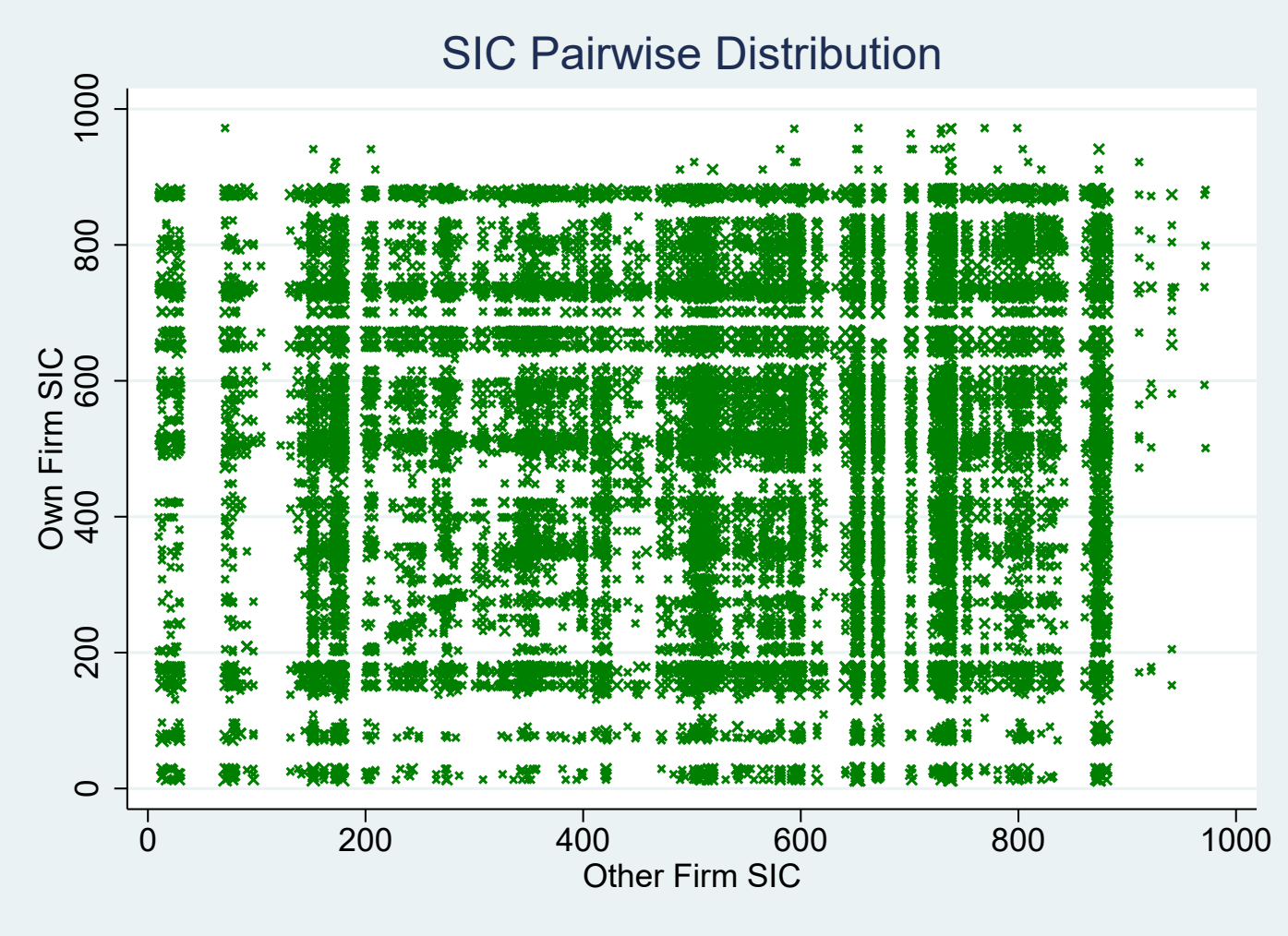
```
-------------------------------------------------------------------------------------------
> ----------------------------
      name:  <unnamed>
       log:  C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results\LSU_Fund
> ingContagion_2023.log
  log type:  text
 opened on:  24 Jul 2023, 15:39:10
.
.
. **Describe variables***
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
```

```
. describe
Contains data from main_data_RCFS_July_2023.dta
  obs:       248,940
 vars:            87                          24 Jul 2023 15:15
 size:   127,457,280
-------------------------------------------------------------------------------------------
> ---------------------------
              storage   display    value
variable name   type    format     label      variable label
-------------------------------------------------------------------------------------------
> ---------------------------
owner           double  %10.0g               Owner id
id              float   %9.0g                Firm id
year            float   %9.0g                Year
bvid            str19   %19s                 Identification number
other_bvid      str16   %16s                 Other Firm Identification number
s_name          str67   %67s                 Ownership Name
cntrycde        str2    %9s                  Country initials
country_name    str14   %14s                 Country name
stake           double  %10.0g               Ownership %
empl            int     %8.0g                Employment
own_sic         double  %8.0g                Own Firm SIC
own_exshock     double  %10.0g               Own Shock
other_stake     double  %10.0g               Other Firm Ownership %
other_toas      double  %12.0g               Total assets
other_sic       double  %8.0g                Other Firm SIC
other_exshock   double  %10.0g               Other Shock
integration     float   %9.0g                Industry-pair vertical integration
domestic_credit double  %10.0g               (Country mean) Domestic-credit/GDP
own_sic2        float   %9.0g                Own Firm SIC2
other_sic2      float   %9.0g                Other Firm SIC2
own_sic1        float   %9.0g                Own Firm SIC1
other_sic1      float   %9.0g                Other Firm SIC1
country         float   %9.0g                Country code
ag_w            float   %9.0g                Asset growth
fag_w           float   %9.0g                Fixed asset growth
nfag_w          float   %9.0g                Current asset growth
cashg_w         float   %9.0g                Cash growth
othercuasg2_w   float   %9.0g                Non-cash current asset growth
own_Tob_Q_w     float   %9.0g                Tobin's Q (industry)
other_roa_w     float   %9.0g                Other Firm OROA
roa1_w          float   %9.0g                OROA
tangibility_w   float   %9.0g                Tangibility
other_tangibi~w float   %9.0g                Other Tangibility
Assets          float   %9.0g                Assets (Mill Eur)
bklev_w         float   %9.0g                Leverage
ever_other_s~3p float   %9.0g                Ever Other Shock
lag_assets      float   %9.0g                Log(assets) (t-1)
firm_at         float   %9.0g                Firm-average assets
other_asset     float   %9.0g                Other Firm Assets
firm_other_at   float   %9.0g                Other Firm-average assets
high_credit     float   %9.0g                Country Domestic-credit/GDP > median
out_of_sample   float   %9.0g                Pair dissolved
other_exshoc~p2 float   %9.0g                Other Shock 3p
stake_decrease  float   %9.0g                Stake decr. (>5%)
stake_increase  float   %9.0g                Stake incr. (>5%)
bank_rels       float   %9.0g                Banking relations
destroying_rels float   %9.0g                Breaking bank rel.
log_empl        float   %9.0g                Log(Empl)
dg_w            float   %9.0g                Debt growth
```

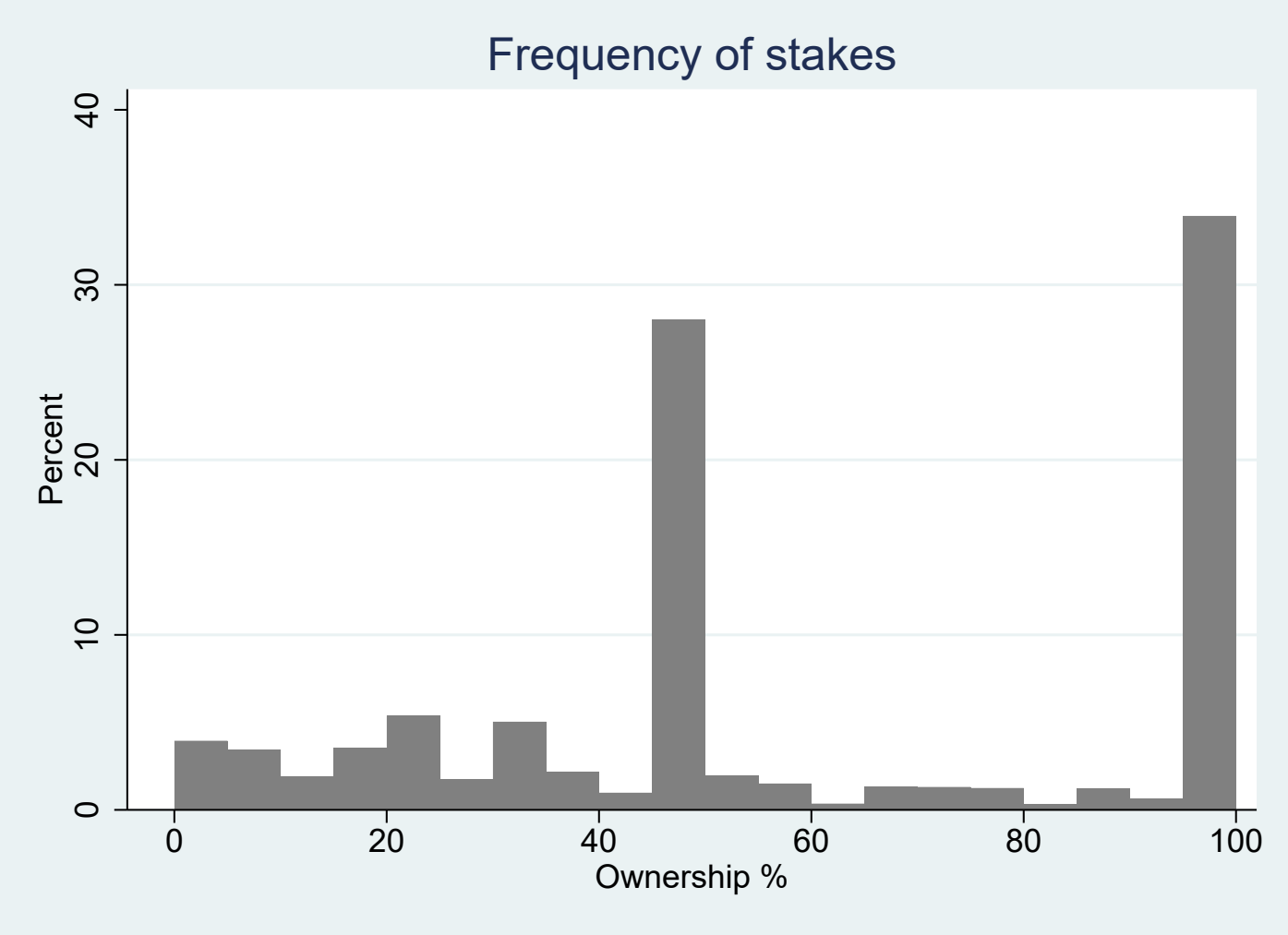
```
debt_is         float   %9.0g                 Debt issue
debt_ret        float   %9.0g                 Debt ret
debt_change     float   %9.0g                 Net debt iss.
sale_asset_w    float   %9.0g                 Sales/Assets
oppl_w          long    %12.0g                Ebit
log_own_Q       float   %9.0g                 Log(Own ind. Tobin's Q)
log_other_Q     float   %9.0g                 Log(Other ind. Tobin's Q)
control_both    float   %9.0g                 Full control both
control_partial float   %9.0g                 Partial control in one or both
control_no      float   %9.0g                 No control in one or both
small_own       float   %9.0g                 Small Own
small_other     float   %9.0g                 Small Other
owner_assets    float   %9.0g                 Owner-average assets in a pair of firms
small_pair      float   %9.0g                 Pair of firms below sample average
shock_small_p~r float   %9.0g                 Other Shock 3p x Small pair
shock_small_own float   %9.0g                 Other Shock 3p x Small Own
shock_small_o~r float   %9.0g                 Other Shock 3p x Small Other
shock_high_tang float   %9.0g                 Other Shock 3p x High Oth. Tang
shock_high_roa  float   %9.0g                 Other Shock 3p x High Oth. OROA
o_op_mg_w       float   %9.0g                 Other Firm Op. Mg.
high_o_op_mg    float   %9.0g                 High Other Operating Margin
shock_high_o_~g float   %9.0g                 Other Shock 3p x High Oth. Op Mg
other_opre_w    double  %12.0g                Other Firm Operating revenue
other_cf_w      long    %12.0g                Other Firm CF/Sales
other_cf_sale~w float   %9.0g                 other_cf_sales, Winsorized fraction .01
shock_high_cf~s float   %9.0g                 Other Shock 3p x High Oth. CF/Sales
same_sic2       float   %9.0g                 Own & Other Firm share SIC2
same_sic1       float   %9.0g                 Own & Other Firm share SIC2
other_exshoc~l3 double  %10.0g                Other Shock (t+3)
other_exshoc~l2 double  %10.0g                Other Shock (t+2)
other_exshoc~l1 double  %10.0g                Other Shock (t+1)
other_exshock~0 double  %10.0g                Other Shock (t-0)
other_exshoc~f1 double  %10.0g                Other Shock (t-1)
other_exshoc~f2 double  %10.0g                Other Shock (t-2)
other_exshoc~f3 double  %10.0g                Other Shock (t-3)
------------------------------------------------------------------------------------------
> --------------------------
Sorted by: owner  id  year
.
