

9. ANNEX I: THE DETERMINANTS OF FINANCIAL SUPERVISION CONSOLIDATION WITH DIFFERENT SAMPLES AND INDEXES

TABLE 8: ORDERED PROBIT AND LOGIT ESTIMATES WITHOUT UK

VARIABLES	probit	Logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.93	-1.59
Std. Error	(0.23)	(0.43)
P >z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.71	1.39
Std. Error	(0.37)	(0.65)
P >z	0.05*	0.03*
mcap		
Coefficient β_5	- 0.66	-1.21
Std. Error	(0.27)	(0.47)
P >z	0.01****	0.01***
goodgov		
Coefficient β_6	0.88	1.56
Std. Error	(0.22)	(0.40)
P >z	0.00***	0.00***
No of observations	67	67
LR chi2(5)	37.90	38.86
Prob>chi2	0.00	0.00
Pseudo R2	0.17	0.17
Log Likelihood	-92.16	-91.72

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 9: ORDERED PROBIT AND LOGIT ESTIMATES WITH SINGAPORE 2003

VARIABLES	Probit	Logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.60	-1.14
Std. Error	(0.20)	(0.39)
P >z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.64	1.31
Std. Error	(0.36)	(0.64)
P >z	0.07	0.04*
mcap		
Coefficient β_5	- 0.45	-0.91
Std. Error	(0.26)	(0.45)
P >z	0.07	0.04*
goodgov		
Coefficient β_6	0.86	1.49
Std. Error	(0.21)	(0.38)
P >z	0.00***	0.00***
No of observations	69	69
LR chi2(5)	32.47	34.59
Prob>chi2	0.00	0.00
Pseudo R2	0.14	0.15
Log Likelihood	-98.22	-97.16

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 10: ORDERED PROBIT AND LOGIT ESTIMATES WITH SINGAPORE 2003 AND IRELAND 2003

VARIABLES	Probit	Logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.44	-0.88
Std. Error	(0.18)	(0.38)
P > z	0.01***	0.02**
MvBdum		
Coefficient β_3	0.58	1.21
Std. Error	(0.36)	(0.63)
P > z	0.11	0.05*
mcap		
Coefficient β_5	- 0.47	-0.86
Std. Error	(0.26)	(0.44)
P > z	0.06	0.05*
goodgov		
Coefficient β_6	0.47	1.47
Std. Error	(0.21)	(0.38)
P > z	0.00***	0.00***
No of observations	69	69
LR chi2(5)	29.13	30.99
Prob>chi2	0.00	0.00
Pseudo R2	0.12	0.13
Log Likelihood	-98.92	-99.99

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 11A : CBFA INDEX: ORDERED PROBIT AND LOGIT ESTIMATES

VARIABLES	Logit	Probit
DEPENDENT VARIABLE	CBFA	CBFA
MvBdum		
Coefficient β_3	-0.28	-0.54
Std. Error	(0.39)	(0.43)
P > z	0.46	0.42
mcap		
Coefficient β_5	0.06	0.10
Std. Error	(0.28)	(0.48)
P > z	0.83	0.82
goodgov		
Coefficient β_6	-0.29	-0.64
Std. Error	(0.21)	(0.37)
P > z	0.16	0.08
No of observations	68	68
LR chi2(5)	4.17	6.44
Prob>chi2	0.24	0.09
Pseudo R2	0.03	0.05
Log Likelihood	-59.24	-58.10

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 11B : CBFA INDEX: ORDERED PROBIT AND LOGIT ESTIMATES WITH FAC

VARIABLES	Probit	Logit
DEPENDENT VARIABLE	CBFA	CBFA
FAC		
Coefficient β_2	- 0.44	- 0.80
Std. Error	(0.09)	(0.18)
P > z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.30	0.67
Std. Error	(0.44)	(0.83)
P > z	0.50	0.41
mcap		
Coefficient β_5	- 0.35	- 0.73
Std. Error	(0.31)	(0.58)
P > z	0.27	0.20
goodgov		
Coefficient β_6	0.34	0.52
Std. Error	(0.26)	(0.49)
P > z	0.19	0.29
No of observations	68	68
LR chi2(5)	30.62	33.75
Prob>chi2	0.00	0.00
Pseudo R2	0.24	0.27
Log Likelihood	- 46.02	- 44.45

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 12: FAC TWO INDEX: ORDERED PROBIT AND LOGIT ESTIMATES

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.92	-1.55
Std. Error	(0.23)	(0.42)
P >z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.59	1.18
Std. Error	(0.37)	(0.66)
P >z	0.10	0.07
mcap		
Coefficient β_5	- 0.59	-1.13
Std. Error	(0.27)	(0.47)
P >z	0.02**	0.01***
goodgov		
Coefficient β_6	0.74	1.38
Std. Error	(0.21)	(0.40)
P >z	0.00***	0.00***
No of observations	68	68
LR chi2(5)	32.74	33.46
Prob>chi2	0.00	0.00
Pseudo R2	0.17	0.17
Log Likelihood	-78.10	-77.74

