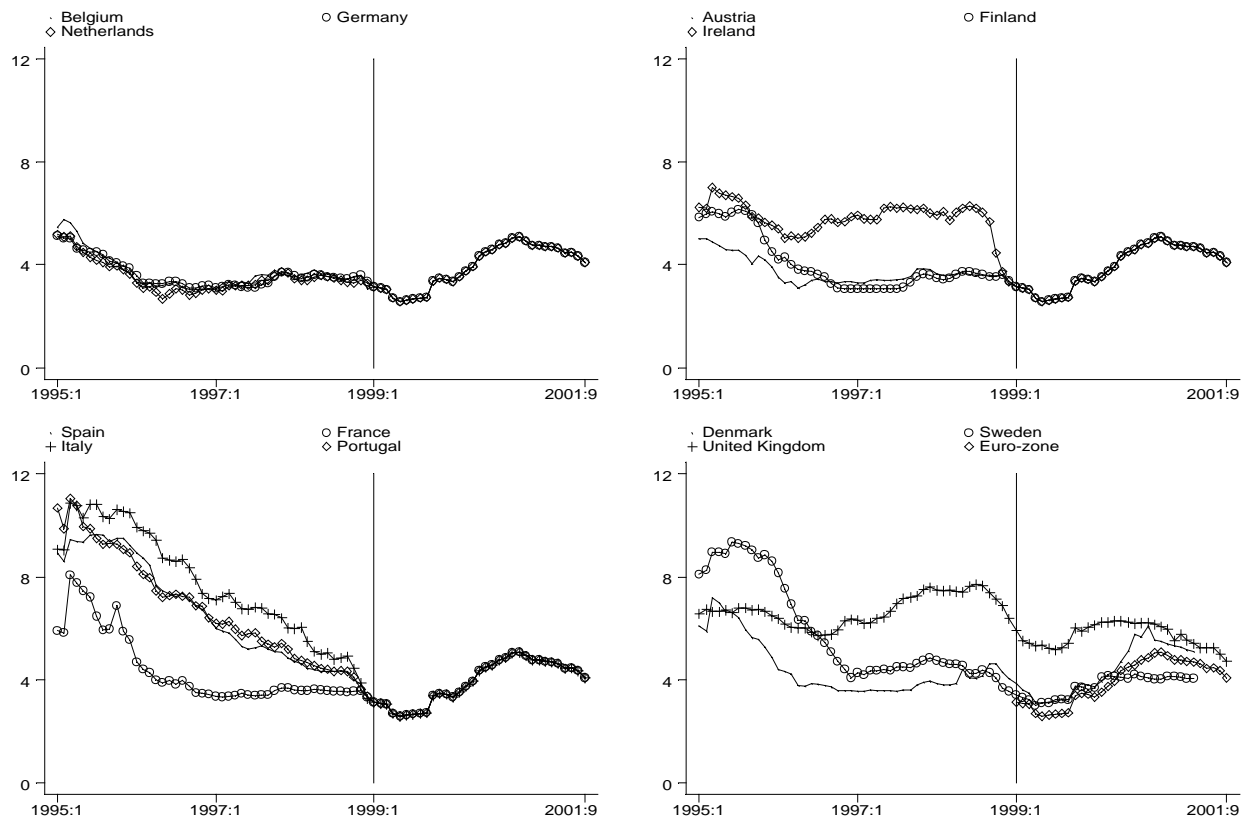


Figure 5.3: 10-years benchmark yields, January 1995 – September 2001

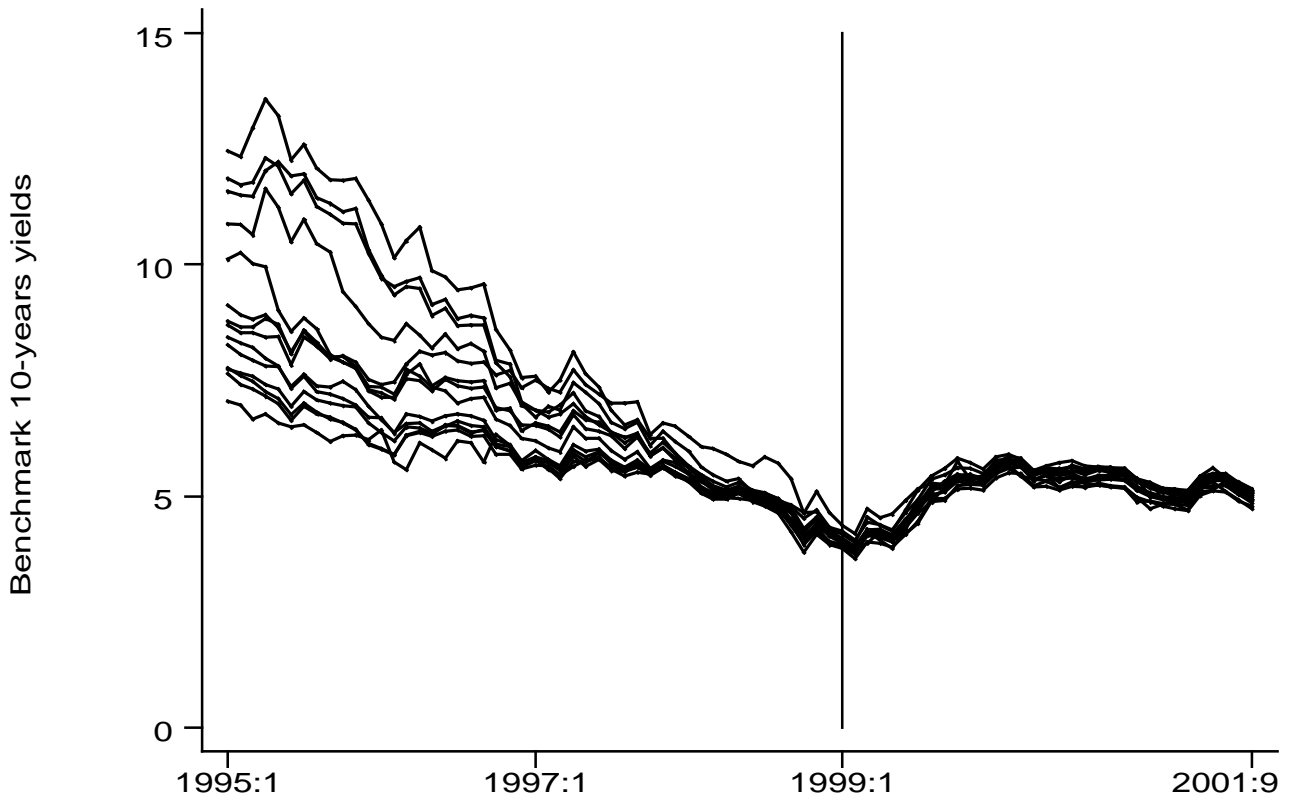


Figure 5.4: 10-years benchmark yields, January 1995 – September 2001, by countries