.
. ////////////////////////////////////////////////////////*** Results
. ////////////////////////////////////////////////////////
. **Figure 1
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. bysort bvid: egen min_year=min(year)
. keep if year==min_year
(182,872 observations deleted)
.
. keep own_sic other_sic ever_other_shock3p
.
. gen aux=1
. bysort own_sic other_sic: egen count_pairs=count(aux)
```

```
.
. duplicates drop
Duplicates in terms of all variables
(50,628 observations deleted)
.
. gen size=1
. replace size=2 if count_pairs>1 & count_pairs<6
(5,260 real changes made)
. replace size=3 if count_pairs>5
(3,064 real changes made)
.
.
. **Figure 1
.  twoway (scatter own_sic other_sic [w=size], msize(small) msymbol(x) mcolor(green) mfcol
> or(none)) /// , ytitle("Own Firm SIC") xtitle("Other Firm SIC") /// title("SIC Pairwise
> Distribution")
(analytic weights assumed)
(analytic weights assumed)
(analytic weights assumed)
. graph export Fig1.pdf, replace
(file Fig1.pdf written in PDF format)
```

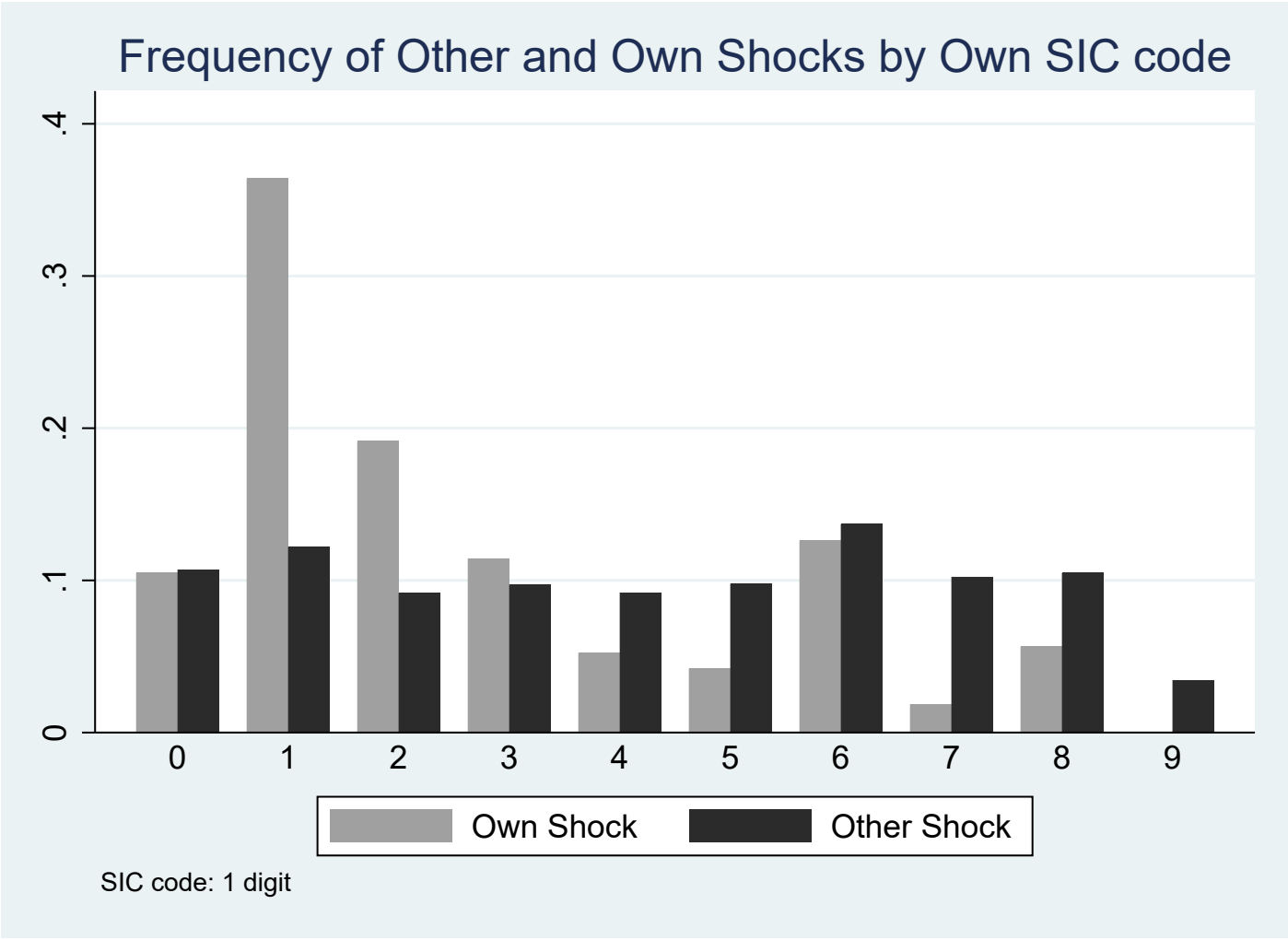



```
.
.
.
. ***Figure 2: Histogram
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
```

```
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. histogram stake, bin(20) percent bcolor(gray) title("Frequency of stakes")
(bin=20, start=.01, width=4.9995)
. graph export Fig2.pdf, replace
(file Fig2.pdf written in PDF format)
```




```
.
. ***Figure 3
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. *By Own Shock
. graph bar own_exshock other_exshock, over(own_sic1) bar(1, bcolor(gs4*.5)) bar(2, bcolor
> (gs4*1.5)) ///title("Frequency of Other and Own Shocks by Own SIC code") legend(lab(1 "O
> wn Shock") lab(2 "Other Shock")) ///note(SIC code: 1 digit)
. graph export Fig3.pdf, replace
(file Fig3.pdf written in PDF format)
```




```
.
.
.
.
. **TABLE 1
. ***Summary statistics
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
```

```
. tabstat Asset ag_w dg_w debt_is debt_ret debt_change bklev_w bank_rels destroying_rels e
> mpl roa1_w sale_asset_w own_Tob_Q_w tangibility_w stake stake_increase stake_decrease ow
> n_exshock other_exshock, statistics( mean p10 p25 p50 p75 p90 count ) columns(statistics
> ) save
    variable |      mean       p10       p25       p50       p75       p90         N
-------------+--------------------------------------------------------------------------
      Assets |  8.820437  .0070575  .0356915   .177824  .7250825  2.320958    248940
        ag_w |  .0486258 -.3310799 -.1175365  .0036007  .1189318  .4107774    248940
        dg_w |  .0844127 -.4377953 -.1781677 -.0017772   .189097  .6338015    197333
     debt_is |  .2741554         0         0         0         1         1    211278
    debt_ret |  .2941527         0         0         0         1         1    211278
 debt_change | -.0199973        -1        -1         0         1         1    211278
     bklev_w |  .5162922  .0211059  .1644569  .5525607  .8463737  .9743724    216980
   bank_rels |  .6655288         0         0         0         1         2    241396
destroying~s |  .1260087         0         0         0         0         1    241396
        empl |  13.34287         1         2         4        12        30     64266
      roa1_w |  .0405949 -.0969834  -.001434  .0170155  .0855573   .217435     50793
sale_asset_w |   1.90623  .1108263  .6086905  1.424967  2.552456  4.174189     56794
 own_Tob_Q_w |  1.245781  .8869448  .9924828   1.14542  1.443455  1.746399    244244
tangibilit~w |  .2562189  .0000791  .0245763  .1251075  .4011829  .7857143    198195
       stake |  60.97705     16.66        35        50       100       100    248940
stake_incr~e |  .0137583         0         0         0         0         0    248940
stake_decr~e |   .010842         0         0         0         0         0    248940
 own_exshock |  .1136298         0         0         0         0         1    248940
other_exsh~k |  .1103921         0         0         0         0         1    248940
-------------------------------------------------------------------------------------
.  mat tab2= r(StatTotal)'
```

```
. frmttable using table1.doc, statmat(tab2) sdec(2,2,2,2,2,2,0) varlabels replace ctitle("
> ","Mean", "P10" , "P25", "P50", "P75", "P90", "Total")
                    ------------------------------------------------------------------------
> -------
                                            Mean    P10    P25    P50    P75     P90     T
> otal
                    ------------------------------------------------------------------------
> -------
                     Assets (Mill Eur)      8.82   0.01   0.04   0.18    0.73    2.32   24
> 8,940
                     Asset growth           0.05   -0.33  -0.12  0.00    0.12    0.41   24
> 8,940
                     Debt growth            0.08   -0.44  -0.18  -0.00   0.19    0.63   19
> 7,333
                     Debt issue             0.27   0.00   0.00   0.00    1.00    1.00   21
> 1,278
                     Debt ret               0.29   0.00   0.00   0.00    1.00    1.00   21
> 1,278
                     Net debt iss.          -0.02  -1.00  -1.00  0.00    1.00    1.00   21
> 1,278
                     Leverage               0.52   0.02   0.16   0.55    0.85    0.97   21
> 6,980
                     Banking relations      0.67   0.00   0.00   0.00    1.00    2.00   24
> 1,396
                     Breaking bank rel.     0.13   0.00   0.00   0.00    0.00    1.00   24
> 1,396
                     Employment             13.34  1.00   2.00   4.00   12.00   30.00   64
> ,266
                     OROA                   0.04   -0.10  -0.00  0.02    0.09    0.22   50
> ,793
                     Sales/Assets           1.91   0.11   0.61   1.42    2.55    4.17   56
> ,794
                     Tobin's Q (industry)   1.25   0.89   0.99   1.15    1.44    1.75   24
> 4,244
                     Tangibility            0.26   0.00   0.02   0.13    0.40    0.79   19
> 8,195
                     Ownership %            60.98  16.66  35.00  50.00  100.00  100.00  24
> 8,940
                     Stake incr. (>5%)      0.01   0.00   0.00   0.00    0.00    0.00   24
> 8,940
                     Stake decr. (>5%)      0.01   0.00   0.00   0.00    0.00    0.00   24
> 8,940
                     Own Shock              0.11   0.00   0.00   0.00    0.00    1.00   24
> 8,940
                     Other Shock            0.11   0.00   0.00   0.00    0.00    1.00   24
> 8,940
                    ------------------------------------------------------------------------
> -------
.
.
.
.