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 13 : ORDERED PROBIT AND LOGIT ESTIMATES WITH CONTROL VARIABLES: SAMPLE WITHOUT UK

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.85	-1.48
Std. Error	(0.26)	(0.47)
P > z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.43	1.00
Std. Error	(0.41)	(0.75)
P > z	0.30	0.18
mcap		
Coefficient β_5	- 0.59	- 1.25
Std. Error	(0.30)	(0.56)
P > z	0.05*	0.02**
goodgov		
Coefficient β_6	0.71	1.16
Std. Error	(0.39)	(0.66)
P > z	0.07	0.08
Gnpcapita		
Coefficient β	- 0.0000364	-0.0000521
Std. Error	(0.0000260)	(0.0000480)
P > z	0.16	0.27
EU membership		
Coefficient β	0.67	1.11
Std. Error	(0.44)	(0.79)
P > z	0.16	0.15
Anglo Saxon Law		
Coefficient β	0.91	1.82
Std. Error	(0.55)	(1.01)
P > z	0.10	0.07
French Law		
Coefficient β	0.93	1.83
Std. Error	(0.46)	(0.83)
P > z	0.04*	0.02**
German Law		
Coefficient β	3.51	5.92
Std. Error	(1.09)	(1.94)
P > z	0.00***	0.00***

Scandinavian Law		
Coefficient β	2.75	4.71
Std. Error	(0.88)	(1.57)
P > z	0.00***	0.00***
No of observations	67	67
LR chi2(5)	54.65	54.64
Prob>chi2	0.00	0.00
Pseudo R2	0.24	0.24
Log Likelihood	-83.82	-83.82

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 14 : ORDERED PROBIT AND LOGIT ESTIMATES WITH CONTROL VARIABLES: SAMPLE WITH SINGAPORE 2003

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.44	-0.99
Std. Error	(0.21)	(0.42)
P > z	0.04*	0.02**
MvBdum		
Coefficient β_3	0.48	1.01
Std. Error	(0.41)	(0.72)
P > z	0.24	0.16
mcap		
Coefficient β_5	- 0.37	- 0.89
Std. Error	(0.29)	(0.52)
P > z	0.19	0.08
goodgov		
Coefficient β_6	0.82	1.21
Std. Error	(0.38)	(0.65)
P > z	0.03*	0.06
Gnpcapita		
Coefficient β	- 0.0000335	- 0.0000469
Std. Error	(0.0000254)	(0.0000452)
P > z	0.43	0.29
EU membership		
Coefficient β	0.31	0.69
Std. Error	(0.40)	(0.75)
P > z	0.43	0.35
Anglo Saxon Law		
Coefficient β	0.59	1.57
Std. Error	(0.52)	(0.96)
P > z	0.25	0.10
French Law		
Coefficient β	.56	1.34
Std. Error	(0.44)	(0.79)
P > z	0.20	0.09
German Law		
Coefficient β	2.64	4.70
Std. Error	(0.99)	(1.79)
P > z	0.00***	0.00***

Scandinavian Law		
Coefficient β	2.18	3.92
Std. Error	(0.84)	(1.51)
P > z	0.01***	0.01**
No of observations	69	69
LR chi2(5)	44.06	46.10
Prob>chi2	0.00	0.00
Pseudo R2	0.19	0.20
Log Likelihood	-92.43	-91.41

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 15 : ORDERED PROBIT AND LOGIT ESTIMATES WITH CONTROL VARIABLES ; SAMPLE WITH SINGAPORE AND IRELAND 2003

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.30	- 0.73
Std. Error	(0.20)	(0.43)
P > z	0.14	0.07
MvBdum		
Coefficient β_3	0.38	0.92
Std. Error	(0.41)	(0.77)
P > z	0.34	0.20
mcap		
Coefficient β_5	- 0.39	- 0.87
Std. Error	(0.29)	(0.51)
P > z	0.17	0.09
goodgov		
Coefficient β_6	0.78	1.19
Std. Error	(0.38)	(0.65)
P > z	0.03*	0.07
Gnpcapita		
Coefficient β	- 0.0000293	- 0.0000422
Std. Error	(0.0000254)	(0.0000451)
P > z	0.24	0.34
EU membership		
Coefficient β	0.37	0.62
Std. Error	(0.41)	(0.75)
P > z	0.36	0.40
Anglo Saxon Law		
Coefficient β	0.68	1.55
Std. Error	(0.53)	(0.96)
P > z	0.19	0.10
French Law		
Coefficient β	0.60	1.30
Std. Error	(0.44)	(0.79)
P > z	0.17	0.10
German Law		
Coefficient β	2.72	4.58
Std. Error	(1.00)	(1.79)