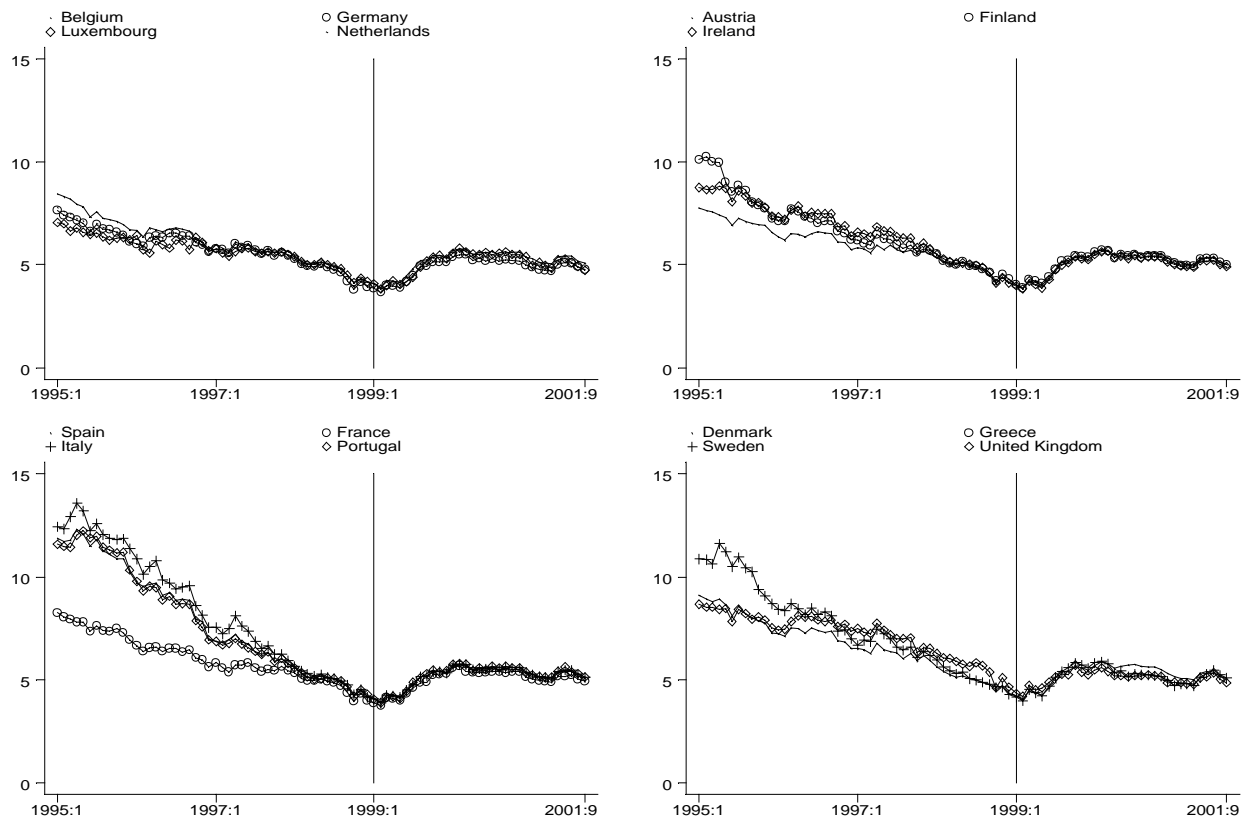


Figure 5.5: Mortgage rates, January 1995 – September 2001

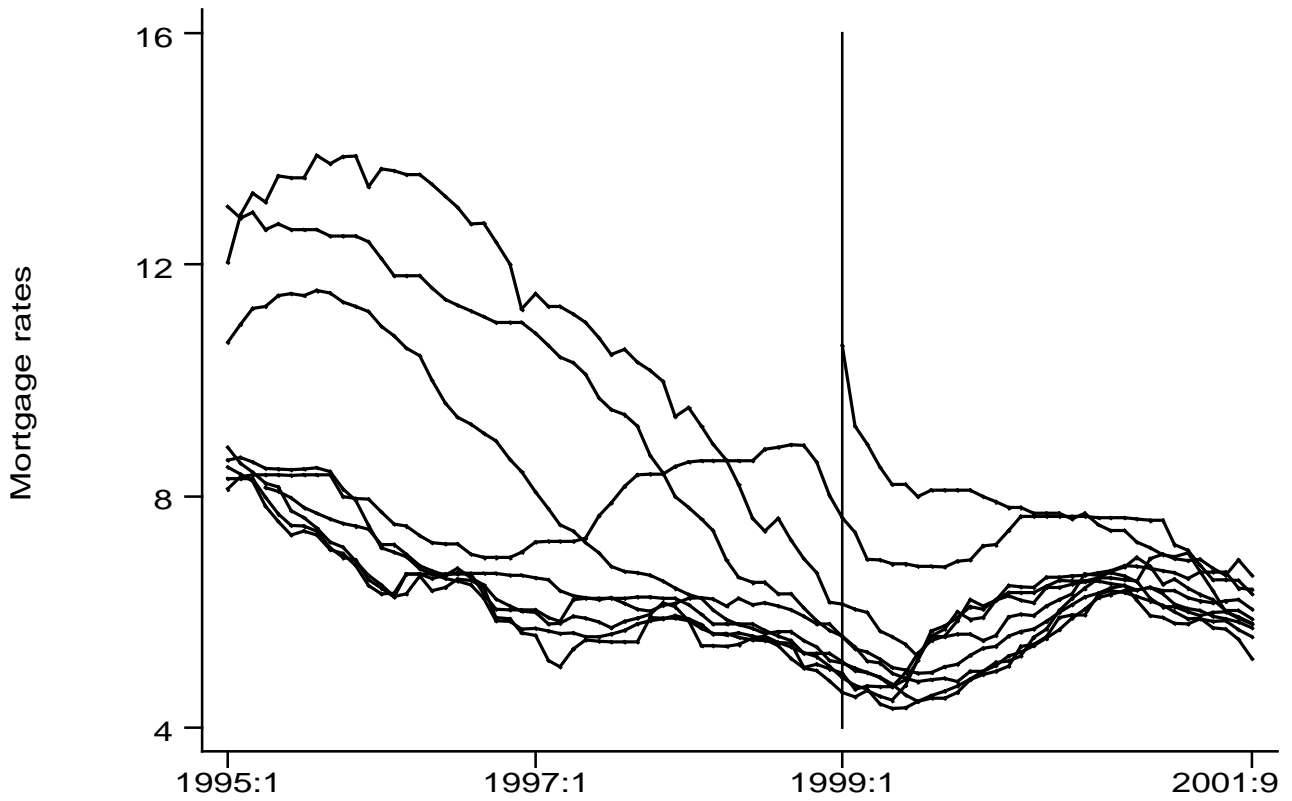


Figure 5.6: Mortgage rates, January 1995 – September 2001, by countries

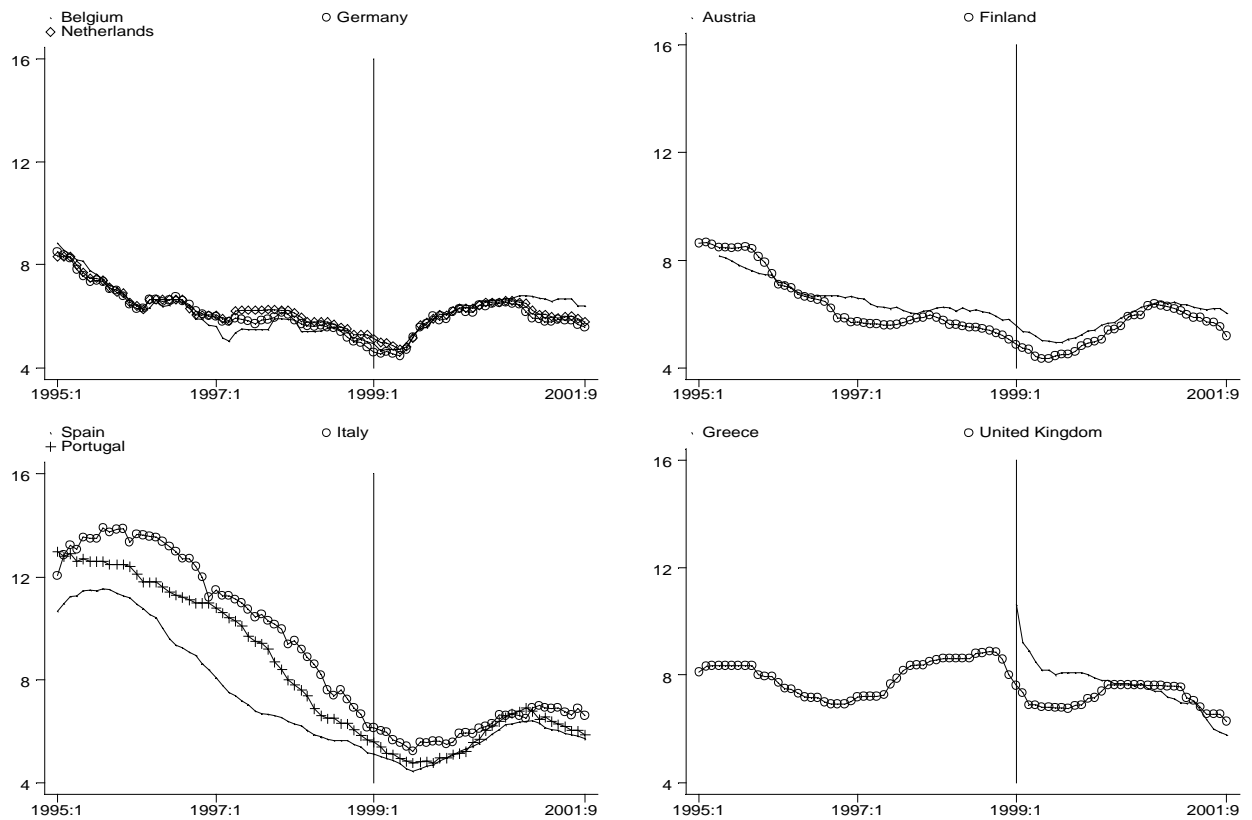


Figure 5.7: Loan to enterprises rates, January 1995 – September 2001

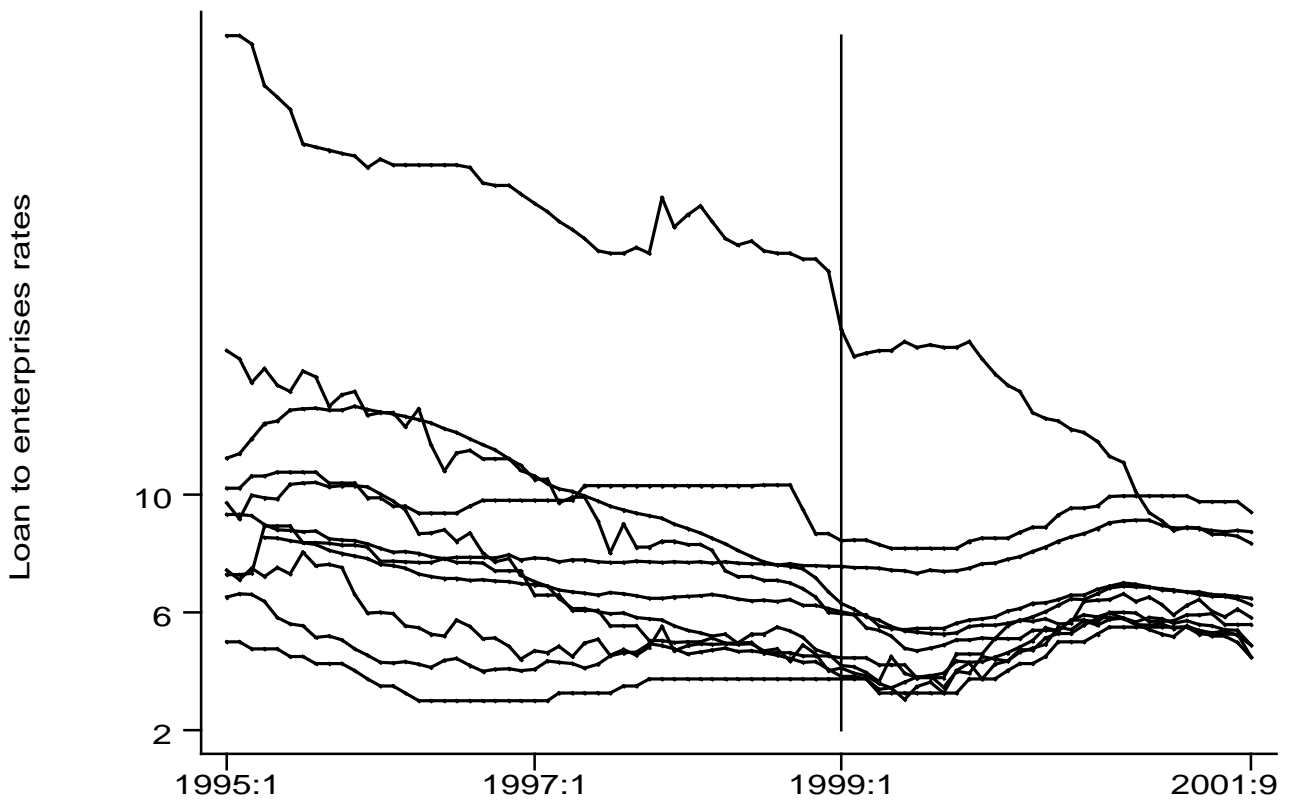


Figure 5.8: Loan to enterprises rates, January 1995 – September 2001, by countries

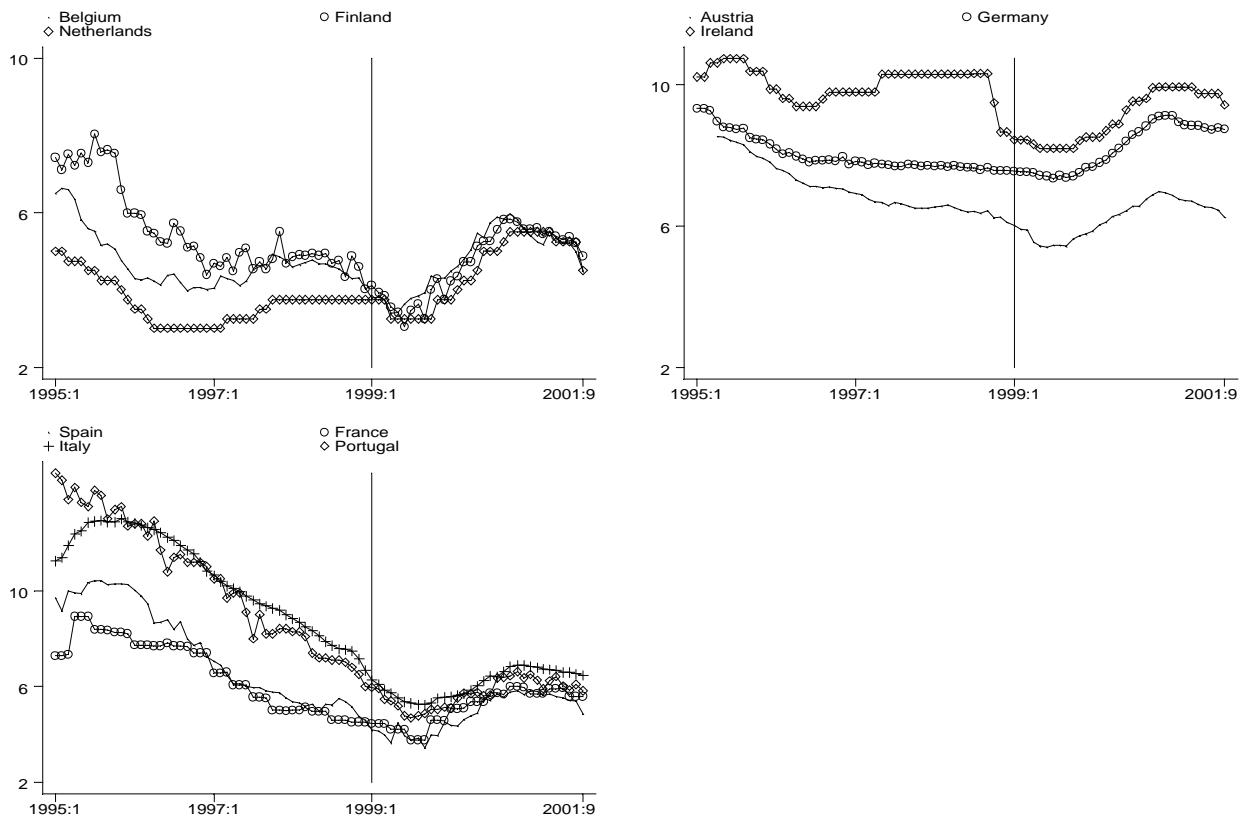


Figure 5.9: S-convergence, January 1995 – September 2001

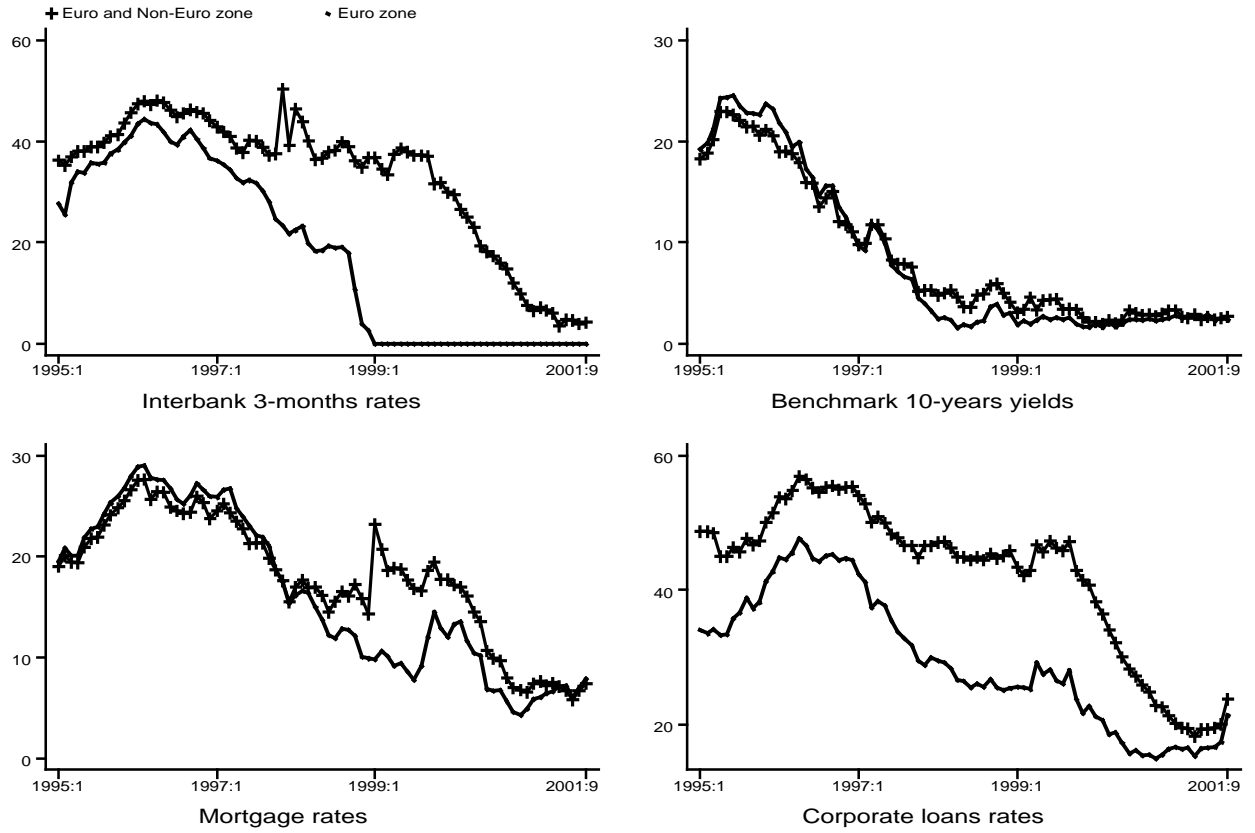


Figure 5.10: Foreign banks' share of total assets (1990-1997)