. **Table 2
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
```

```
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. set more off
. reghdfe ag_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 274 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    248,666
Absorbing 2 HDFE groups                           F(   2,    293) =     280.49
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4284
                                                  Adj R-squared   =     0.2025
Number of clusters (owner)   =     43,900         Within R-sq.    =     0.1212
Number of clusters (own_sic) =        294         Root MSE        =     0.3737
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |   -.066225   .0171318    -3.87   0.000     -.099942   -.0325081
      lag_assets |  -.1254877   .0061679   -20.35   0.000    -.1376267   -.1133488
           _cons |   1.542172   .0727834    21.19   0.000     1.398928    1.685417
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     67802       67802           0    *|
   own_sic#year |      2627        2627           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig) replace
Table2a.rtf
dir : seeout
```

```
. reghdfe dg_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 3262 singleton observations)
(MWFE estimator converged in 471 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    194,071
Absorbing 2 HDFE groups                           F(   2,    290) =     268.01
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3336
                                                  Adj R-squared   =     0.0816
Number of clusters (owner)   =     35,796         Within R-sq.    =     0.0546
Number of clusters (own_sic) =        291         Root MSE        =     0.5521
                            (Std. Err. adjusted for 291 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0861886   .0317681    -2.71   0.007    -.1487138   -.0236634
  lag_assets |  -.1373721   .0068905   -19.94   0.000    -.1509339   -.1238102
       _cons |   1.813216   .0855682    21.19   0.000     1.644802     1.98163
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     50721       50721           0    *|
   own_sic#year |      2534        2534           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2a.rtf
dir : seeout
```

```
. reghdfe dga_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2877 singleton observations)
(MWFE estimator converged in 503 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    208,401
Absorbing 2 HDFE groups                           F(   2,    292) =     328.86
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3464
                                                  Adj R-squared   =     0.0919
Number of clusters (owner)   =     38,614         Within R-sq.    =     0.0644
Number of clusters (own_sic) =        293         Root MSE        =     0.2268
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |   -.034917   .0110774    -3.15   0.002    -.0567187   -.0131152
  lag_assets |   -.059993   .0027799   -21.58   0.000    -.0654642   -.0545218
       _cons |   .7430747   .0330329    22.49   0.000     .6780619    .8080874
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     55834       55834           0    *|
   own_sic#year |      2567        2567           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2a.rtf
dir : seeout
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 3060 singleton observations)
(MWFE estimator converged in 472 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    213,920
Absorbing 2 HDFE groups                           F(   2,    292) =       6.08
Statistics robust to heteroskedasticity           Prob > F        =     0.0026
                                                  R-squared       =     0.9251
                                                  Adj R-squared   =     0.8960
Number of clusters (owner)   =     39,311         Within R-sq.    =     0.0002
Number of clusters (own_sic) =        293         Root MSE        =     0.1126
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
     bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0121001   .0038801    -3.12   0.002    -.0197365   -.0044637
  lag_assets |   .0013208   .0007867     1.68   0.094    -.0002275    .0028692
       _cons |   .4978867   .0094297    52.80   0.000     .4793279    .5164456
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     57275       57275           0    *|
   own_sic#year |      2573        2573           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2a.rtf
dir : seeout
```

```
. reghdfe debt_i other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2877 singleton observations)
(MWFE estimator converged in 503 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    208,401
Absorbing 2 HDFE groups                           F(   2,    292) =     181.46
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3841
                                                  Adj R-squared   =     0.1443
Number of clusters (owner)   =     38,614         Within R-sq.    =     0.0169
Number of clusters (own_sic) =        293         Root MSE        =     0.4118
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
     debt_is |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |   -.072541   .0188942    -3.84   0.000    -.1097271   -.0353549
  lag_assets |   -.054249   .0030818   -17.60   0.000    -.0603144   -.0481836
       _cons |   .9281432   .0367534    25.25   0.000      .855808    1.000478
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     55834       55834           0    *|
   own_sic#year |      2567        2567           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2a.rtf
dir : seeout
```

```
. reghdfe debt_r other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2877 singleton observations)
(MWFE estimator converged in 503 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    208,401
Absorbing 2 HDFE groups                           F(   2,    292) =     277.94
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3690
                                                  Adj R-squared   =     0.1233
Number of clusters (owner)   =     38,614         Within R-sq.    =     0.0243
Number of clusters (own_sic) =        293         Root MSE        =     0.4263
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
    debt_ret |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exsh~2 |   .0487993   .0177167     2.75   0.006     .0139307     .083668
  lag_assets |   .0677797   .0030644    22.12   0.000     .0617486    .0738109
       _cons |  -.5231117   .0365024   -14.33   0.000    -.5949529   -.4512704
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
 Absorbed FE | Categories  - Redundant  = Num. Coefs |
-------------+---------------------------------------|
          id |      55834       55834           0    *|
 own_sic#year|       2567        2567           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2a.rtf
dir : seeout
```

```
. reghdfe debt_change other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2877 singleton observations)
(MWFE estimator converged in 503 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    208,401
Absorbing 2 HDFE groups                           F(   2,    292) =     240.00
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3018
                                                  Adj R-squared   =     0.0300
Number of clusters (owner)   =     38,614         Within R-sq.    =     0.0261
Number of clusters (own_sic) =        293         Root MSE        =     0.7405
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
 debt_change |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.1213403   .0335484    -3.62   0.000    -.1873676    -.055313
  lag_assets |  -.1220288   .0060161   -20.28   0.000    -.1338692   -.1101883
       _cons |   1.451255   .0717112    20.24   0.000     1.310118    1.592391
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     55834       55834           0    *|
   own_sic#year |      2567        2567           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2a.rtf
dir : seeout
. **Panel B
. set more off
```

```
. reghdfe destroying_rels other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic
> )
(dropped 277 singleton observations)
(MWFE estimator converged in 441 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    241,119
Absorbing 2 HDFE groups                           F(   2,    293) =     237.23
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5833
                                                  Adj R-squared   =     0.4150
Number of clusters (owner)   =     43,359         Within R-sq.    =     0.0086
Number of clusters (own_sic) =        294         Root MSE        =     0.2538
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
 destroying_rels |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |   .1103795   .0113802     9.70   0.000     .0879821    .1327768
      lag_assets |   .0212943   .0010675    19.95   0.000     .0191933    .0233953
           _cons |  -.1311101    .012579   -10.42   0.000    -.1558667   -.1063535
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     66767       66767           0    *|
   own_sic#year |      2592        2592           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig) replace
Table2b.rtf
dir : seeout
```

```
. reghdfe stake other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 274 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    248,666
Absorbing 2 HDFE groups                           F(   2,    293) =      29.30
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.9800
                                                  Adj R-squared   =     0.9722
Number of clusters (owner)   =     43,900         Within R-sq.    =     0.0004
Number of clusters (own_sic) =        294         Root MSE        =     5.4146
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
           stake |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0227803   .2337698    -0.10   0.922     -.482861    .4373005
      lag_assets |  -.0929929   .0121521    -7.65   0.000    -.1169093   -.0690765
           _cons |   62.08269   .1448752   428.53   0.000     61.79756    62.36782
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     67802       67802           0    *|
   own_sic#year |      2627        2627           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2b.rtf
dir : seeout
```

```
. reghdfe stake_increase other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 274 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    248,666
Absorbing 2 HDFE groups                           F(   2,    293) =       5.50
Statistics robust to heteroskedasticity           Prob > F        =     0.0045
                                                  R-squared       =     0.2930
                                                  Adj R-squared   =     0.0137
Number of clusters (owner)   =     43,900         Within R-sq.    =     0.0000
Number of clusters (own_sic) =        294         Root MSE        =     0.1157
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
  stake_increase |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0034181   .0033717    -1.01   0.312    -.0100539    .0032177
      lag_assets |  -.0006661   .0002117    -3.15   0.002    -.0010827   -.0002495
           _cons |   .0218935   .0025198     8.69   0.000     .0169343    .0268527
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     67802       67802           0    *|
   own_sic#year |      2627        2627           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation

. outreg2 using Table2b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2b.rtf
dir : seeout
```

```
. reghdfe stake_decrease other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 274 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    248,666
Absorbing 2 HDFE groups                           F(   2,    293) =       0.60
Statistics robust to heteroskedasticity           Prob > F        =     0.5503
                                                  R-squared       =     0.3118
                                                  Adj R-squared   =     0.0399
Number of clusters (owner)   =     43,900         Within R-sq.    =     0.0000
Number of clusters (own_sic) =        294         Root MSE        =     0.1015
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
  stake_decrease |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0010514   .0034952    -0.30   0.764    -.0079302    .0058274
      lag_assets |   .0002505   .0002388     1.05   0.295    -.0002196    .0007205
           _cons |   .0079406   .0028468     2.79   0.006     .0023378    .0135434
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     67802       67802           0    *|
   own_sic#year |      2627        2627           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table2b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig)
Table2b.rtf
dir : seeout
.
