

## **The Calculation of Chinese Short-term International Capital Flow and Its Influencing Factors' Analysis**

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Short-term international capital flow may easily induce a significant negative impact on a country's real economy and financial markets, and probably lead to a financial crisis at last because of its greatly changeable scale, strong fluctuation and easily reversed flow direction. In this paper, on the base of comparison of various measuring methods of short-term international capital flow, we modify the traditional residual method and direct method and use them to calculate Chinese short-term international capital flow with the data of the Chinese Balance of International Payments (BOP) Table. Based on the measurement results, we build a regression model and an error correction model (ECM) to analyze the influencing factors of the Chinese short-term international capital flow, which are selected from the domestic and international aspects. Finally, according to the empirical results, we give the conclusions and some relevant policies.

**Key Words:** Modified residual method, modified direct method, BOP