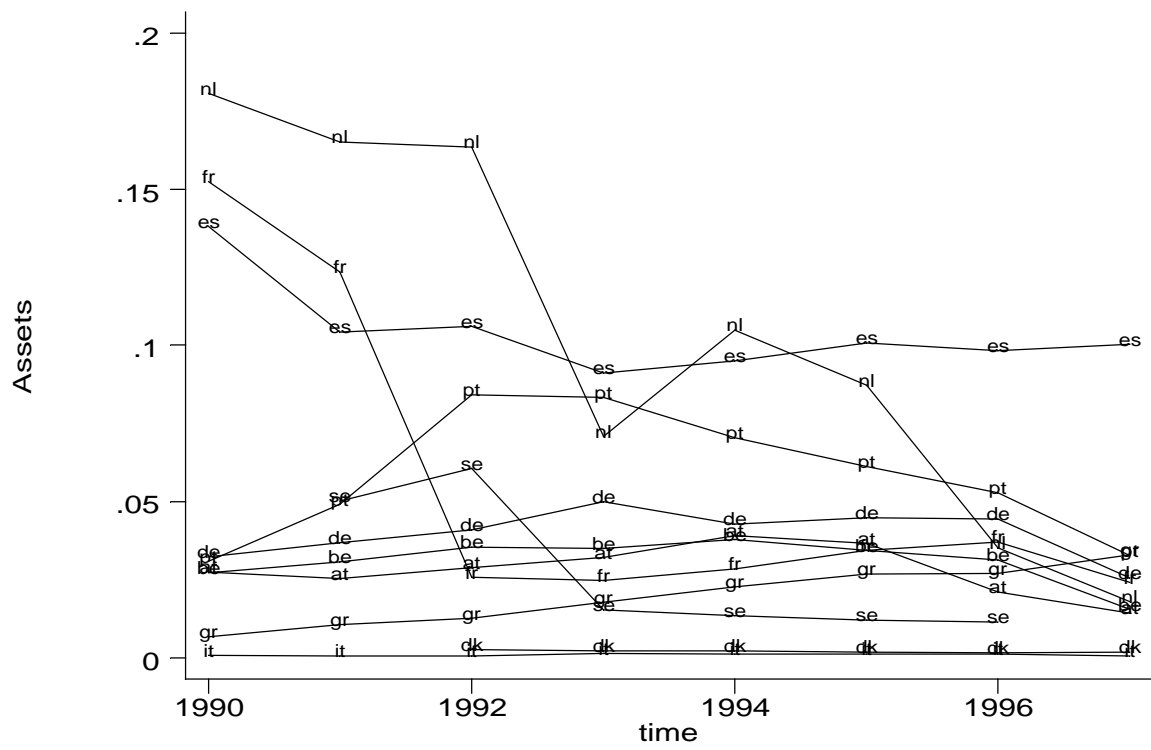


Figure 5.11: Share of Foreign Assets held by the Banking Sector (Jan. 1999 - Sept. 2001)

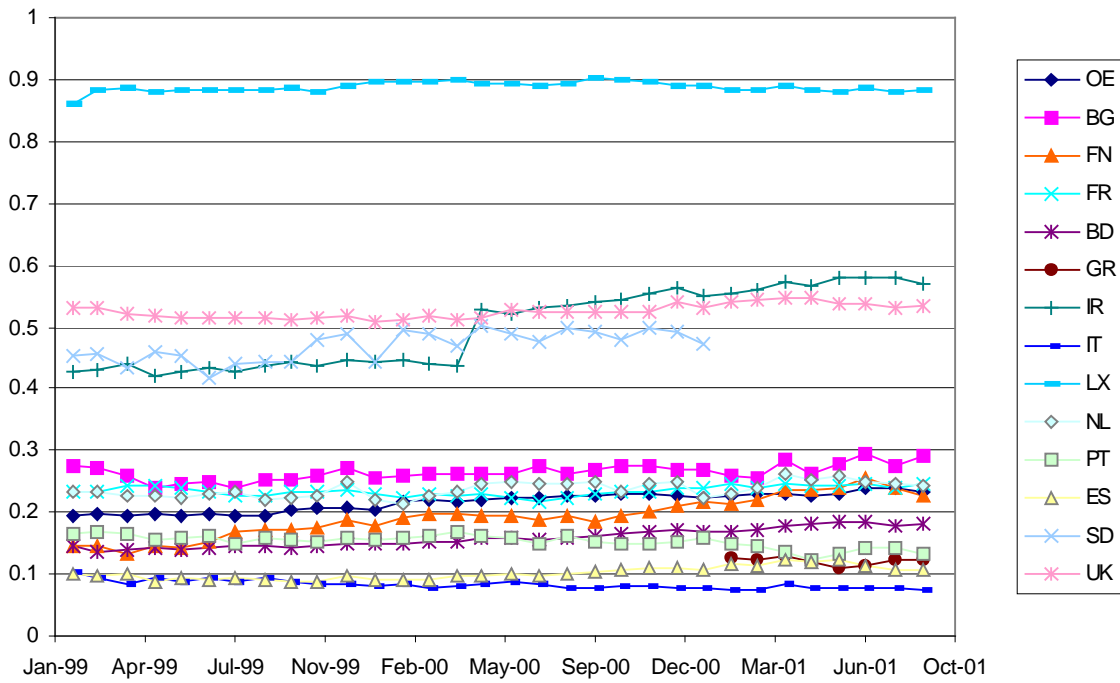


Figure 5.12: Home Bias in the Banking Sector's Asset Structure (Jan. 1999 - Sept. 2001)

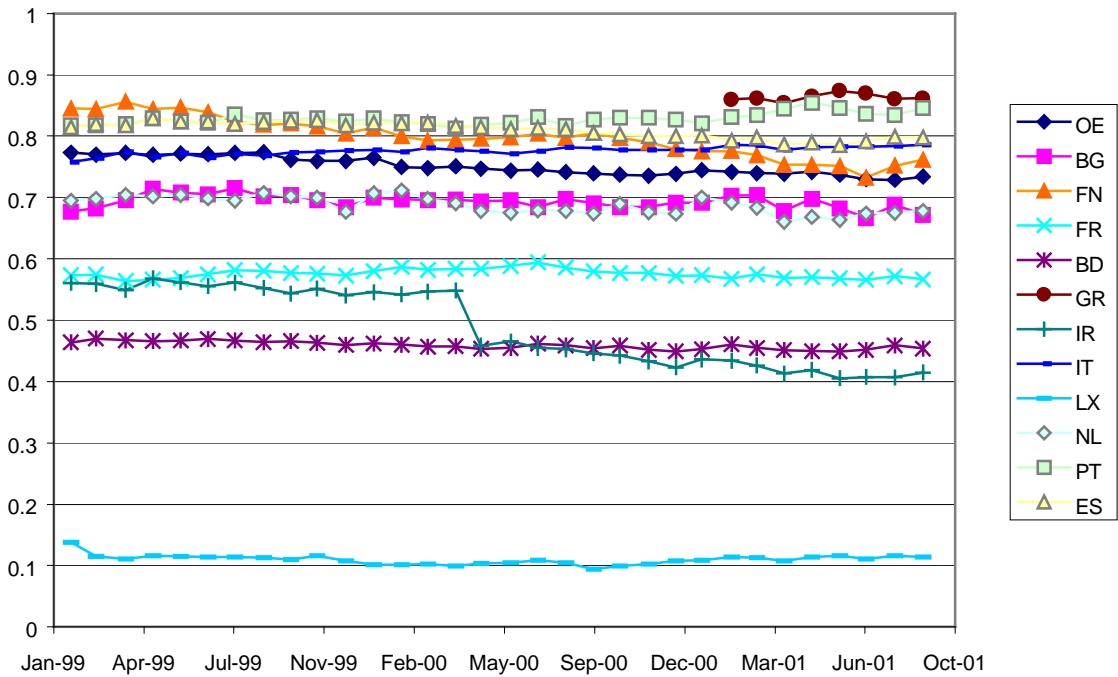
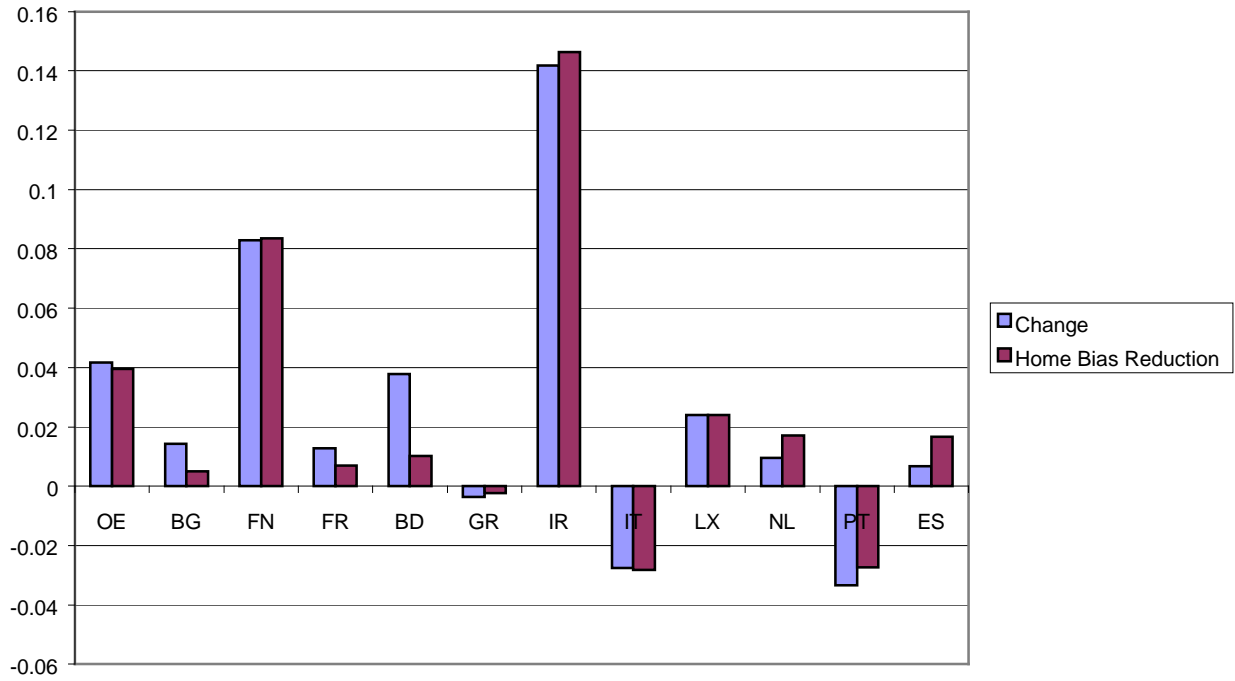


Figure 5.13: Foreign Assets held by the Banking Sector (Jan. 1999 - Sept. 2001)



The changes reported for Greece regard the period Jan.2001-Sept.2001.