. ***Table 3
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. **Asset growth
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if control_both==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 346 singleton observations)
(MWFE estimator converged in 424 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    136,814
Absorbing 2 HDFE groups                           F(   2,    278) =     210.68
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4292
                                                  Adj R-squared   =     0.2106
Number of clusters (owner)   =     22,768         Within R-sq.    =     0.1265
Number of clusters (own_sic) =        279         Root MSE        =     0.3636
                            (Std. Err. adjusted for 279 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0640064   .0232496    -2.75   0.006     -.109774   -.0182389
  lag_assets |  -.1358163   .0072202   -18.81   0.000    -.1500295   -.1216031
       _cons |   1.654942    .084569    19.57   0.000     1.488465    1.821418
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     35496       35496           0    *|
   own_sic#year |      2388        2388           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Full control both) replace
Table3a.rtf
dir : seeout
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if control_partial==1, a(id own_sic#year) cl(ow
> ner own_sic)
(dropped 395 singleton observations)
(MWFE estimator converged in 340 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     66,875
Absorbing 2 HDFE groups                           F(   2,    256) =     300.31
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4413
                                                  Adj R-squared   =     0.1938
Number of clusters (owner)   =     11,963         Within R-sq.    =     0.1186
Number of clusters (own_sic) =        257         Root MSE        =     0.3859
                            (Std. Err. adjusted for 257 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0814199   .0279507    -2.91   0.004    -.1364625   -.0263774
      lag_assets |  -.1164918   .0056361   -20.67   0.000    -.1275908   -.1053927
           _cons |   1.457983   .0673603    21.64   0.000     1.325332    1.590634
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     18441       18441           0    *|
   own_sic#year |      2089        2089           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Partial control in one or both)
Table3a.rtf
dir : seeout
. set more off
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if control_no==1, a(id own_sic#year) cl(owner o
> wn_sic)
(dropped 434 singleton observations)
(MWFE estimator converged in 370 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     44,076
Absorbing 2 HDFE groups                           F(   2,    245) =     124.05
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4679
                                                  Adj R-squared   =     0.1759
Number of clusters (owner)   =      9,117         Within R-sq.    =     0.1180
Number of clusters (own_sic) =        246         Root MSE        =     0.3878
                            (Std. Err. adjusted for 246 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |    -.03359   .0267786    -1.25   0.211    -.0863357    .0191556
      lag_assets |  -.1248703   .0079307   -15.75   0.000    -.1404914   -.1092493
           _cons |   1.520466   .0937694    16.21   0.000     1.335769    1.705163
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     13701       13701           0    *|
   own_sic#year |      1912        1912           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3a.rtf
dir : seeout
. ***Debt change
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if control_both==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 1914 singleton observations)
(MWFE estimator converged in 357 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    109,260
Absorbing 2 HDFE groups                           F(   2,    269) =     228.88
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3257
                                                  Adj R-squared   =     0.0797
Number of clusters (owner)   =     18,664         Within R-sq.    =     0.0560
Number of clusters (own_sic) =        270         Root MSE        =     0.5457
                            (Std. Err. adjusted for 270 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0933275   .0455217    -2.05   0.041    -.1829515   -.0037034
      lag_assets |  -.1537253   .0091957   -16.72   0.000    -.1718301   -.1356205
           _cons |    2.00625   .1124794    17.84   0.000     1.784798    2.227702
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     26933       26933           0    *|
   own_sic#year |      2266        2266           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Full control both)
Table3a.rtf
dir : seeout
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if control_partial==1, a(id own_sic#year) cl(ow
> ner own_sic)
(dropped 1271 singleton observations)
(MWFE estimator converged in 378 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     50,791
Absorbing 2 HDFE groups                           F(   2,    243) =     205.00
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3643
                                                  Adj R-squared   =     0.0836
Number of clusters (owner)   =      9,694         Within R-sq.    =     0.0569
Number of clusters (own_sic) =        244         Root MSE        =     0.5530
                            (Std. Err. adjusted for 244 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
          dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
---------------+--------------------------------------------------------------
other_exshock3p2 |  -.0660585   .0390438    -1.69   0.092    -.1429659    .0108489
      lag_assets |  -.1249948   .0063851   -19.58   0.000    -.1375721   -.1124176
           _cons |   1.673729   .0812314    20.60   0.000     1.513721    1.833736
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      13607       13607           0    *|
   own_sic#year |       1950        1950           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Partial control in one or both)
Table3a.rtf
dir : seeout
. set more off
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if control_no==1, a(id own_sic#year) cl(owner o
> wn_sic)
(dropped 1172 singleton observations)
(MWFE estimator converged in 305 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     32,925
Absorbing 2 HDFE groups                           F(   2,    227) =     138.84
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3867
                                                  Adj R-squared   =     0.0505
Number of clusters (owner)   =      7,321         Within R-sq.    =     0.0484
Number of clusters (own_sic) =        228         Root MSE        =     0.5780
                            (Std. Err. adjusted for 228 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0753122   .0473833    -1.59   0.113    -.1686796    .0180552
      lag_assets |  -.1277339   .0077892   -16.40   0.000    -.1430823   -.1123855
           _cons |   1.689531   .0977778    17.28   0.000     1.496863    1.882199
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      9952        9952           0    *|
   own_sic#year |      1705        1705           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3a.rtf
dir : seeout
. ***Debt change asset base
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if control_both==1, a(id own_sic#year) cl(owne
> r own_sic)
(dropped 1727 singleton observations)
(MWFE estimator converged in 378 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    116,478
Absorbing 2 HDFE groups                           F(   2,    273) =     287.69
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3421
                                                  Adj R-squared   =     0.0962
Number of clusters (owner)   =     20,000         Within R-sq.    =     0.0662
Number of clusters (own_sic) =        274         Root MSE        =     0.2254
                            (Std. Err. adjusted for 274 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0390444   .0143172    -2.73   0.007    -.0672306   -.0108582
      lag_assets |  -.0669491   .0032807   -20.41   0.000    -.0734077   -.0604904
           _cons |   .8229505   .0386496    21.29   0.000     .7468613    .8990397
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     29391       29391           0    *|
   own_sic#year |      2300        2300           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Full control both)
Table3a.rtf
dir : seeout
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if control_partial==1, a(id own_sic#year) cl(o
> wner own_sic)
(dropped 1173 singleton observations)
(MWFE estimator converged in 387 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     54,717
Absorbing 2 HDFE groups                           F(   2,    247) =     222.88
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3684
                                                  Adj R-squared   =     0.0847
Number of clusters (owner)   =     10,450         Within R-sq.    =     0.0642
Number of clusters (own_sic) =        248         Root MSE        =     0.2320
                            (Std. Err. adjusted for 248 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0381946   .0169015    -2.26   0.025    -.0714841   -.0049051
  lag_assets |  -.0547921   .0028026   -19.55   0.000    -.0603121   -.0492721
       _cons |   .6897247   .0339506    20.32   0.000      .622855    .7565943
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     14985       14985           0    *|
   own_sic#year |      1976        1976           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Partial control in one or both)
Table3a.rtf
dir : seeout
. set more off
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if control_no==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 1060 singleton observations)
(MWFE estimator converged in 331 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     36,123
Absorbing 2 HDFE groups                           F(   2,    230) =     137.00
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4079
                                                  Adj R-squared   =     0.0759
Number of clusters (owner)   =      8,065         Within R-sq.    =     0.0656
Number of clusters (own_sic) =        231         Root MSE        =     0.2241
                            (Std. Err. adjusted for 231 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0047896   .0157254    -0.30   0.761    -.0357738    .0261947
  lag_assets |  -.0569693   .0036668   -15.54   0.000    -.0641941   -.0497446
       _cons |   .6978106   .0434393    16.06   0.000     .6122208    .7834004
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     11238       11238           0    *|
   own_sic#year |      1738        1738           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3a.rtf
dir : seeout
.
. ***Book leverage
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if control_both==1, a(id own_sic#year) cl(ow
> ner own_sic)
(dropped 1771 singleton observations)
(MWFE estimator converged in 430 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    119,310
Absorbing 2 HDFE groups                           F(   2,    274) =       5.83
Statistics robust to heteroskedasticity           Prob > F        =     0.0033
                                                  R-squared       =     0.9313
                                                  Adj R-squared   =     0.9055
Number of clusters (owner)   =     20,368         Within R-sq.    =     0.0008
Number of clusters (own_sic) =        275         Root MSE        =     0.1104
                            (Std. Err. adjusted for 275 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
     bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0115199   .0054165    -2.13   0.034    -.0221831   -.0008568
  lag_assets |   .0033385   .0012023     2.78   0.006     .0009716    .0057055
       _cons |   .4777192   .0142908    33.43   0.000     .4495856    .5058529
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     30168       30168           0    *|
   own_sic#year |      2310        2310           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Full control both) replace
Table3b.rtf
dir : seeout
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if control_partial==1, a(id own_sic#year) cl
> (owner own_sic)
(dropped 1253 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     56,350
Absorbing 2 HDFE groups                           F(   2,    248) =       1.39
Statistics robust to heteroskedasticity           Prob > F        =     0.2510
                                                  R-squared       =     0.9174
                                                  Adj R-squared   =     0.8806
Number of clusters (owner)   =     10,655         Within R-sq.    =     0.0001
Number of clusters (own_sic) =        249         Root MSE        =     0.1154
                            (Std. Err. adjusted for 249 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
         bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0148111   .0093168    -1.59   0.113    -.0331612    .0035389
      lag_assets |  -.0002729   .0008821    -0.31   0.757    -.0020103    .0014645
           _cons |   .5312299   .0107235    49.54   0.000     .5101093    .5523506
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     15374       15374           0    *|
   own_sic#year |      1993        1993           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Partial control in one or both)
Table3b.rtf
dir : seeout
. set more off
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if control_no==1, a(id own_sic#year) cl(owne
> r own_sic)
(dropped 1092 singleton observations)
(MWFE estimator converged in 385 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     37,204
Absorbing 2 HDFE groups                           F(   2,    230) =       0.15
Statistics robust to heteroskedasticity           Prob > F        =     0.8571
                                                  R-squared       =     0.9254
                                                  Adj R-squared   =     0.8839
Number of clusters (owner)   =      8,200         Within R-sq.    =     0.0000
Number of clusters (own_sic) =        231         Root MSE        =     0.1155
                            (Std. Err. adjusted for 231 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
      bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
--------------+---------------------------------------------------------------
other_exshock3p2 |   .0003894   .0110199     0.04   0.972    -.0213235    .0221023
     lag_assets |  -.0006108   .0011495    -0.53   0.596    -.0028757    .0016541
          _cons |   .4858084   .0139209    34.90   0.000     .4583796    .5132372
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      11525       11525           0    *|
   own_sic#year |       1756        1756           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3b.rtf
dir : seeout
. /* Net debt issuance */
```

```
. reghdfe debt_change other_exshock3p2 lag_assets if control_both==1, a(id own_sic#year) c
> l(owner own_sic)
(dropped 1727 singleton observations)
(MWFE estimator converged in 378 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    116,478
Absorbing 2 HDFE groups                           F(   2,    273) =     183.53
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.2967
                                                  Adj R-squared   =     0.0338
Number of clusters (owner)   =     20,000         Within R-sq.    =     0.0273
Number of clusters (own_sic) =        274         Root MSE        =     0.7314
                            (Std. Err. adjusted for 274 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
 debt_change |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.1238969   .0452725    -2.74   0.007    -.2130244   -.0347694
  lag_assets |  -.1365292   .0078033   -17.50   0.000    -.1518914    -.121167
       _cons |     1.6209   .0920958    17.60   0.000     1.439592    1.802209
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
 Absorbed FE | Categories  - Redundant  = Num. Coefs |
-------------+---------------------------------------|
          id |      29391       29391           0    *|
 own_sic#year |       2300        2300           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3b.rtf
dir : seeout
```

```
. reghdfe debt_change other_exshock3p2 lag_assets if control_partial==1, a(id own_sic#year
> ) cl(owner own_sic)
(dropped 1173 singleton observations)
(MWFE estimator converged in 387 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     54,717
Absorbing 2 HDFE groups                           F(   2,    247) =     166.45
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3276
                                                  Adj R-squared   =     0.0255
Number of clusters (owner)   =     10,450         Within R-sq.    =     0.0250
Number of clusters (own_sic) =        248         Root MSE        =     0.7597
                            (Std. Err. adjusted for 248 clusters in owner own_sic)
------------------------------------------------------------------------------
                |               Robust
     debt_change |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.1148644   .0523113    -2.20   0.029    -.2178976   -.0118312
      lag_assets |  -.1094045   .0061419   -17.81   0.000    -.1215017   -.0973072
           _cons |   1.309413   .0748167    17.50   0.000     1.162053    1.456773
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      14985       14985           0    *|
   own_sic#year |       1976        1976           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Full control both)
Table3b.rtf
dir : seeout
. set more off
```

```
. reghdfe debt_change other_exshock3p2 lag_assets if control_no==1, a(id own_sic#year) cl(
> owner own_sic)
(dropped 1060 singleton observations)
(MWFE estimator converged in 331 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     36,123
Absorbing 2 HDFE groups                           F(   2,    230) =     136.68
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3711
                                                  Adj R-squared   =     0.0184
Number of clusters (owner)   =      8,065         Within R-sq.    =     0.0289
Number of clusters (own_sic) =        231         Root MSE        =     0.7420
                            (Std. Err. adjusted for 231 clusters in owner own_sic)
------------------------------------------------------------------------------
                |               Robust
     debt_change |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0938543   .0548564    -1.71   0.088    -.2019396     .014231
      lag_assets |  -.1225779   .0076224   -16.08   0.000    -.1375966   -.1075592
           _cons |   1.442368   .0905969    15.92   0.000     1.263862    1.620874
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     11238       11238           0    *|
   own_sic#year |      1738        1738           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3b.rtf
dir : seeout
.  ***Bank rels
. set more off
```

```
. reghdfe destroying_rels other_exshock3p2 lag_assets if control_both==1, a(id own_sic#yea
> r) cl(owner own_sic)
(dropped 355 singleton observations)
(MWFE estimator converged in 411 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    132,866
Absorbing 2 HDFE groups                           F(   2,    278) =     167.59
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.6046
                                                  Adj R-squared   =     0.4501
Number of clusters (owner)   =     22,497         Within R-sq.    =     0.0075
Number of clusters (own_sic) =        279         Root MSE        =     0.2617
                            (Std. Err. adjusted for 279 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
 destroying_rels |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------
other_exshock3p2 |   .1426558   .0169149     8.43   0.000     .1093582    .1759535
      lag_assets |   .0212291   .0013502    15.72   0.000     .0185711    .0238871
           _cons |  -.1105324   .0156785    -7.05   0.000    -.1413961   -.0796686
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     34972       34972           0    *|
   own_sic#year |      2347        2347           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3b.rtf
dir : seeout
```

```
. reghdfe destroying_rels other_exshock3p2 lag_assets if control_partial==1, a(id own_sic#
> year) cl(owner own_sic)
(dropped 410 singleton observations)
(MWFE estimator converged in 351 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     64,317
Absorbing 2 HDFE groups                           F(   2,    256) =     159.03
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5768
                                                  Adj R-squared   =     0.3842
Number of clusters (owner)   =     11,772         Within R-sq.    =     0.0101
Number of clusters (own_sic) =        257         Root MSE        =     0.2505
                            (Std. Err. adjusted for 257 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
 destroying_rels |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |   .0756107   .0163478     4.63   0.000     .0434175    .1078039
      lag_assets |   .0214137   .0012215    17.53   0.000     .0190082    .0238191
           _cons |  -.1456872    .014709    -9.90   0.000    -.1746533   -.1167211
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     18080       18080           0    *|
   own_sic#year |      2041        2041           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Full control both)
Table3b.rtf
dir : seeout
. set more off
```

```
. reghdfe destroying_rels other_exshock3p2 lag_assets if control_no==1, a(id own_sic#year)
> cl(owner own_sic)
(dropped 436 singleton observations)
(MWFE estimator converged in 389 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     43,012
Absorbing 2 HDFE groups                           F(   2,    245) =      82.12
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5684
                                                  Adj R-squared   =     0.3268
Number of clusters (owner)   =      9,037         Within R-sq.    =     0.0077
Number of clusters (own_sic) =        246         Root MSE        =     0.2232
                            (Std. Err. adjusted for 246 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
 destroying_rels |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------
other_exshock3p2 |   .0407764   .0196949     2.07   0.039     .0019834    .0795693
      lag_assets |   .0178844   .0014111    12.67   0.000      .015105    .0206637
           _cons |  -.1315425   .0165802    -7.93   0.000    -.1642005   -.0988845
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      13546       13546           0    *|
   own_sic#year |       1891        1891           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table3b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, No control in one or both)
Table3b.rtf
dir : seeout
.