P >z	0.00***	0.00***
Scandinavian Law		
Coefficient β	2.21	3.83
Std. Error	(0.84)	(1.50)
P >z	0.00***	0.01***
No of observations	69	69
LR chi2(5)	40.83	42.30
Prob>chi2	0.00	0.00
Pseudo R2	0.17	0.18
Log Likelihood	-93.07	- 92.34

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 16 : FAC TWO INDEX: ORDERED PROBIT AND LOGIT ESTIMATES WITH CONTROL VARIABLES

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.98	- 1.69
Std. Error	(0.26)	(0.49)
P > z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.19	0.49
Std. Error	(0.42)	(0.75)
P > z	0.63	0.51
mcap		
Coefficient β_5	- 0.40	- 0.89
Std. Error	(0.29)	(0.53)
P > z	0.18	0.09
goodgov		
Coefficient β_6	0.43	0.73
Std. Error	(0.38)	(0.67)
P > z	0.26	0.27
Gnpcapita		
Coefficient β	- 0.0000304	- 0.0000476
Std. Error	(0.0000252)	(0.0000451)
P > z	0.22	0.29
EU membership		
Coefficient β	1.02	1.79
Std. Error	(0.43)	(0.80)
P > z	0.01***	0.02**
Anglo Saxon Law		
Coefficient β	1.15	2.23
Std. Error	(0.55)	(1.03)
P > z	0.03**	0.03**
French Law		
Coefficient β	0.79	1.51
Std. Error	(0.46)	(0.82)
P > z	0.09	0.06
German Law		
Coefficient β	2.66	4.74

Std. Error	(0.90)	(1.63)
P >z	0.00***	0.00***
Scandinavian Law		
Coefficient β	1.97	3.52
Std. Error	(0.80)	(1.45)
P >z	0.01**	0.01***
No of observations	68	68
LR chi2(5)	44.31	44.86
Prob>chi2	0.00	0.00
Pseudo R2	0.23	0.23
Log Likelihood	- 72.31	- 72.04

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 17: CBFA TWO INDEX: ORDERED PROBIT AND LOGIT ESTIMATES

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA TWO		
Coefficient β_2	- 0.47	-0.80
Std. Error	(0.11)	(0.21)
P >z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.70	1.39
Std. Error	(0.37)	(0.66)
P >z	0.05*	0.03**
mcap		
Coefficient β_5	- 0.62	-1.15
Std. Error	(0.26)	(0.46)
P >z	0.02**	0.01***
goodgov		
Coefficient β_6	0.88	1.56
Std. Error	(0.22)	(0.40)
P >z	0.00***	0.00***
No of observations	68	68
LR chi2(5)	39.53	40.46
Prob>chi2	0.00	0.00
Pseudo R2	0.17	0.17
Log Likelihood	-93.07	-92.60

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**

TABLE 18 : CBFA TWO INDEX: ORDERED PROBIT AND LOGIT ESTIMATES WITH CONTROL VARIABLES

VARIABLES	probit	logit
DEPENDENT VARIABLE	FAC	FAC
CBFA		
Coefficient β_2	- 0.45	- 0.78
Std. Error	(0.13)	(0.23)
P > z	0.00***	0.00***
MvBdum		
Coefficient β_3	0.38	0.91
Std. Error	(0.41)	(0.74)
P > z	0.35	0.22
mcap		
Coefficient β_5	- 0.52	- 1.11
Std. Error	(0.30)	(0.55)
P > z	0.08	0.04*
goodgov		
Coefficient β_6	0.66	1.08
Std. Error	(0.39)	(0.66)
P > z	0.09	0.10
Gnpcapita		
Coefficient β	- 0.0000346	- 0.0000500
Std. Error	(0.0000259)	(0.0000468)
P > z	0.18	0.28
EU membership		
Coefficient β	0.79	1.32
Std. Error	(0.43)	(0.78)
P > z	0.07	0.09
Anglo Saxon Law		
Coefficient β	1.05	2.05
Std. Error	(0.55)	(1.01)
P > z	0.05*	0.04*
French Law		
Coefficient β	0.96	1.85
Std. Error	(0.46)	(0.83)
P > z	0.04*	0.02**

German Law		
Coefficient β	3.44	5.76
Std. Error	(1.08)	(1.91)
P > z	0.00***	0.00***
Scandinavian Law		
Coefficient β	2.61	4.45
Std. Error	(0.87)	(1.55)
P > z	0.00**	0.00***
No of observations	68	68
LR chi2(5)	54.93	54.84
Prob>chi2	0.00	0.00
Pseudo R2	0.24	0.24
Log Likelihood	- 85.37	- 85.41

Note:* indicates statistical significance at one percent; ** indicates statistical significance at three percent; * indicates statistical significance at five percent**