Figure 5.14: Share of Foreign Liabilities held by the Banking Sector

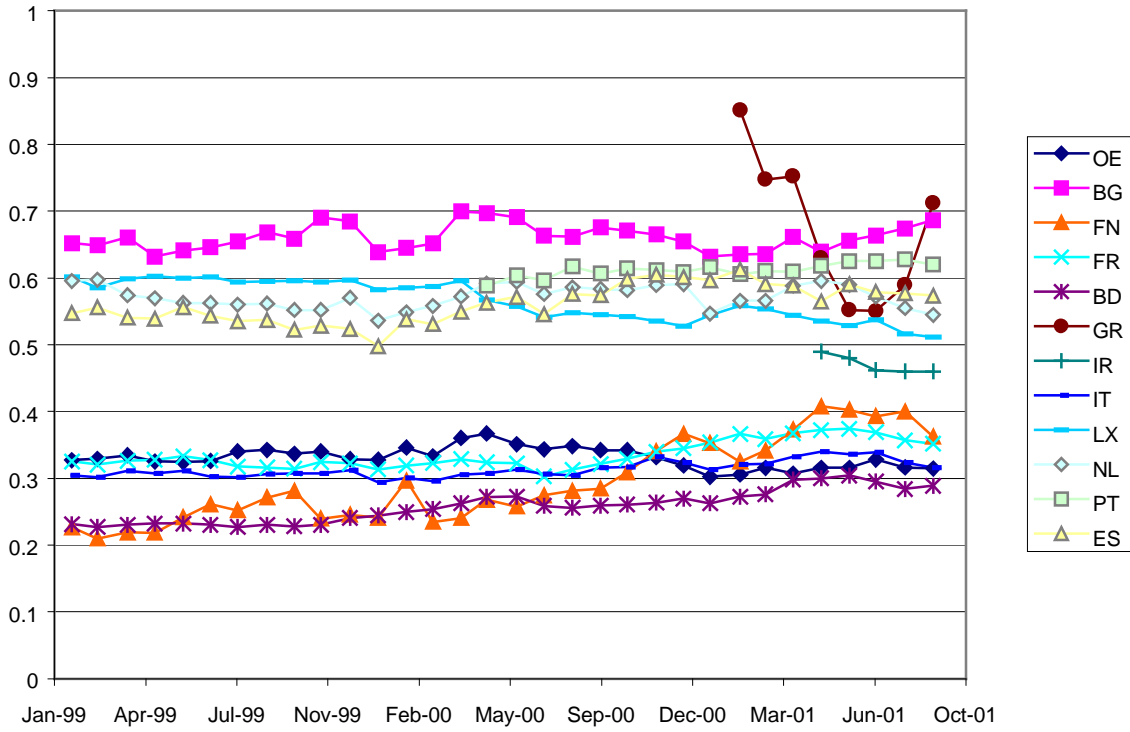


Figure 5.15: Home Bias of the Banking Sectors' Liability Structure (Jan. 1999 - Sept. 2001)

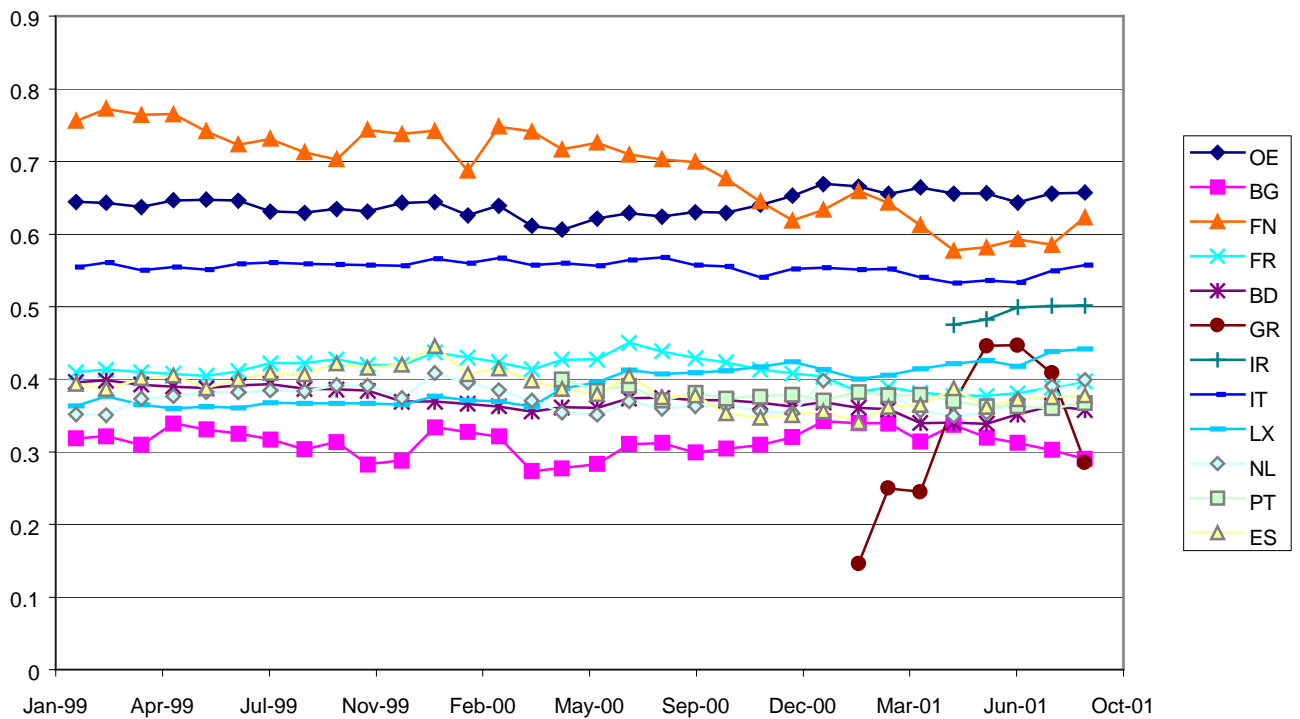
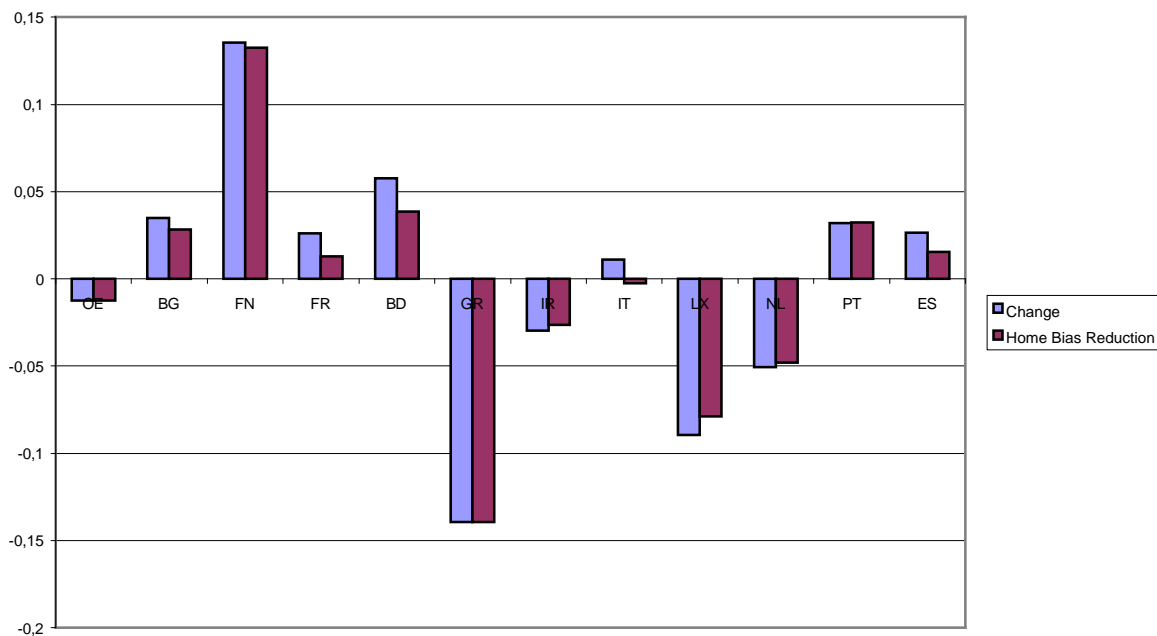
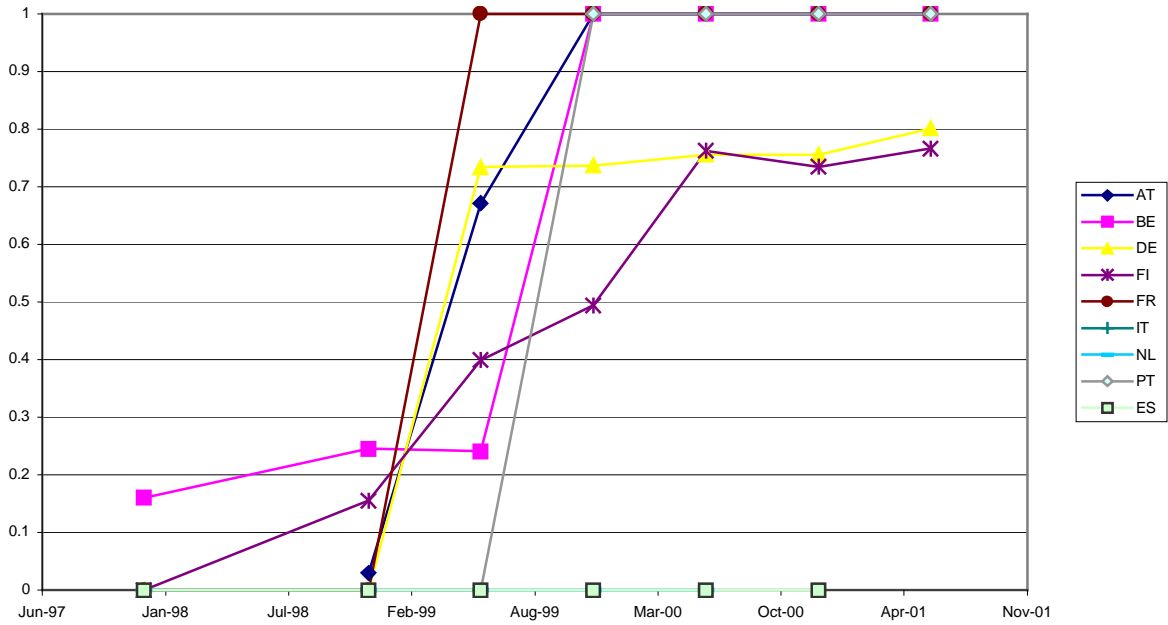


Figure 5.16: Foreign Liabilities held by the Banking Sector (Jan. 1999 - Sept. 2001)

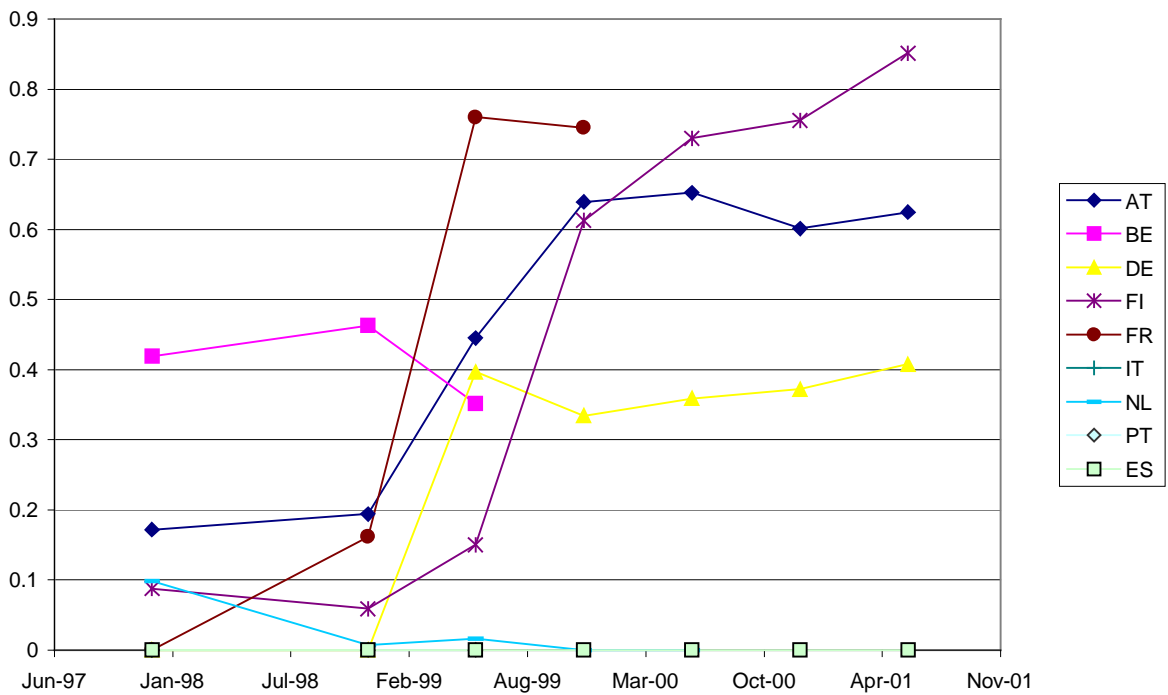


Due to data availability problems the changes reported for Greece, Ireland, and Portugal regard the periods Jan.2001-Sept.2001, April 2001-Sept.2001, and April 2000-Sept.2001, respectively.