.
. ***Table 4: Market-level financial constraints
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. set more off
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if high_credit==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 312 singleton observations)
(MWFE estimator converged in 72 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    119,569
Absorbing 2 HDFE groups                           F(   2,    262) =     377.30
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5285
                                                  Adj R-squared   =     0.2447
Number of clusters (owner)   =     28,731         Within R-sq.    =     0.2231
Number of clusters (own_sic) =        263         Root MSE        =     0.4050
                            (Std. Err. adjusted for 263 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0268181   .0231701    -1.16   0.248    -.0724414    .0188052
      lag_assets |  -.3124845   .0113947   -27.42   0.000    -.3349213   -.2900476
           _cons |   3.376768   .1208735    27.94   0.000      3.13876    3.614775
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      42831       42831           0    *|
   own_sic#year |       2089        2089           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, High credit develop) replace
Table4a.rtf
dir : seeout
. set more off
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if high_credit==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 324 singleton observations)
(MWFE estimator converged in 254 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    121,199
Absorbing 2 HDFE groups                           F(   2,    269) =     530.19
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3569
                                                  Adj R-squared   =     0.1813
Number of clusters (owner)   =     14,608         Within R-sq.    =     0.0983
Number of clusters (own_sic) =        270         Root MSE        =     0.3014
                            (Std. Err. adjusted for 270 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0656881   .0242409    -2.71   0.007    -.1134141   -.0179622
      lag_assets |   -.084159   .0040775   -20.64   0.000    -.0921869   -.0761312
           _cons |   1.113369   .0511904    21.75   0.000     1.012585    1.214154
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     23881       23881           0    *|
   own_sic#year |      2110        2110           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Low credit develop)
Table4a.rtf
dir : seeout
. **** Debt change
.  set more off
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if high_credit==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 2752 singleton observations)
(MWFE estimator converged in 65 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     76,935
Absorbing 2 HDFE groups                           F(   2,    253) =     500.09
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4563
                                                  Adj R-squared   =     0.1196
Number of clusters (owner)   =     21,104         Within R-sq.    =     0.1664
Number of clusters (own_sic) =        254         Root MSE        =     0.5635
                            (Std. Err. adjusted for 254 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0252253   .0445107    -0.57   0.571    -.1128839    .0624333
      lag_assets |  -.7197786   .0229391   -31.38   0.000    -.7649546   -.6746026
           _cons |   8.662555   .2737169    31.65   0.000     8.123501    9.201609
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     27472       27472           0    *|
   own_sic#year |      1953        1953           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, High credit develop)
Table4a.rtf
dir : seeout
. set more off
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if high_credit==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 813 singleton observations)
(MWFE estimator converged in 291 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    111,351
Absorbing 2 HDFE groups                           F(   2,    268) =     357.03
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.2710
                                                  Adj R-squared   =     0.0664
Number of clusters (owner)   =     14,172         Within R-sq.    =     0.0467
Number of clusters (own_sic) =        269         Root MSE        =     0.5159
                            (Std. Err. adjusted for 269 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0935051   .0427804    -2.19   0.030    -.1777336   -.0092766
      lag_assets |   -.108707   .0061119   -17.79   0.000    -.1207405   -.0966735
           _cons |   1.471281   .0761788    19.31   0.000     1.321296    1.621266
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     22330       22330           0    *|
   own_sic#year |      2068        2068           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Low credit develop)
Table4a.rtf
dir : seeout
. **** Debt change asset base
.  set more off
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if high_credit==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 2475 singleton observations)
(MWFE estimator converged in 68 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     89,875
Absorbing 2 HDFE groups                           F(   2,    256) =     247.58
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4436
                                                  Adj R-squared   =     0.0987
Number of clusters (owner)   =     23,859         Within R-sq.    =     0.1210
Number of clusters (own_sic) =        257         Root MSE        =     0.2328
                            (Std. Err. adjusted for 257 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0005418   .0142732    -0.04   0.970    -.0286497    .0275661
  lag_assets |  -.1498522   .0070759   -21.18   0.000    -.1637866   -.1359178
       _cons |   1.635947   .0758435    21.57   0.000     1.486591    1.785304
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     32402       32402           0    *|
   own_sic#year |      1990        1990           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, High credit develop)
Table4a.rtf
dir : seeout
. set more off
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if high_credit==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 737 singleton observations)
(MWFE estimator converged in 294 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    112,588
Absorbing 2 HDFE groups                           F(   2,    269) =     375.60
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.2772
                                                  Adj R-squared   =     0.0754
Number of clusters (owner)   =     14,227         Within R-sq.    =     0.0532
Number of clusters (own_sic) =        270         Root MSE        =     0.2142
                            (Std. Err. adjusted for 270 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0414521   .0163957    -2.53   0.012    -.0737322   -.0091719
  lag_assets |  -.0481373   .0022715   -21.19   0.000    -.0526094   -.0436651
       _cons |   .6333995    .028382    22.32   0.000     .5775204    .6892785
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     22493       22493           0    *|
   own_sic#year |      2074        2074           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Low credit develop)
Table4a.rtf
dir : seeout
.
. ***Panel B
. **Book leverage
.  set more off
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if high_credit==1, a(id own_sic#year) cl(own
> er own_sic)
(dropped 2698 singleton observations)
(MWFE estimator converged in 71 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     93,255
Absorbing 2 HDFE groups                           F(   2,    256) =       1.69
Statistics robust to heteroskedasticity           Prob > F        =     0.1862
                                                  R-squared       =     0.9205
                                                  Adj R-squared   =     0.8715
Number of clusters (owner)   =     24,473         Within R-sq.    =     0.0005
Number of clusters (own_sic) =        257         Root MSE        =     0.1225
                            (Std. Err. adjusted for 257 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
         bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0038091   .0077006    -0.49   0.621    -.0189737    .0113556
      lag_assets |   .0043593   .0025881     1.68   0.093    -.0007374     .009456
           _cons |   .4264561    .027907    15.28   0.000     .3714995    .4814126
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     33587       33587           0    *|
   own_sic#year |      1996        1996           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, High credit develop) replace
Table4b.rtf
dir : seeout
. set more off
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if high_credit==0, a(id own_sic#year) cl(own
> er own_sic)
(dropped 719 singleton observations)
(MWFE estimator converged in 267 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    114,323
Absorbing 2 HDFE groups                           F(   2,    269) =       4.72
Statistics robust to heteroskedasticity           Prob > F        =     0.0096
                                                  R-squared       =     0.9335
                                                  Adj R-squared   =     0.9151
Number of clusters (owner)   =     14,298         Within R-sq.    =     0.0002
Number of clusters (own_sic) =        270         Root MSE        =     0.1037
                            (Std. Err. adjusted for 270 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
         bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0162226   .0052944    -3.06   0.002    -.0266463   -.0057989
      lag_assets |   .0000908   .0005897     0.15   0.878    -.0010703    .0012519
           _cons |   .5411631   .0075469    71.71   0.000     .5263045    .5560217
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     22711       22711           0    *|
   own_sic#year |      2080        2080           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Low credit develop)
Table4b.rtf
dir : seeout
.  **Bet debt issuance
.  set more off
```

```
. reghdfe debt_change other_exshock3p2 lag_assets if high_credit==1, a(id own_sic#year) cl
> (owner own_sic)
(dropped 2475 singleton observations)
(MWFE estimator converged in 68 iterations)
HDFE Linear regression                            Number of obs   =     89,875
Absorbing 2 HDFE groups                           F(   2,    256) =     198.25
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4166
                                                  Adj R-squared   =     0.0550
Number of clusters (owner)   =     23,859         Within R-sq.    =     0.0585
Number of clusters (own_sic) =        257         Root MSE        =     0.7387
                            (Std. Err. adjusted for 257 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
 debt_change |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0521013   .0496117    -1.05   0.295    -.1498003    .0455976
  lag_assets |  -.3193224   .0166009   -19.24   0.000    -.3520141   -.2866308
       _cons |   3.406901   .1779517    19.15   0.000     3.056466    3.757337
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
 Absorbed FE | Categories  - Redundant  = Num. Coefs |
-------------+---------------------------------------|
          id |      32402       32402           0    *|
 own_sic#year |       1990        1990           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, High credit develop)
Table4b.rtf
dir : seeout
. set more off
```

```
. reghdfe debt_change other_exshock3p2 lag_assets if high_credit==0, a(id own_sic#year) cl
> (owner own_sic)
(dropped 737 singleton observations)
(MWFE estimator converged in 294 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    112,588
Absorbing 2 HDFE groups                           F(   2,    269) =     266.22
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.2431
                                                  Adj R-squared   =     0.0318
Number of clusters (owner)   =     14,227         Within R-sq.    =     0.0213
Number of clusters (own_sic) =        270         Root MSE        =     0.7280
                            (Std. Err. adjusted for 270 clusters in owner own_sic)
------------------------------------------------------------------------------
                |               Robust
     debt_change |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.1511667   .0521343    -2.90   0.004    -.2538098   -.0485236
      lag_assets |  -.1013836   .0051282   -19.77   0.000    -.1114802    -.091287
           _cons |   1.291547   .0640998    20.15   0.000     1.165346    1.417749
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     22493       22493           0    *|
   own_sic#year |      2074        2074           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Low credit develop)
Table4b.rtf
dir : seeout
.  **Banking rels
.  set more off
```

```
. reghdfe destroying_rels other_exshock3p2 lag_assets if high_credit==1, a(id own_sic#year
> ) cl(owner own_sic)
(dropped 313 singleton observations)
(MWFE estimator converged in 72 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    119,567
Absorbing 2 HDFE groups                           F(   2,    262) =       3.94
Statistics robust to heteroskedasticity           Prob > F        =     0.0206
                                                  R-squared       =     0.5258
                                                  Adj R-squared   =     0.2405
Number of clusters (owner)   =     28,730         Within R-sq.    =     0.0002
Number of clusters (own_sic) =        263         Root MSE        =     0.0929
                            (Std. Err. adjusted for 263 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
 destroying_rels |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |   .0160326   .0057179     2.80   0.005     .0047737    .0272915
      lag_assets |   .0000317   .0002972     0.11   0.915    -.0005534    .0006169
           _cons |   .0100468   .0032115     3.13   0.002     .0037232    .0163704
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      42830       42830           0    *|
   own_sic#year |       2089        2089           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, High credit develop)
Table4b.rtf
dir : seeout
. set more off
```

```
. reghdfe destroying_rels other_exshock3p2 lag_assets if high_credit==0, a(id own_sic#year
> ) cl(owner own_sic)
(dropped 324 singleton observations)
(MWFE estimator converged in 257 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    121,192
Absorbing 2 HDFE groups                           F(   2,    269) =     817.35
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.6133
                                                  Adj R-squared   =     0.5078
Number of clusters (owner)   =     14,607         Within R-sq.    =     0.0187
Number of clusters (own_sic) =        270         Root MSE        =     0.2992
                            (Std. Err. adjusted for 270 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
 destroying_rels |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------
other_exshock3p2 |   .0617258   .0278602     2.22   0.028      .006874    .1165776
      lag_assets |   .0347688   .0009456    36.77   0.000      .032907    .0366306
           _cons |  -.2110992   .0115929   -18.21   0.000    -.2339236   -.1882749
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     23880       23880           0    *|
   own_sic#year |      2110        2110           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table4b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Low credit develop)
Table4b.rtf
dir : seeout
.
