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**CENTRAL BANK FOREX INTERVENTIONS  
ASSESSED USING REALIZED MOMENTS**

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**Abstract**

This paper studies and assesses the impact of G3 Central Bank interventions on the DEM/USD exchange rate properties using daily realized moments of exchange rate returns (obtained from intraday data) for the period 1989-2001. Event studies in terms of the realized moments for the intervention day, the days preceding and following the intervention day illustrate the shape of this impact. Rolling regressions results for an ARFIMA model for realized moments are used to measure the intervention impact and characterize its significance.

The analysis confirms previous findings of an increase of volatility after a coordinated Central Bank intervention. It highlights new findings on the timing and the persistence of coordinated interventions on exchange rate volatility, on important volatility spillovers, on the impact on exchange rate covariances and correlations and on skewness coefficients.

**Keywords:** Central Bank Interventions, Exchange Rates Realized Moments, Intradaily Dynamics.

*JEL Classification:* C22, E44, F31, G15.

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