**Figure 5.17: Asset Share of European-Wide Investing Money Market Funds
Euro Zone Countries (Dec.1997 –Jun.2001)**



**Figure 5.18: Asset Share of European-Wide Investing Bond Funds
Euro Zone Countries (Dec.1997 – Jun.2001)**



**Figure 5.19: Asset Share of European-Wide Investing Bond Funds
European Non-Eurozone Countries (Dec.1997 – Jun.2001)**

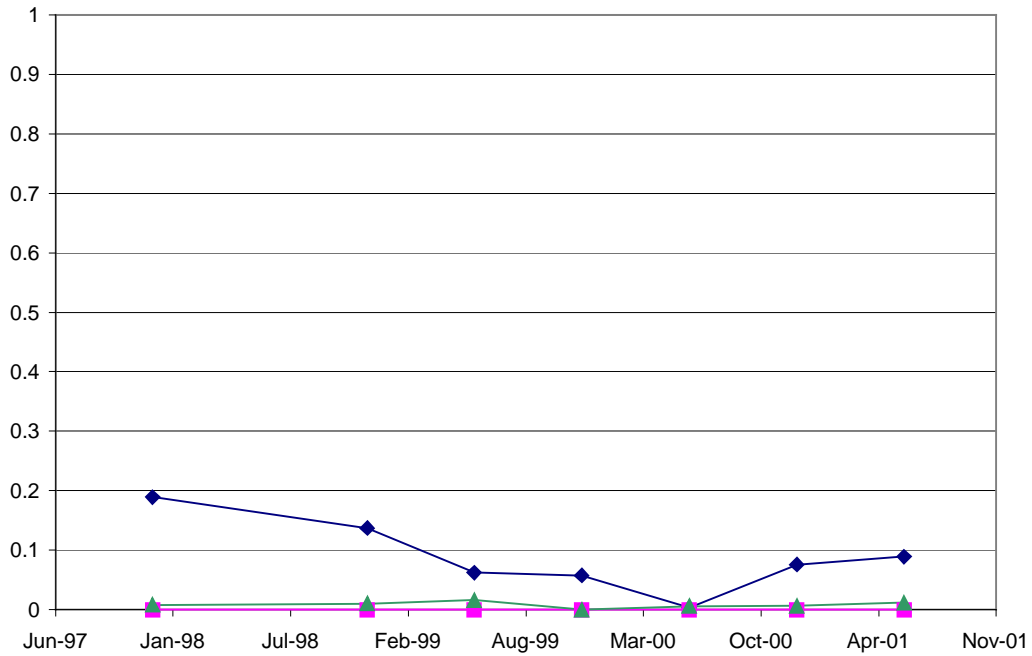


Figure 6.1: Stock market returns correlation, unweighted (Jan. 1995 – May 2001)

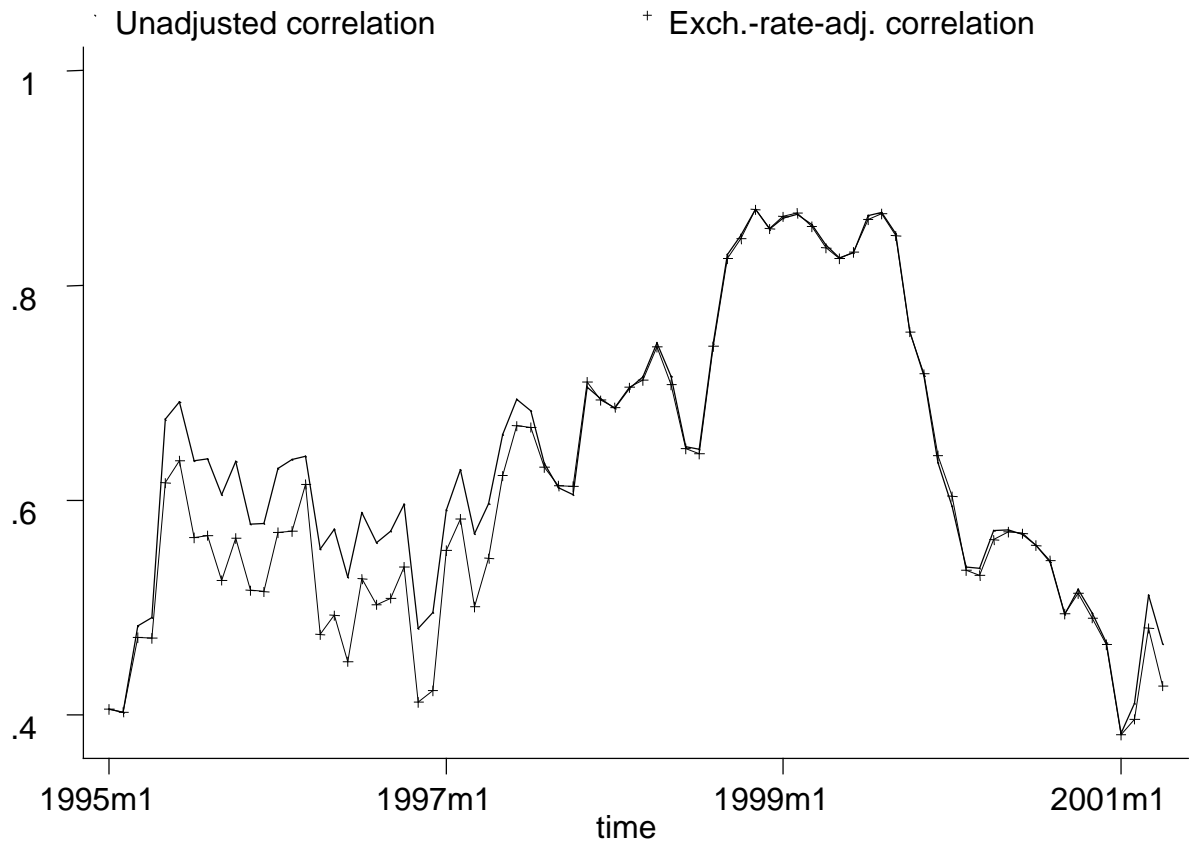
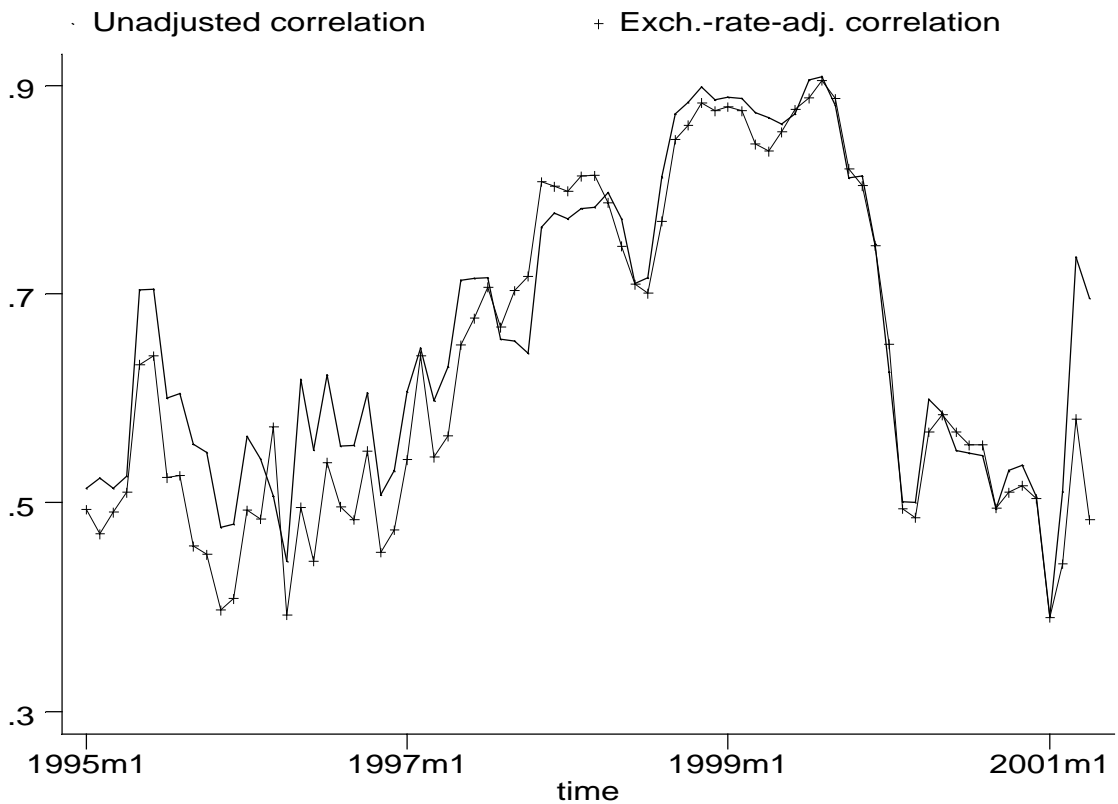


Figure 6.2: Stock market returns correlation, weighted by stock market capitalisation (Jan. 1995 – May 2001)



**Figure 6.3: Asset Share of European-Wide Investing Equity Funds
Euro Zone Countries (Dec.1997 – Jun.2001)**

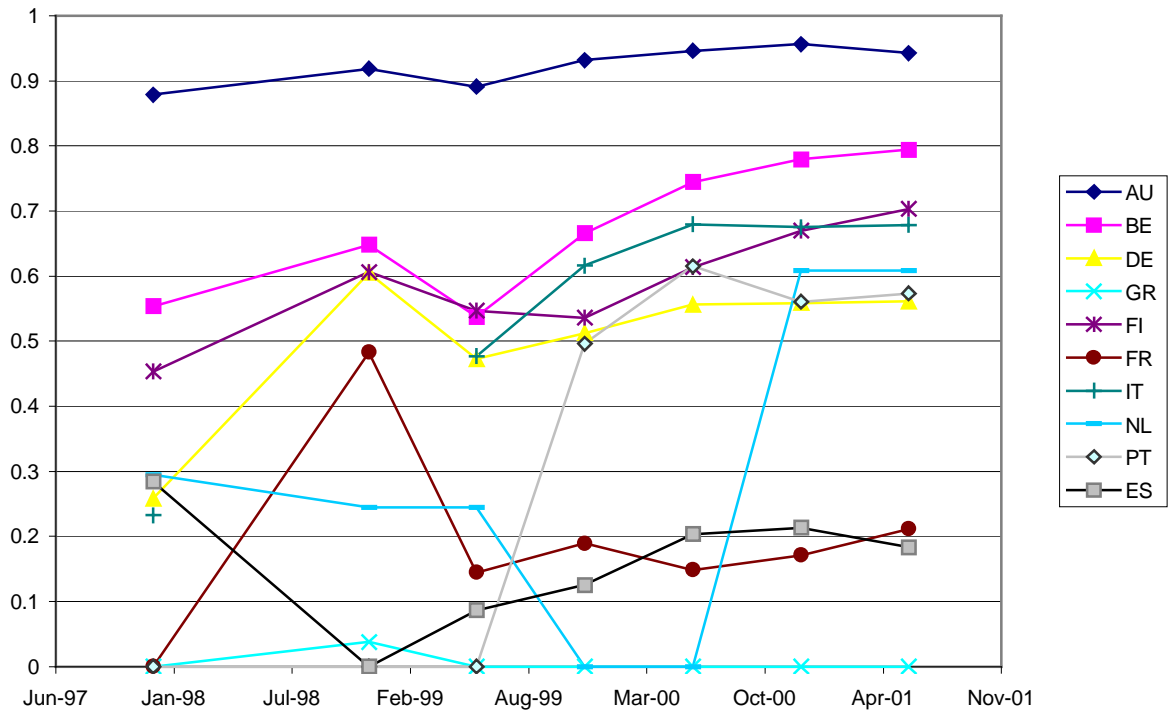


Figure 6.4: Integration Index for Equity Funds (Dec.1997 – Jun.2001)