.
. ****Table 5: Size split
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. ***Panel A
. set more off
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if small_own==1, a(id own_sic#year) cl(owner ow
> n_sic)
(dropped 459 singleton observations)
(MWFE estimator converged in 78 iterations)
HDFE Linear regression                            Number of obs   =    124,011
Absorbing 2 HDFE groups                           F(   2,    272) =     523.88
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5086
                                                  Adj R-squared   =     0.2671
Number of clusters (owner)   =     30,203         Within R-sq.    =     0.2274
Number of clusters (own_sic) =        273         Root MSE        =     0.3848
                            (Std. Err. adjusted for 273 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0193467   .0191335    -1.01   0.313    -.0570153    .0183218
  lag_assets |  -.3207431   .0099127   -32.36   0.000    -.3402584   -.3012277
       _cons |   3.192956   .0970369    32.90   0.000     3.001917    3.383995
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     38764       38764           0    *|
   own_sic#year |      2105        2105           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Own) replace
Table5a.rtf
dir : seeout
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if small_own==0, a(id own_sic#year) cl(owner ow
> n_sic)
(dropped 295 singleton observations)
(MWFE estimator converged in 235 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    124,175
Absorbing 2 HDFE groups                           F(   2,    276) =     388.37
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4390
                                                  Adj R-squared   =     0.2493
Number of clusters (owner)   =     23,049         Within R-sq.    =     0.1154
Number of clusters (own_sic) =        277         Root MSE        =     0.3336
                            (Std. Err. adjusted for 277 clusters in owner own_sic)
------------------------------------------------------------------------------
                |               Robust
           ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
----------------+-------------------------------------------------------------
other_exshock3p2 |  -.0936466   .0174132    -5.38   0.000    -.1279262   -.0593669
      lag_assets |  -.0907581   .0035602   -25.49   0.000    -.0977667   -.0837494
           _cons |   1.314688   .0494508    26.59   0.000     1.217339    1.412037
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      28947       28947           0    *|
   own_sic#year |       2419        2419           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Own)
Table5a.rtf
dir : seeout
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if small_own==1 & small_other==1, a(id own_sic#
> year) cl(owner own_sic)
(dropped 499 singleton observations)
(MWFE estimator converged in 64 iterations)
HDFE Linear regression                            Number of obs   =     67,960
Absorbing 2 HDFE groups                           F(   2,    254) =     395.51
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5265
                                                  Adj R-squared   =     0.2501
Number of clusters (owner)   =     14,735         Within R-sq.    =     0.2332
Number of clusters (own_sic) =        255         Root MSE        =     0.4269
                            (Std. Err. adjusted for 255 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0278833   .0273573    -1.02   0.309    -.0817592    .0259927
      lag_assets |  -.3311818   .0120456   -27.49   0.000    -.3549038   -.3074599
           _cons |   3.219859   .1152351    27.94   0.000     2.992922    3.446797
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     23257       23257           0    *|
   own_sic#year |      1796        1796           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Both)
Table5a.rtf
dir : seeout
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if small_own==0 & small_other==0, a(id own_sic#
> year) cl(owner own_sic)
(dropped 419 singleton observations)
(MWFE estimator converged in 192 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     60,210
Absorbing 2 HDFE groups                           F(   2,    243) =     299.14
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5206
                                                  Adj R-squared   =     0.3556
Number of clusters (owner)   =      7,530         Within R-sq.    =     0.1326
Number of clusters (own_sic) =        244         Root MSE        =     0.3519
                            (Std. Err. adjusted for 244 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0471517   .0176297    -2.67   0.008    -.0818782   -.0124251
      lag_assets |  -.0858246   .0038677   -22.19   0.000    -.0934432    -.078206
           _cons |   1.261196   .0551617    22.86   0.000      1.15254    1.369852
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     13370       13370           0    *|
   own_sic#year |      2047        2047           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5a, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Both)
Table5a.rtf
dir : seeout
.
. ***Panel B
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if small_own==1, a(id own_sic#year) cl(owner ow
> n_sic)
(dropped 2639 singleton observations)
(MWFE estimator converged in 53 iterations)
HDFE Linear regression                            Number of obs   =     84,745
Absorbing 2 HDFE groups                           F(   2,    252) =     105.97
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3727
                                                  Adj R-squared   =     0.0830
Number of clusters (owner)   =     21,085         Within R-sq.    =     0.1171
Number of clusters (own_sic) =        253         Root MSE        =     0.5971
                            (Std. Err. adjusted for 253 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------
other_exshock3p2 |  -.0137196   .0291153    -0.47   0.638      -.07106    .0436208
      lag_assets |  -.5877132   .0465288   -12.63   0.000    -.6793481   -.4960783
           _cons |   6.424975   .5007467    12.83   0.000     5.438794    7.411157
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     24888       24888           0    *|
   own_sic#year |      1882        1882           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Own)
Table5b.rtf
dir : seeout
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if small_own==0, a(id own_sic#year) cl(owner ow
> n_sic)
(dropped 1142 singleton observations)
(MWFE estimator converged in 312 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    108,807
Absorbing 2 HDFE groups                           F(   2,    273) =     489.09
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3712
                                                  Adj R-squared   =     0.1524
Number of clusters (owner)   =     21,169         Within R-sq.    =     0.0649
Number of clusters (own_sic) =        274         Root MSE        =     0.4925
                            (Std. Err. adjusted for 274 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.1259507   .0292532    -4.31   0.000    -.1835412   -.0683601
  lag_assets |  -.1099915    .003607   -30.49   0.000    -.1170925   -.1028905
       _cons |    1.60383    .050197    31.95   0.000     1.505008    1.702653
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     25728       25728           0    *|
   own_sic#year |      2355        2355           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Own)
Table5b.rtf
dir : seeout
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if small_own==1 & small_other==1, a(id own_sic#
> year) cl(owner own_sic)
(dropped 1986 singleton observations)
(MWFE estimator converged in 59 iterations)
HDFE Linear regression                            Number of obs   =     42,379
Absorbing 2 HDFE groups                           F(   2,    226) =      74.12
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4331
                                                  Adj R-squared   =     0.1049
Number of clusters (owner)   =     10,221         Within R-sq.    =     0.1463
Number of clusters (own_sic) =        227         Root MSE        =     0.6017
                            (Std. Err. adjusted for 227 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0608864   .0643187    -0.95   0.345    -.1876274    .0658546
      lag_assets |   -.619217   .0531437   -11.65   0.000    -.7239376   -.5144965
           _cons |   6.720984   .5682778    11.83   0.000     5.601184    7.840785
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     13994       13994           0    *|
   own_sic#year |      1540        1540           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Both)
Table5b.rtf
dir : seeout
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if small_own==0 & small_other==0, a(id own_sic#
> year) cl(owner own_sic)
(dropped 970 singleton observations)
(MWFE estimator converged in 219 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     49,526
Absorbing 2 HDFE groups                           F(   2,    236) =     627.38
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4562
                                                  Adj R-squared   =     0.2535
Number of clusters (owner)   =      7,011         Within R-sq.    =     0.0671
Number of clusters (own_sic) =        237         Root MSE        =     0.5176
                            (Std. Err. adjusted for 237 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0935792   .0331926    -2.82   0.005    -.1589708   -.0281875
  lag_assets |  -.0961899   .0029558   -32.54   0.000     -.102013   -.0903668
       _cons |   1.434589   .0417182    34.39   0.000     1.352401    1.516776
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     11511       11511           0    *|
   own_sic#year |      1940        1940           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5b, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Both)
Table5b.rtf
dir : seeout
.
.
. ***Panel C
. set more off
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if small_own==1, a(id own_sic#year) cl(owner o
> wn_sic)
(dropped 2288 singleton observations)
(MWFE estimator converged in 57 iterations)
HDFE Linear regression                            Number of obs   =     98,545
Absorbing 2 HDFE groups                           F(   2,    259) =     222.99
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4108
                                                  Adj R-squared   =     0.1294
Number of clusters (owner)   =     24,721         Within R-sq.    =     0.1210
Number of clusters (own_sic) =        260         Root MSE        =     0.2176
                            (Std. Err. adjusted for 260 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
           dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |   .0010926   .0092268     0.12   0.906    -.0170764    .0192616
      lag_assets |  -.1494297   .0070816   -21.10   0.000    -.1633745   -.1354849
           _cons |   1.492063   .0696475    21.42   0.000     1.354916     1.62921
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     29893       29893           0    *|
   own_sic#year |      1959        1959           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5c, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Own) replace
Table5c.rtf
dir : seeout
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if small_own==0, a(id own_sic#year) cl(owner o
> wn_sic)
(dropped 1112 singleton observations)
(MWFE estimator converged in 312 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    109,333
Absorbing 2 HDFE groups                           F(   2,    274) =     469.37
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3443
                                                  Adj R-squared   =     0.1164
Number of clusters (owner)   =     21,231         Within R-sq.    =     0.0599
Number of clusters (own_sic) =        275         Root MSE        =     0.2278
                            (Std. Err. adjusted for 275 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0585482   .0119276    -4.91   0.000    -.0820295   -.0350668
      lag_assets |  -.0481252   .0016226   -29.66   0.000    -.0513196   -.0449307
           _cons |   .6948338   .0225732    30.78   0.000     .6503948    .7392728
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      25838       25838           0    *|
   own_sic#year |       2361        2361           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5c, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Own)
Table5c.rtf
dir : seeout
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if small_own==1 & small_other==1, a(id own_sic
> #year) cl(owner own_sic)
(dropped 1772 singleton observations)
(MWFE estimator converged in 61 iterations)
HDFE Linear regression                            Number of obs   =     51,045
Absorbing 2 HDFE groups                           F(   2,    234) =     170.17
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4372
                                                  Adj R-squared   =     0.1075
Number of clusters (owner)   =     12,085         Within R-sq.    =     0.1228
Number of clusters (own_sic) =        235         Root MSE        =     0.2414
                            (Std. Err. adjusted for 235 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
           dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0035449   .0193939    -0.18   0.855    -.0417538     .034664
      lag_assets |  -.1482887   .0080902   -18.33   0.000    -.1642276   -.1323498
           _cons |   1.446001   .0775623    18.64   0.000     1.293191    1.598811
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      17221       17221           0    *|
   own_sic#year |       1631        1631           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5c, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Both)
Table5c.rtf
dir : seeout
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if small_own==0 & small_other==0, a(id own_sic
> #year) cl(owner own_sic)
(dropped 939 singleton observations)
(MWFE estimator converged in 215 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     49,965
Absorbing 2 HDFE groups                           F(   2,    237) =     745.72
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4339
                                                  Adj R-squared   =     0.2235
Number of clusters (owner)   =      7,041         Within R-sq.    =     0.0646
Number of clusters (own_sic) =        238         Root MSE        =     0.2234
                            (Std. Err. adjusted for 238 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
           dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0398068   .0133429    -2.98   0.003    -.0660926    -.013521
      lag_assets |  -.0403293   .0010738   -37.56   0.000    -.0424447   -.0382138
           _cons |   .5912729   .0153032    38.64   0.000     .5611251    .6214206
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     11589       11589           0    *|
   own_sic#year |      1946        1946           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5c, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Both)
Table5c.rtf
dir : seeout
.
