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**Title:** *Spending a Windfall: American Treasure and Euro-Asian Trade, 1492-1807*

**Abstract:** What was the role of American precious metals in stimulating Euro-Asian trade during the early modern era? I use a combination of empirical evidence and structural modeling in a contribution towards answering this question. I start by discussing available evidence on the size and production flows of American treasure. I estimate the size of the shock to Europe's money supply, and use this information in a cash in advance dynamic general equilibrium model. I obtain impulse response functions which can reproduce quantitatively observed trade patterns and permit an explicit assessment of a no-shock contrafactual. My conclusion is that the discovery of a windfall of American precious metals to be produced at low cost by Europeans was a major driving impulse behind early modern Euro-Asian trade.

**Key-words:** American treasure, early modern Euro-Asian trade, quantitative trade models.