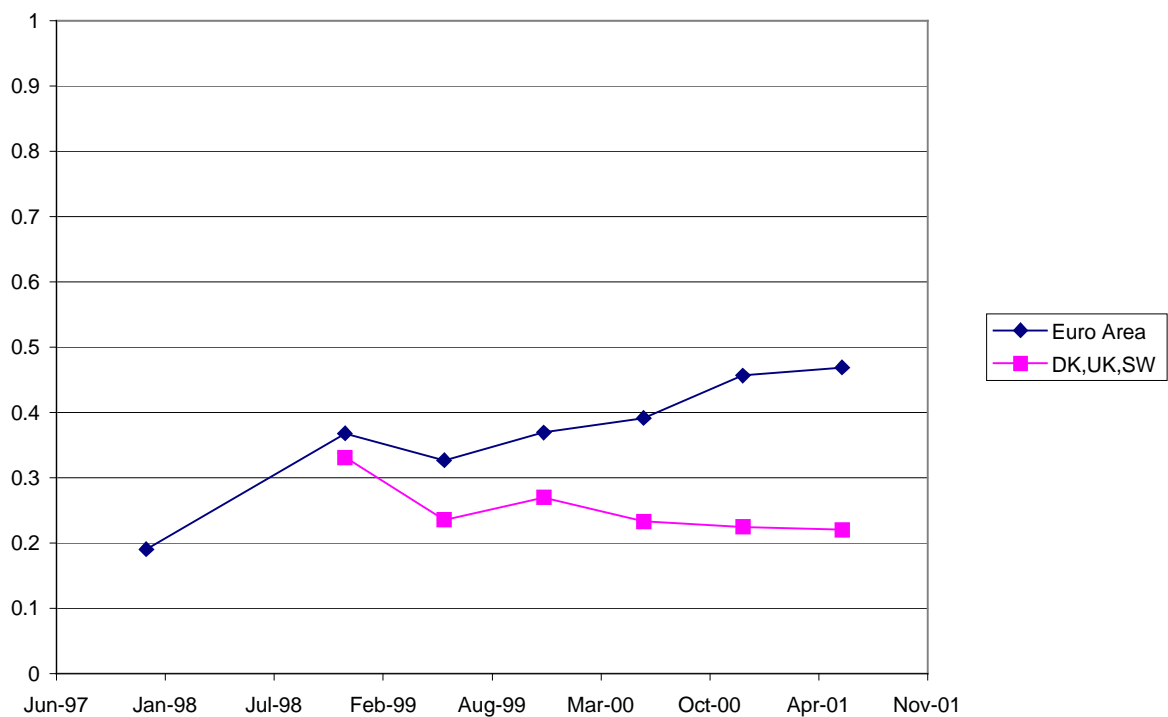


Figure 6.5: Pension Funds: Foreign Equities as a Percentage of Total Equities Invested Euro Zone Countries (1992-1999)

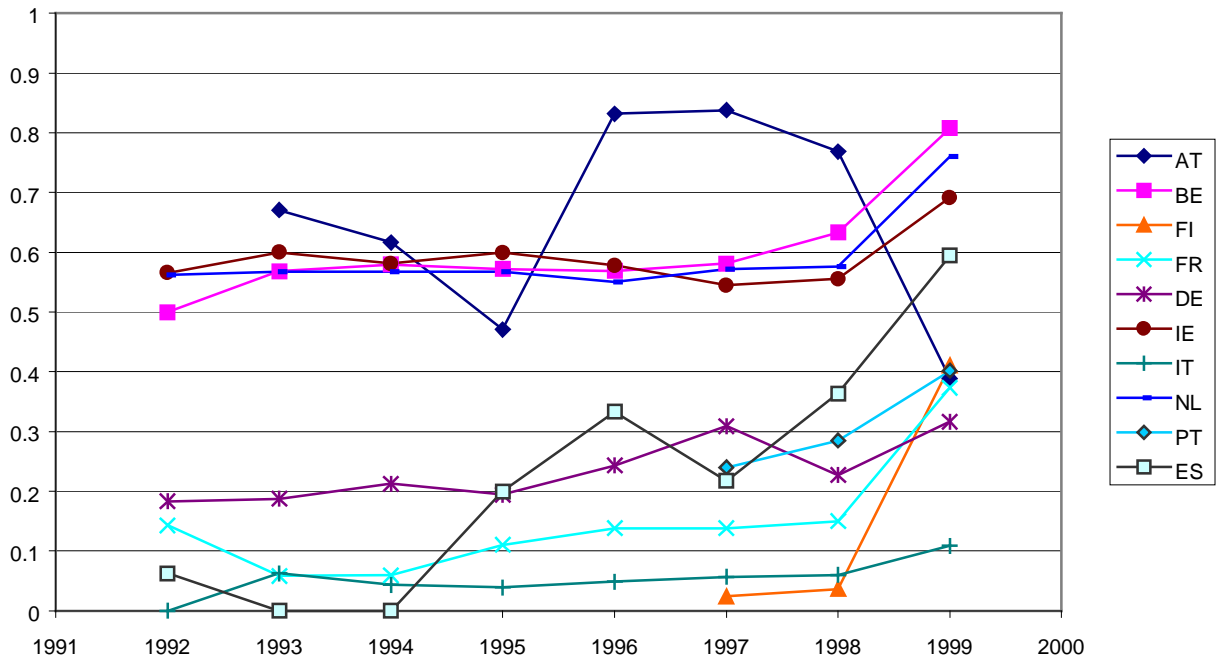


Figure 6.6: Insurance Companies - Foreign Equities as a Percentage of Total Equities Invested - Euro Zone Countries (1992-1999)

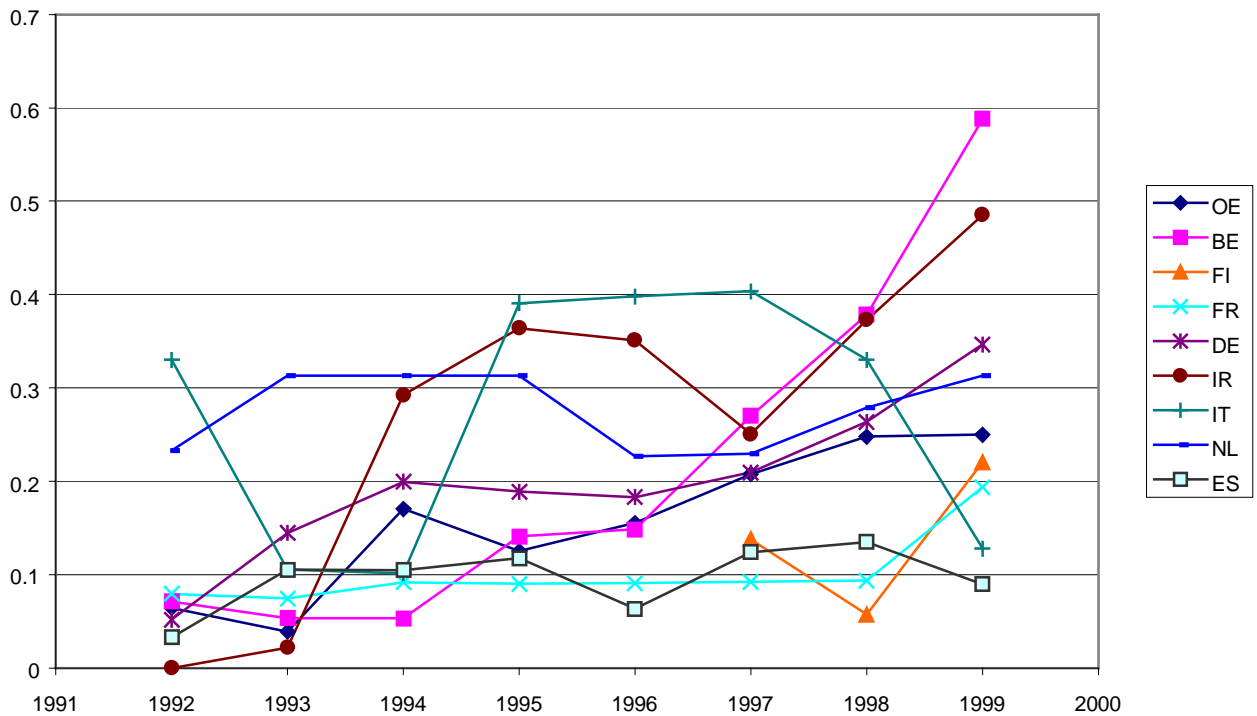


Figure 6.7: Insurance Companies - Foreign Equities as a Percentage of Total Equities Invested - Non-Euro Zone Countries (1992-1999)

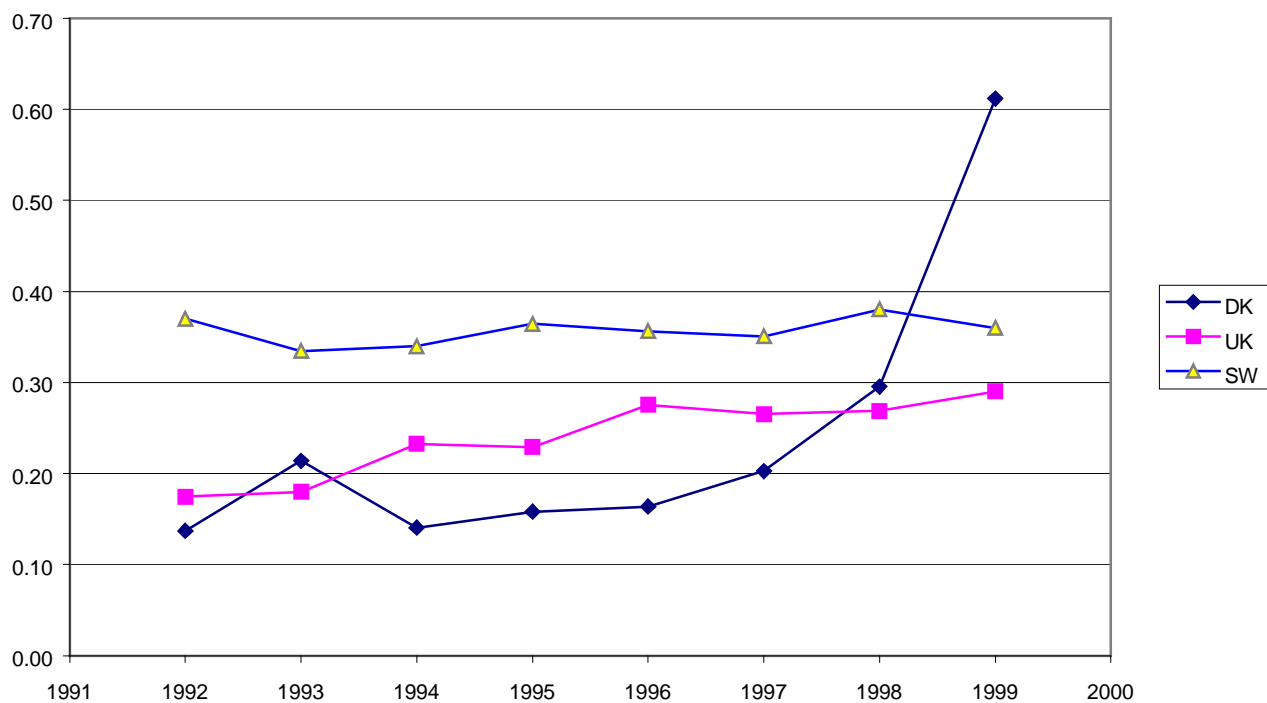


Figure 8.1: Mobility index, by value of M&A (confidence interval in bold) (1990-1999)

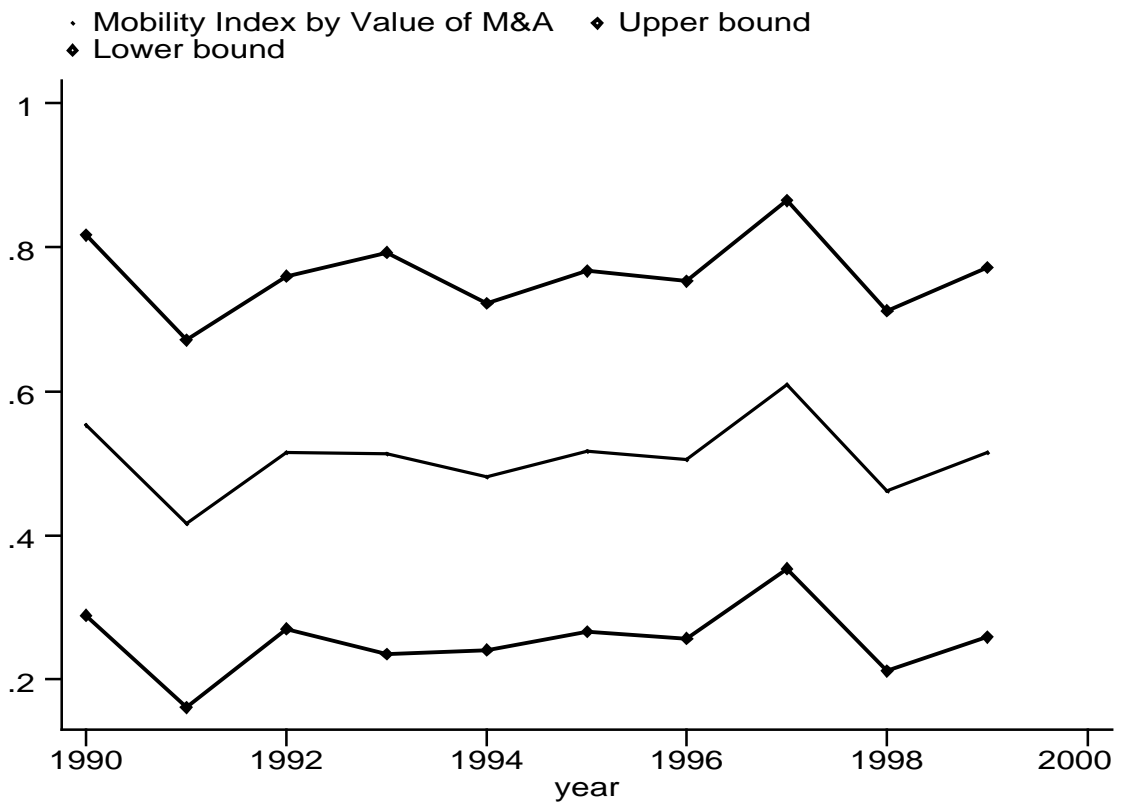


Figure 8.2: Mobility index, by number of M&A (confidence interval in bold) (1990-1999)