. ***Panel D
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if small_own==1, a(id own_sic#year) cl(owner
> own_sic)
(dropped 2498 singleton observations)
(MWFE estimator converged in 59 iterations)
HDFE Linear regression                            Number of obs   =    101,433
Absorbing 2 HDFE groups                           F(   2,    259) =       1.88
Statistics robust to heteroskedasticity           Prob > F        =     0.1545
                                                  R-squared       =     0.9245
                                                  Adj R-squared   =     0.8883
Number of clusters (owner)   =     25,329         Within R-sq.    =     0.0002
Number of clusters (own_sic) =        260         Root MSE        =     0.1228
                            (Std. Err. adjusted for 260 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
         bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0060543   .0068282    -0.89   0.376    -.0195001    .0073916
      lag_assets |   .0032655   .0018377     1.78   0.077    -.0003532    .0068842
           _cons |   .3678264   .0180598    20.37   0.000     .3322636    .4033892
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     30858       30858           0    *|
   own_sic#year |      1970        1970           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5d, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Own) replace
Table5d.rtf
dir : seeout
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if small_own==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 1080 singleton observations)
(MWFE estimator converged in 302 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    111,969
Absorbing 2 HDFE groups                           F(   2,    274) =       5.62
Statistics robust to heteroskedasticity           Prob > F        =     0.0041
                                                  R-squared       =     0.9107
                                                  Adj R-squared   =     0.8799
Number of clusters (owner)   =     21,511         Within R-sq.    =     0.0002
Number of clusters (own_sic) =        275         Root MSE        =     0.1028
                            (Std. Err. adjusted for 275 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
     bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0174855   .0052546    -3.33   0.001    -.0278301    -.007141
  lag_assets |   .0005585   .0007396     0.76   0.451    -.0008976    .0020145
       _cons |   .6087913   .0102872    59.18   0.000     .5885392    .6290433
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     26313       26313           0    *|
   own_sic#year |      2372        2372           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5d, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Own)
Table5d.rtf
dir : seeout
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if small_own==1 & small_other==1, a(id own_s
> ic#year) cl(owner own_sic)
(dropped 1896 singleton observations)
(MWFE estimator converged in 64 iterations)
HDFE Linear regression                            Number of obs   =     53,013
Absorbing 2 HDFE groups                           F(   2,    235) =       0.55
Statistics robust to heteroskedasticity           Prob > F        =     0.5751
                                                  R-squared       =     0.9191
                                                  Adj R-squared   =     0.8718
Number of clusters (owner)   =     12,412         Within R-sq.    =     0.0001
Number of clusters (own_sic) =        236         Root MSE        =     0.1326
                            (Std. Err. adjusted for 236 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
         bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0089203   .0131809    -0.68   0.499    -.0348881    .0170476
      lag_assets |    .002168   .0023183     0.94   0.351    -.0023992    .0067352
           _cons |   .4344265   .0220373    19.71   0.000     .3910106    .4778423
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     17903       17903           0    *|
   own_sic#year |      1648        1648           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5d, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Small Both)
Table5d.rtf
dir : seeout
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if small_own==0 & small_other==0, a(id own_s
> ic#year) cl(owner own_sic)
(dropped 892 singleton observations)
(MWFE estimator converged in 208 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     51,828
Absorbing 2 HDFE groups                           F(   2,    241) =       2.53
Statistics robust to heteroskedasticity           Prob > F        =     0.0817
                                                  R-squared       =     0.8961
                                                  Adj R-squared   =     0.8582
Number of clusters (owner)   =      7,135         Within R-sq.    =     0.0001
Number of clusters (own_sic) =        242         Root MSE        =     0.1093
                            (Std. Err. adjusted for 242 clusters in owner own_sic)
------------------------------------------------------------------------------
                |               Robust
        bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
----------------+-------------------------------------------------------------
other_exshock3p2 |   -.012683    .006063    -2.09   0.037    -.0246262   -.0007398
      lag_assets |  -.0003347   .0007199    -0.46   0.642    -.0017529    .0010835
           _cons |   .5775107   .0102794    56.18   0.000     .5572617    .5977596
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      11882       11882           0    *|
   own_sic#year |       1971        1971           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table5d, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year
> FE, 3-dig, Sample, Large Both)
Table5d.rtf
dir : seeout
.
.
. ***Table 6: Cross-pledgeability. CFs vs hard assets
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. **
```

```
. reghdfe ag_w other_exshock3p2 shock_small_own shock_small_other shock_high_tang shock_hi
> gh_roa lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 459 singleton observations)
(MWFE estimator converged in 222 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     47,449
Absorbing 2 HDFE groups                           F(   6,    219) =     163.97
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5239
                                                  Adj R-squared   =     0.3658
Number of clusters (owner)   =      6,657         Within R-sq.    =     0.1510
Number of clusters (own_sic) =        220         Root MSE        =     0.3693
                            (Std. Err. adjusted for 220 clusters in owner own_sic)
------------------------------------------------------------------------------
                  |               Robust
             ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+------------------------------------------------------------
 other_exshock3p2 |  -.1081937   .0452541    -2.39   0.018    -.1973829   -.0190045
  shock_small_own |   .1305715   .0491207     2.66   0.008     .0337617    .2273813
shock_small_other |   .1106584   .0664964     1.66   0.098    -.0203964    .2417132
  shock_high_tang |    .026101   .0401649     0.65   0.516    -.0530583    .1052602
   shock_high_roa |   .0196459    .040012     0.49   0.624     -.059212    .0985038
       lag_assets |  -.0949327   .0038724   -24.52   0.000    -.1025647   -.0873007
            _cons |    1.30943   .0527918    24.80   0.000     1.205385    1.413475
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      9999        9999           0    *|
   own_sic#year |      1820        1820           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_6, keep(other_exshock3p2 shock_high_tang shock_high_roa) word bdec(3
> ) r2  nocons label /// addtext(Firm FE, Yes,  Industry-year FE, 3-dig, Size x shock cont
> rols, Yes)  replace
Table_6.rtf
dir : seeout
.
```

```
. reghdfe  dg_w other_exshock3p2 shock_small_own shock_small_other shock_high_tang shock_h
> igh_roa lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 970 singleton observations)
(MWFE estimator converged in 230 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     36,149
Absorbing 2 HDFE groups                           F(   6,    210) =     267.55
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4641
                                                  Adj R-squared   =     0.2685
Number of clusters (owner)   =      5,570         Within R-sq.    =     0.0720
Number of clusters (own_sic) =        211         Root MSE        =     0.5492
                            (Std. Err. adjusted for 211 clusters in owner own_sic)
------------------------------------------------------------------------------
                  |               Robust
             dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+------------------------------------------------------------
 other_exshock3p2 |  -.1560071   .0720139    -2.17   0.031    -.2979699   -.0140444
  shock_small_own |   .2363121   .0743714     3.18   0.002      .089702    .3829221
shock_small_other |   .1360137   .1003076     1.36   0.177    -.0617252    .3337525
  shock_high_tang |   .1625024     .06014     2.70   0.007     .0439469    .2810579
   shock_high_roa |  -.1401839    .071189    -1.97   0.050    -.2805205    .0001527
       lag_assets |  -.1030172   .0029881   -34.48   0.000    -.1089077   -.0971266
            _cons |   1.480303   .0409271    36.17   0.000     1.399622    1.560983
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      7970        7970           0    *|
   own_sic#year |      1690        1690           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_6, keep(other_exshock3p2 shock_high_tang shock_high_roa) word bdec(3
> ) r2  nocons label /// addtext(Firm FE, Yes,  Industry-year FE, 3-dig, Size x shock cont
> rols, Yes)
Table_6.rtf
dir : seeout
.
```

```
. reghdfe  dga_w other_exshock3p2 shock_small_own shock_small_other shock_high_tang shock_
> high_roa lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 941 singleton observations)
(MWFE estimator converged in 238 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     37,483
Absorbing 2 HDFE groups                           F(   6,    211) =     263.47
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4611
                                                  Adj R-squared   =     0.2649
Number of clusters (owner)   =      5,875         Within R-sq.    =     0.0743
Number of clusters (own_sic) =        212         Root MSE        =     0.2229
                            (Std. Err. adjusted for 212 clusters in owner own_sic)
------------------------------------------------------------------------------
                  |               Robust
            dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+------------------------------------------------------------
 other_exshock3p2 |  -.0586056   .0281721    -2.08   0.039    -.1141403   -.0030708
  shock_small_own |   .1192031   .0328759     3.63   0.000     .0543958    .1840103
shock_small_other |   .1061846   .0400199     2.65   0.009     .0272945    .1850748
  shock_high_tang |    .054572   .0243349     2.24   0.026     .0066014    .1025427
   shock_high_roa |  -.0786881   .0319455    -2.46   0.015    -.1416613    -.015715
       lag_assets |  -.0421471   .0011838   -35.60   0.000    -.0444807   -.0398136
            _cons |   .5809068    .016225    35.80   0.000     .5489229    .6128907
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      8293        8293           0    *|
   own_sic#year |      1705        1705           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_6, keep(other_exshock3p2 shock_high_tang shock_high_roa) word bdec(3
> ) r2  nocons label /// addtext(Firm FE, Yes,  Industry-year FE, 3-dig, Size x shock cont
> rols, Yes)
Table_6.rtf
dir : seeout
.
```

```
. reghdfe bklev_w other_exshock3p2 shock_small_own shock_small_other shock_high_tang shock
> _high_roa lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 914 singleton observations)
(MWFE estimator converged in 229 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     39,175
Absorbing 2 HDFE groups                           F(   6,    213) =       2.20
Statistics robust to heteroskedasticity           Prob > F        =     0.0443
                                                  R-squared       =     0.9015
                                                  Adj R-squared   =     0.8664
Number of clusters (owner)   =      5,993         Within R-sq.    =     0.0008
Number of clusters (own_sic) =        214         Root MSE        =     0.1152
                            (Std. Err. adjusted for 214 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
      bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
--------------+---------------------------------------------------------------
 other_exshock3p2 |   -.005828   .0116038    -0.50   0.616    -.0287009    .0170449
  shock_small_own |   .0365852   .0198046     1.85   0.066    -.0024529    .0756232
shock_small_other |   .0273434   .0233008     1.17   0.242    -.0185862    .0732731
  shock_high_tang |   .0138513   .0197125     0.70   0.483    -.0250054    .0527079
   shock_high_roa |  -.0469925   .0222305    -2.11   0.036    -.0908126   -.0031725
       lag_assets |   .0005863   .0007883     0.74   0.458    -.0009676    .0021402
            _cons |   .5215504    .010867    47.99   0.000     .5001297    .5429711
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      8550        8550           0    *|
   own_sic#year |      1726        1726           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_6, keep(other_exshock3p2 shock_high_tang shock_high_roa) word bdec(3
> ) r2  nocons label /// addtext(Firm FE, Yes,  Industry-year FE, 3-dig, Size x shock cont
> rols, Yes)
Table_6.rtf
dir : seeout
.
.
.
.
