

# A study of co-movements between U.S. and Latin American stock markets: A cross-bicorrelations perspective [Un estudio de comovimientos entre las bolsas de valores de Estados Unidos de Norteamérica y América Latina: Una perspectiva de la bicorrelación cruzada]

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This work applies a test that detects dependence between pairs of variables. The kind of dependence is a non-linear one, and the test is known as cross-bicorrelation, which is associated with Brooks and Hinich [1]. We study dependence periods between U.S. Standard and Poor's 500 (SP500), used as a benchmark, and six Latin American stock market indexes: Mexico (BMV), Brazil (BOVESPA), Chile (IPSA), Colombia (COLCAP), Peru (IGBVL) and Argentina (MERVAL). We have found windows of nonlinear dependence and comovement between the SP500 and the Latin American stock markets, some of which coincide with periods of crisis, leading to an interpretation of a possible contagion or interdependence. © The author; licensee Universidad Nacional de Colombia.

Co-movement

Cross-bicorrelations

Financial crisis

Financial markets

Nonlinear dependence