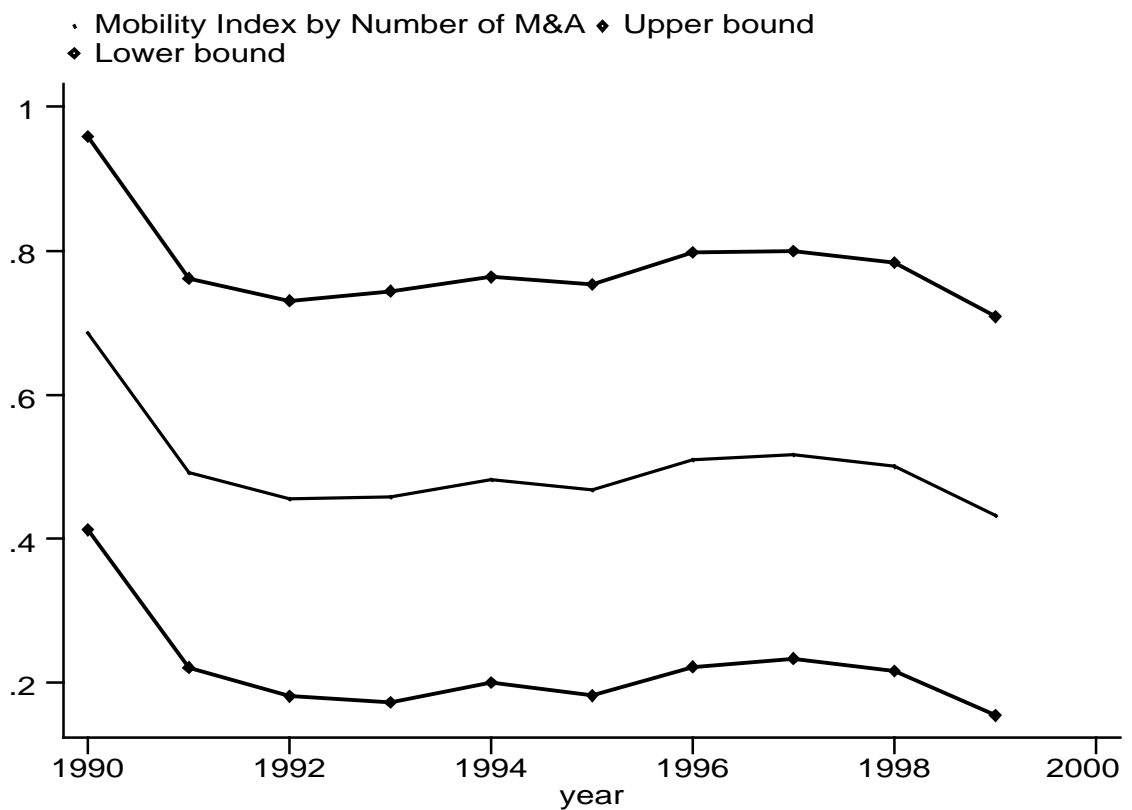


Figure 8.3: Inward mobility index, by value of M&A (1990-1999)

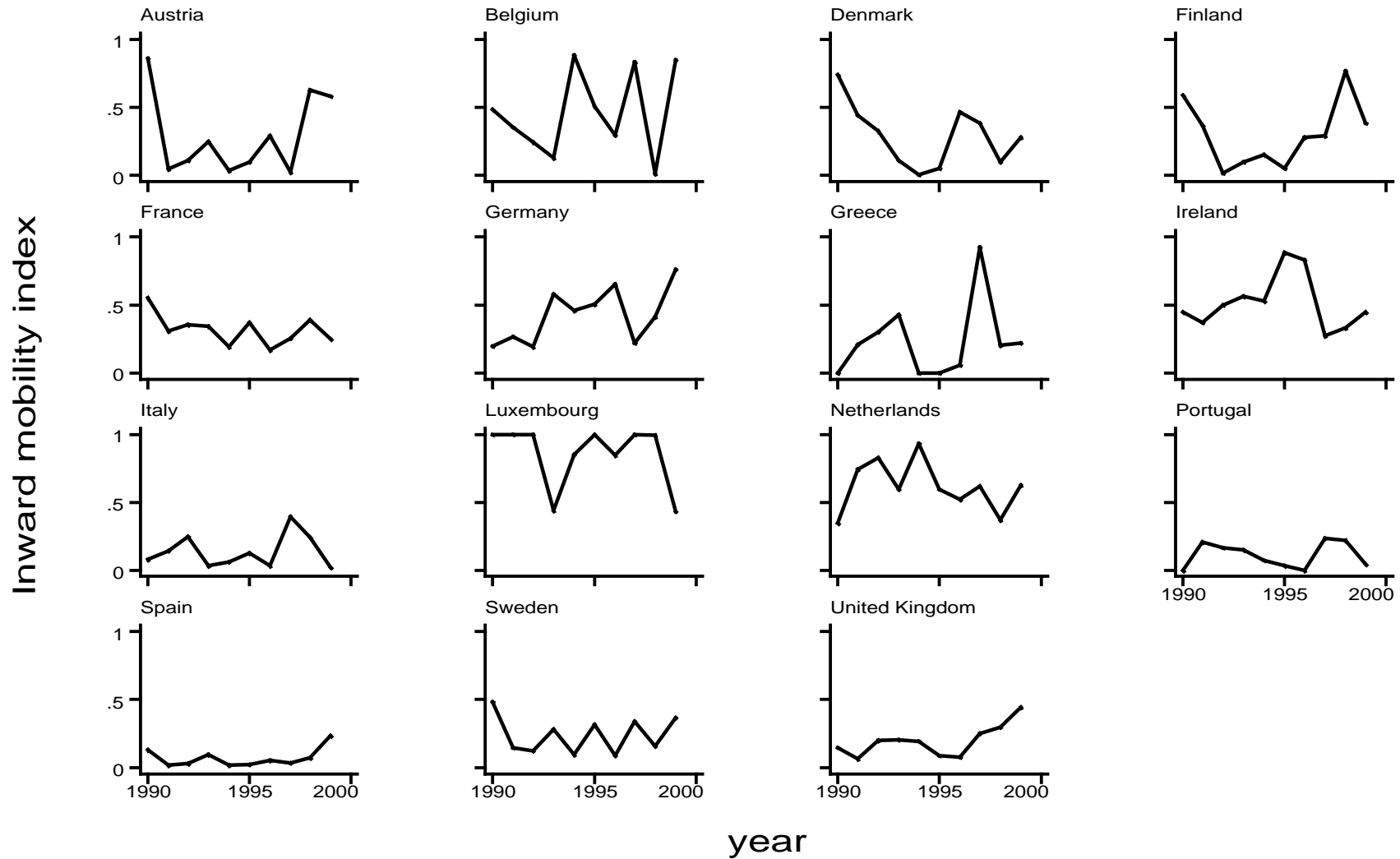


Figure 8.4: Inward mobility index, by number of M&A (1990-1999)

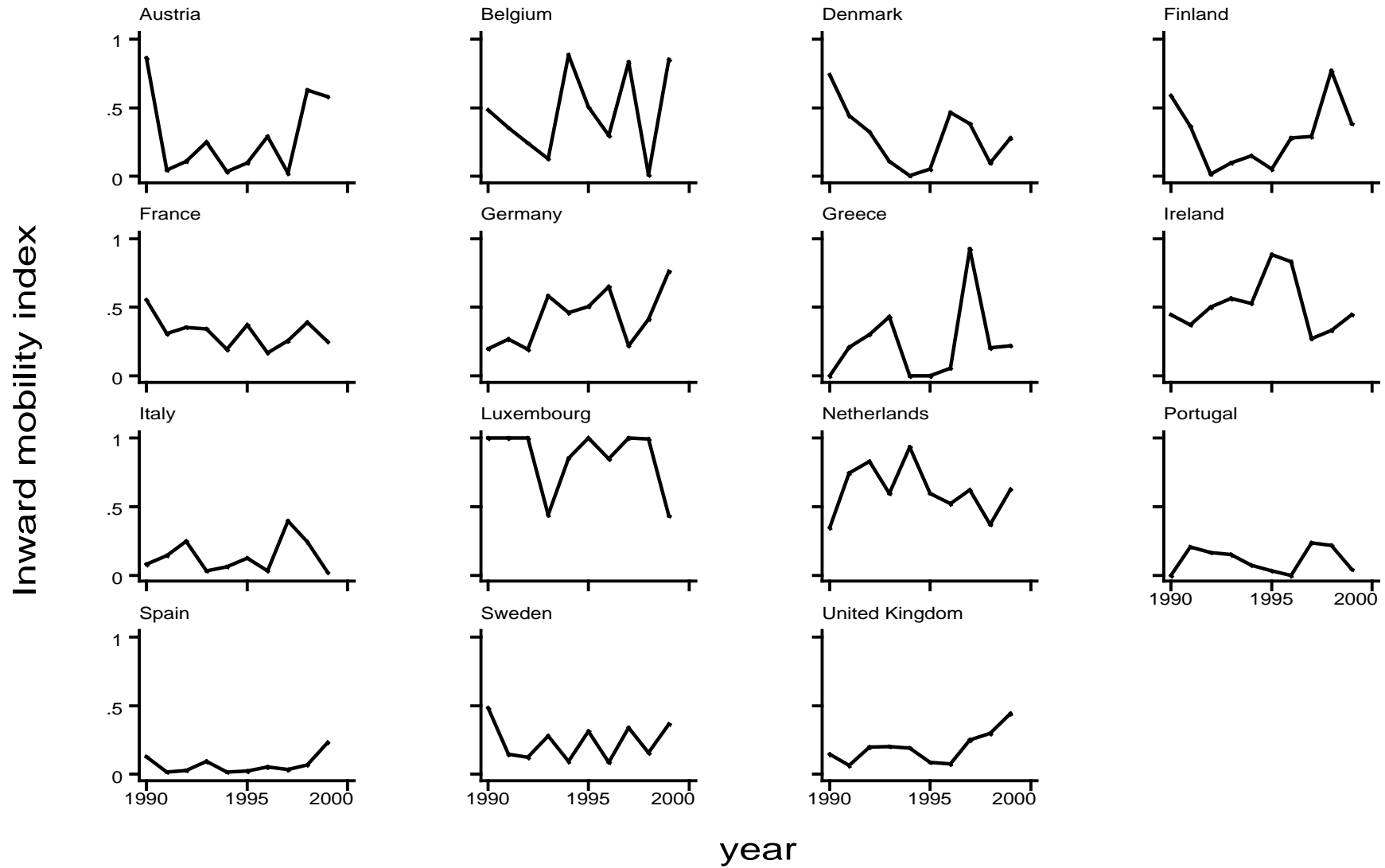


Figure 8.5: Outward mobility index, by value of M&A (1990-1999)

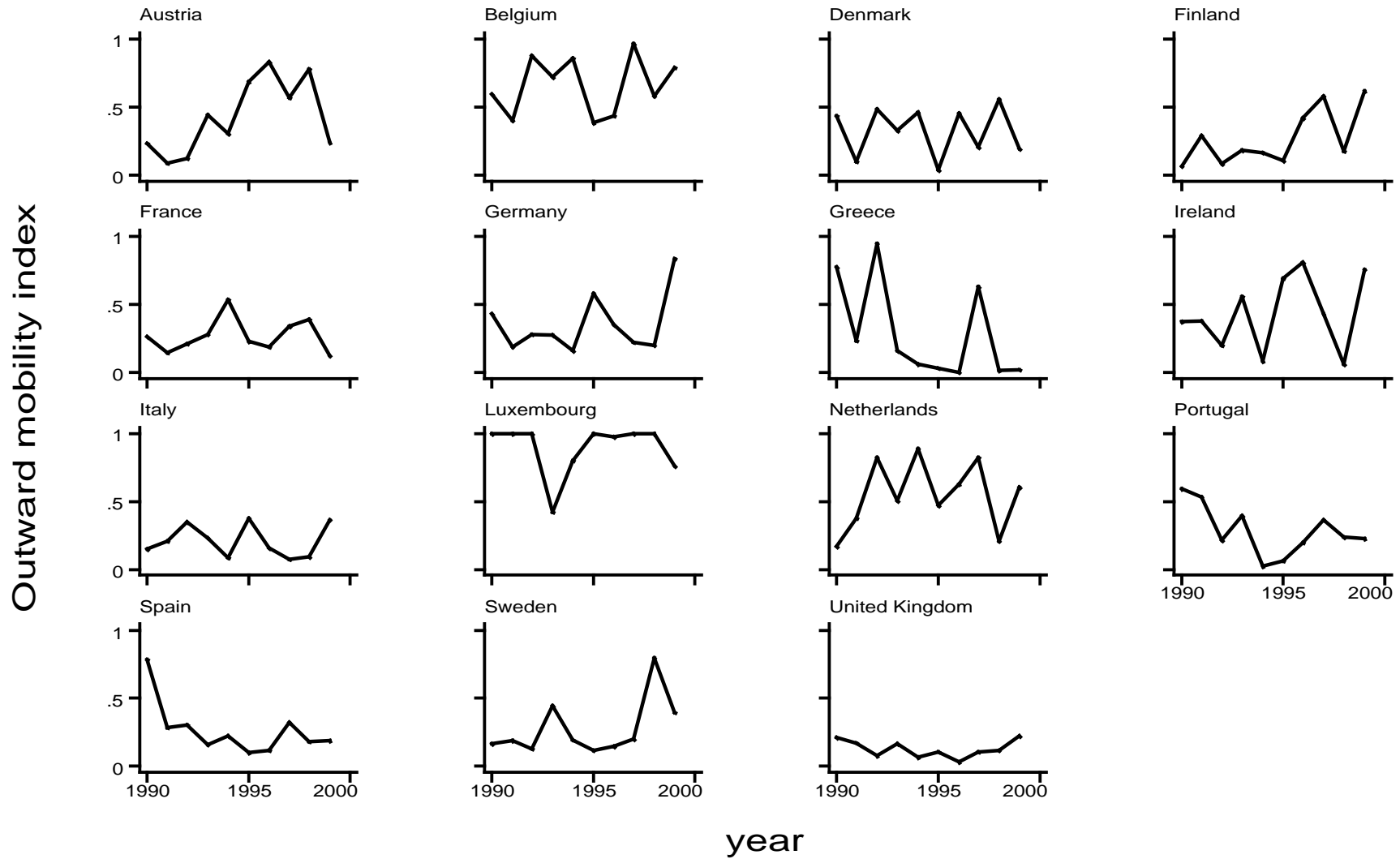
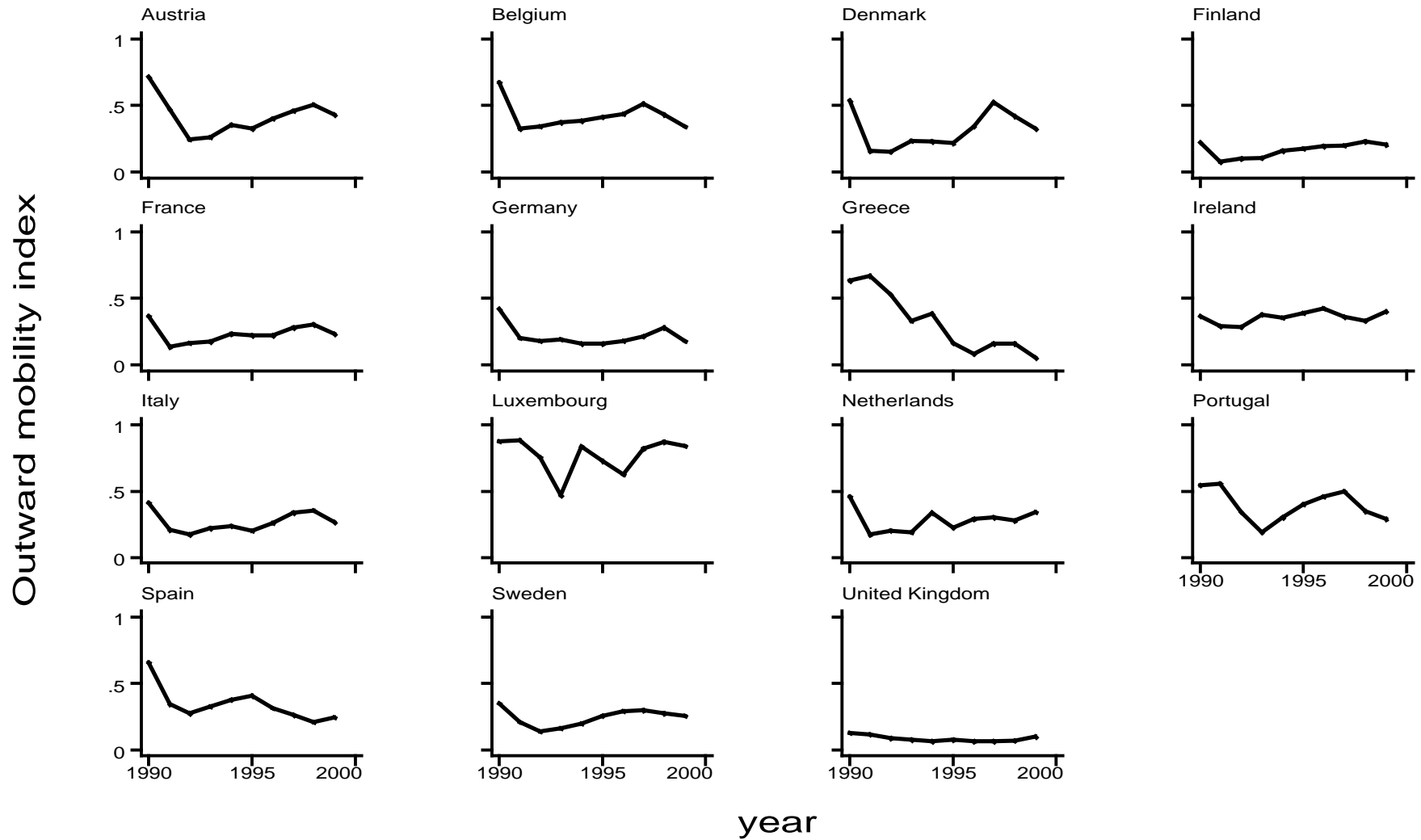


Figure 8.6: Outward mobility index, by number of M&A (1990-1999)



Data Appendix

Interest rates

Data are drawn from the New Chronos/Theme 2 data set compiled by Eurostat and DataStream. The data set covers an extensive time span, from the seventies to present, and a large number of countries. Thus, it has both a time-series and a cross-sectional dimension. Unfortunately, the sample is not a balanced panel. Moreover, some countries are present in the sample on a discontinuous basis.

The 3-months interbank rate, such as the LIBOR or the EURIBOR, is available for all 15 EU member countries except Luxembourg. The 10-year benchmark bond yield is available for the 15 EU member countries except Greece. The series we use start from 1990 for all countries except Finland (September 1991), Italy (April 1991), Luxembourg (February 1993), Portugal (August 1993) and Spain (May 1991). Both the 3-months interbank rate series and the 10-year benchmark bond yield currently end in September 2001.

Indicators Based on Cross-Border Lending and Borrowing of National Banking Sectors

The series were constructed using IMF data, which is available on DataStream from January 1999 at a monthly frequency and with a delay of ca. 3 months. Below we describe how we constructed our series from the DataStream series.

When making reference to DataStream codes the first two letters CC in the code stand for country code and have to be replaced by: OE for Austria, BG for Belgium, FN for Finland, FR for France, BD for Germany, GR for Greece, IR for Ireland, IT for Italy, LX for Luxembourg, NL for The Netherlands, PT for Portugal, ES for Spain, SD for Sweden, and UK for the United Kingdom.

All series are in million Euros, *except for Italian and Dutch series*, which are in billion Euros and which have to be transformed to make them comparable, and *Swedish and British series* which are reported in local currency. No data is available for Denmark.

a. Assets

The share of foreign assets held in the banking sector was calculated as follows: Take the series ‘Banking Inst.: Foreign Assets’ (DataStream-Code CCI21...A) and divide by the total assets in the banking sector which was constructed summing the following series

- ‘Banking Inst.: Foreign Assets’ (DataStream-Code CCI21...A)
- ‘Banking Inst.: Claims on General Government in Country’ (DataStream-Code CCI22A..A)
- ‘Banking Inst.: Claims on Private Sector’ (DataStream-Code CC22D..A)

The size of the domestic credit markets was estimated using the series ‘Domestic Credit’ (DataStream-Code: CCI32..A)

b. Liabilities

The share of foreign liabilities held in the banking sector was calculated as follows: Take the series ‘Banking Inst.: Foreign Liabilities’ (DataStream-Code CCI26C..A) and divide by the total liabilities in the banking sector which was constructed summing the following series

- ‘Banking Inst.: Foreign Liabilities’ (DataStream-Code CCI26C..A)
- ‘Banking Inst.: Central Government Deposits in Country’ (DataStream-Code CCI26D..A)
- ‘Banking Inst.: Credit from Monetary Authorities’ (DataStream-Code CCI26G..A)
- ‘Banking Inst.: Money Market Instruments’ (DataStream-Code CCI26M.UB)
- ‘Banking Inst.: Bonds (Debt Securities)’ (DataStream-Code FRI26N.UB)

The size of the domestic liability market was estimated summing the series

- ‘Deposits – Demand’ (DataStream-Code CCI34B.NA)
- ‘Deposits – Other Than Demand’ (DataStream-Code CCI35..NA)
- ‘Money Market Instruments’ (DataStream-Code CCI36M..A)

‘Bonds’ (DataStream-Code CC36N..A)

Foreign banks share and number of foreign banks

Data are drawn from the World-Bank database designed by Thorsten Beck, Asli Demirgüç-Kunt, and Ross Levine (1999) to monitor financial development. The database covers 1980-97. The sample includes Austria, Belgium, Denmark, Greece, Federal Republic of Germany (unified Germany after 1991), Finland, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, Sweden, Spain, United Kingdom, Japan and United States. The 1991-97 sample is a balanced panel of yearly data. A bank is defined as foreign if at least 50 percent of its equity is owned by foreigners.

Stock market capitalisation and stock market indexes

We draw monthly data on stock market indexes from the Eurostat New Chronos/Theme 2 data set. The share price indexes are monthly averages and are rebased in 1995=100. The table below reports the index used for each country. Indexes are converted into ECU/euro using the monthly series based to 1995=100 available from the New Chronos/Theme 2.

Stock market indexes

Country	Index	Shares
Austria	ATX	20
Belgium	BEL 20	20
Denmark	KFX	21
Germany	DAX Xetra	30
Greece	General industrial index	not fixed
Spain	IBEX 35	35
Finland	HEX All Share Index	125
France	CAC 40	40
Ireland	ISEQ Overall	72
Italy	MIBTEL	299
Luxembourg	Indice des actions / LuxX	13
Netherlands	AEX	25
Portugal	BVL 30	30
Sweden	All Share Index	262 (02/01/98)
U.K.	FTSE 100	100

National account data

Annual data on consumption, investment, saving and GDP (current and constant prices) are drawn from the Eurostat NewChronos\Theme 2 data set. The table below reports the starting date of each series.

Starting date of national accounting series

Country	Consumption	Investment	Saving	GDP
Austria	1960	1988	1988	1960
Belgium	1960	1980	1980	1960
Denmark	1960	1966	1966	1960
Germany	1960	1991	1991	1960
Greece	1960	1980	1980	1960
Spain	1960	1995	1995	1960
Finland	1960	1970	1970	1960
France	1960	1978	1978	1960
Ireland	1960	1990	1990	1960
Italy	1960	1970	1970	1960
Luxembourg	1960	1995	n.a	1960
Netherlands	1960	1995	1995	1960
Portugal	1960	1995	1995	1960
Sweden	1960	1993	1993	1960
U.K.	1960	1948	1970	1960

Mergers and Acquisitions

Yearly data about the value and the number of domestic and cross-border M&A activity are drawn from SDC Platinum - Thompson Corporation. They are currently available for the period between 1990 and 1999.