. ***Table 7: Finer margins of integration
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. **Excluding somewhat integrated industries
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if integration==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 339 singleton observations)
(MWFE estimator converged in 391 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    218,264
Absorbing 2 HDFE groups                           F(   2,    292) =     293.51
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4348
                                                  Adj R-squared   =     0.2115
Number of clusters (owner)   =     38,385         Within R-sq.    =     0.1221
Number of clusters (own_sic) =        293         Root MSE        =     0.3655
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0718712   .0190824    -3.77   0.000    -.1094276   -.0343148
  lag_assets |  -.1230243   .0057974   -21.22   0.000    -.1344343   -.1116142
       _cons |   1.523068   .0688041    22.14   0.000     1.387654    1.658483
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     59238       59238           0    *|
   own_sic#year |      2575        2575           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> No) replace
Table7.rtf
dir : seeout
. **Excluding somewhat related industries
```

```
. reghdfe ag_w other_exshock3p2 lag_assets if integration==0 & same_sic2==0, a(id own_sic#
> year) cl(owner own_sic)
(dropped 529 singleton observations)
(MWFE estimator converged in 422 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    209,361
Absorbing 2 HDFE groups                           F(   2,    291) =     304.79
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4337
                                                  Adj R-squared   =     0.2106
Number of clusters (owner)   =     36,650         Within R-sq.    =     0.1222
Number of clusters (own_sic) =        292         Root MSE        =     0.3651
                            (Std. Err. adjusted for 292 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0662046    .018746    -3.53   0.000    -.1030995   -.0293097
  lag_assets |  -.1229014   .0058173   -21.13   0.000    -.1343508    -.111452
       _cons |   1.521369   .0690125    22.04   0.000     1.385542    1.657196
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     56609       56609           0    *|
   own_sic#year |      2554        2554           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> Yes)
Table7.rtf
dir : seeout
. **Repeating for debt growth
. **Excluding somewhat integrated industries
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if integration==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 2873 singleton observations)
(MWFE estimator converged in 472 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    172,180
Absorbing 2 HDFE groups                           F(   2,    286) =     300.18
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3368
                                                  Adj R-squared   =     0.0868
Number of clusters (owner)   =     31,436         Within R-sq.    =     0.0541
Number of clusters (own_sic) =        287         Root MSE        =     0.5463
                            (Std. Err. adjusted for 287 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
        dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0928405   .0337793    -2.75   0.006    -.1593282   -.0263529
  lag_assets |  -.1347934   .0066345   -20.32   0.000    -.1478521   -.1217347
       _cons |   1.786603   .0823696    21.69   0.000     1.624476    1.948731
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     44682       44682           0    *|
   own_sic#year |      2467        2467           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> No)
Table7.rtf
dir : seeout
. **Excluding somewhat related industries
```

```
. reghdfe dg_w other_exshock3p2 lag_assets if integration==0 & same_sic2==0, a(id own_sic#
> year) cl(owner own_sic)
(dropped 2893 singleton observations)
(MWFE estimator converged in 495 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    165,379
Absorbing 2 HDFE groups                           F(   2,    285) =     321.90
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3365
                                                  Adj R-squared   =     0.0869
Number of clusters (owner)   =     30,046         Within R-sq.    =     0.0542
Number of clusters (own_sic) =        286         Root MSE        =     0.5459
                            (Std. Err. adjusted for 286 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
            dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0859283   .0328336    -2.62   0.009    -.1505554   -.0213012
      lag_assets |  -.1346068   .0065955   -20.41   0.000    -.1475888   -.1216248
           _cons |   1.782876   .0817632    21.81   0.000      1.62194    1.943812
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |      42755       42755           0    *|
   own_sic#year |       2447        2447           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> Yes)
Table7.rtf
dir : seeout
. **Repeating for debt growth asset base
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if integration==0, a(id own_sic#year) cl(owner
> own_sic)
(dropped 2530 singleton observations)
(MWFE estimator converged in 470 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    184,452
Absorbing 2 HDFE groups                           F(   2,    289) =     355.40
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3496
                                                  Adj R-squared   =     0.0968
Number of clusters (owner)   =     33,893         Within R-sq.    =     0.0641
Number of clusters (own_sic) =        290         Root MSE        =     0.2243
                            (Std. Err. adjusted for 290 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0352283    .011591    -3.04   0.003    -.0580417   -.0124148
      lag_assets |  -.0590835   .0026623   -22.19   0.000    -.0643234   -.0538435
           _cons |   .7353582   .0317162    23.19   0.000     .6729342    .7977822
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     49130       49130           0    *|
   own_sic#year |      2501        2501           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> No)
Table7.rtf
dir : seeout
. **Excluding somewhat related industries
```

```
. reghdfe dga_w other_exshock3p2 lag_assets if integration==0 & same_sic2==0, a(id own_sic
> #year) cl(owner own_sic)
(dropped 2588 singleton observations)
(MWFE estimator converged in 498 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    176,985
Absorbing 2 HDFE groups                           F(   2,    288) =     355.61
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3497
                                                  Adj R-squared   =     0.0977
Number of clusters (owner)   =     32,375         Within R-sq.    =     0.0643
Number of clusters (own_sic) =        289         Root MSE        =     0.2236
                            (Std. Err. adjusted for 289 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
           dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0339308   .0116745    -2.91   0.004    -.0569089   -.0109526
      lag_assets |  -.0590167   .0026483   -22.29   0.000    -.0642291   -.0538043
           _cons |      .7344   .0315545    23.27   0.000     .6722933    .7965068
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     46959       46959           0    *|
   own_sic#year |      2482        2482           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> Yes)
Table7.rtf
dir : seeout
. **Repeating for leverage
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if integration==0, a(id own_sic#year) cl(own
> er own_sic)
(dropped 2700 singleton observations)
(MWFE estimator converged in 482 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    189,152
Absorbing 2 HDFE groups                           F(   2,    289) =       7.59
Statistics robust to heteroskedasticity           Prob > F        =     0.0006
                                                  R-squared       =     0.9289
                                                  Adj R-squared   =     0.9014
Number of clusters (owner)   =     34,479         Within R-sq.    =     0.0003
Number of clusters (own_sic) =        290         Root MSE        =     0.1106
                            (Std. Err. adjusted for 290 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
     bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0151983   .0042733    -3.56   0.000     -.023609   -.0067876
  lag_assets |   .0013924   .0008551     1.63   0.105    -.0002906    .0030754
       _cons |   .4967767    .010305    48.21   0.000     .4764944     .517059
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     50343       50343           0    *|
   own_sic#year |      2510        2510           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> No)
Table7.rtf
dir : seeout
. **Excluding somewhat related industries
```

```
. reghdfe bklev_w other_exshock3p2 lag_assets if integration==0 & same_sic2==0, a(id own_s
> ic#year) cl(owner own_sic)
(dropped 2750 singleton observations)
(MWFE estimator converged in 504 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    181,477
Absorbing 2 HDFE groups                           F(   2,    288) =       8.08
Statistics robust to heteroskedasticity           Prob > F        =     0.0004
                                                  R-squared       =     0.9294
                                                  Adj R-squared   =     0.9020
Number of clusters (owner)   =     32,935         Within R-sq.    =     0.0004
Number of clusters (own_sic) =        289         Root MSE        =     0.1105
                            (Std. Err. adjusted for 289 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
         bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0161784   .0045483    -3.56   0.000    -.0251305   -.0072263
      lag_assets |   .0015686   .0008342     1.88   0.061    -.0000733    .0032105
           _cons |   .4937206   .0100564    49.09   0.000     .4739272    .5135141
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     48116       48116           0    *|
   own_sic#year |      2492        2492           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table7, sortvar(other_exshock3p2 lag_assets) word bdec(3) r2 nocons label
> addtext(Firm FE, Yes, Industry-year FE, 3-dig, Excl. 0%<Int. <1%, Yes, Excl. Same SIC2,
> Yes)
Table7.rtf
dir : seeout
.
.
. ***Table 8: Matched sample***
. **Panel A: Matched control firms
. ***First match
. **Columns 1-4
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use Nn_stake_size_final
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
. xtset panel_id year, yearly
       panel variable:  panel_id (unbalanced)
        time variable:  year, 2005 to 2014, but with gaps
                delta:  1 year
. label var own_sic "Own Firm SIC"
. keep ag_w dg_w dga_w bklev_w lag_assets treated year min_year panel_id own_sic year m_ot
> her_exshock3p2
.
```

```
. reghdfe ag_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 517 singleton observations)
(MWFE estimator converged in 196 iterations)
HDFE Linear regression                            Number of obs   =     17,257
Absorbing 2 HDFE groups                           F(   2,   4706) =     414.42
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.4380
                                                  Adj R-squared   =     0.1795
                                                  Within R-sq.    =     0.1129
Number of clusters (panel_id) =      4,707        Root MSE        =     0.4248
                                (Std. Err. adjusted for 4,707 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
m_other_exsh~2 |  -.0217946   .0333679    -0.65   0.514    -.0872112    .0436221
  lag_assets |  -.1177451   .0040901   -28.79   0.000    -.1257635   -.1097266
       _cons |   1.477601   .0518134    28.52   0.000     1.376023     1.57918
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      4707        4707           0    *|
   own_sic#year |       728           0         728     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo1,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country") replace
Table_placebo1.rtf
dir : seeout
```

```
. reghdfe dg_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 517 singleton observations)
(MWFE estimator converged in 196 iterations)
HDFE Linear regression                            Number of obs   =     17,255
Absorbing 2 HDFE groups                           F(   2,   4706) =     227.82
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3648
                                                  Adj R-squared   =     0.0726
                                                  Within R-sq.    =     0.0623
Number of clusters (panel_id) =      4,707        Root MSE        =     0.3620
                                (Std. Err. adjusted for 4,707 clusters in panel_id)
------------------------------------------------------------------------------
                   |               Robust
              dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
m_other_exshock3p2 |  -.0094445   .0273092    -0.35   0.729    -.0629832    .0440943
        lag_assets |  -.0725411   .0033993   -21.34   0.000    -.0792052    -.065877
             _cons |   .9190071   .0430819    21.33   0.000     .8345465    1.003468
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      4707        4707           0    *|
   own_sic#year |       728           0         728     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo1,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country")
Table_placebo1.rtf
dir : seeout
```

```
. reghdfe dga_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_id
> own_sic#year) cl(panel_id)
(dropped 517 singleton observations)
(MWFE estimator converged in 196 iterations)
HDFE Linear regression                            Number of obs   =     17,255
Absorbing 2 HDFE groups                           F(   2,   4706) =     261.09
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3622
                                                  Adj R-squared   =     0.0689
                                                  Within R-sq.    =     0.0571
Number of clusters (panel_id) =      4,707        Root MSE        =     0.3039
                                (Std. Err. adjusted for 4,707 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
      dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+---------------------------------------------------------------
m_other_exshock3p2 |  -.0097332   .0221399    -0.44   0.660    -.0531377    .0336713
        lag_assets |  -.0581315   .0025441   -22.85   0.000    -.0631192   -.0531438
             _cons |   .7272919   .0322898    22.52   0.000     .6639888     .790595
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      4707        4707           0    *|
   own_sic#year |       728           0         728     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo1,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country")
Table_placebo1.rtf
dir : seeout
```

```
. reghdfe bklev_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_i
> d own_sic#year) cl(panel_id)
(dropped 653 singleton observations)
(MWFE estimator converged in 221 iterations)
HDFE Linear regression                            Number of obs   =     16,116
Absorbing 2 HDFE groups                           F(   2,   4530) =       1.99
Statistics robust to heteroskedasticity           Prob > F        =     0.1361
                                                  R-squared       =     0.8958
                                                  Adj R-squared   =     0.8454
                                                  Within R-sq.    =     0.0007
Number of clusters (panel_id) =      4,531        Root MSE        =     0.1312
                                (Std. Err. adjusted for 4,531 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
     bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
m_other_exsh~2 |   .0037245   .0130491     0.29   0.775     -.021858    .0293071
  lag_assets |   .0027815   .0014032     1.98   0.048     .0000304    .0055325
       _cons |   .4870213   .0178259    27.32   0.000     .4520737    .5219688
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      4531        4531           0    *|
   own_sic#year |       724           0         724     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo1,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country")
Table_placebo1.rtf
dir : seeout
.
. ***Second match
. **Columns 5-8
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use Nn_stake_age_size_lev_final
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
. xtset panel_id year, yearly
       panel variable:  panel_id (unbalanced)
        time variable:  year, 2005 to 2014, but with gaps
                delta:  1 year
. label var own_sic "Own Firm SIC"
. keep ag_w dg_w dga_w bklev_w lag_assets treated year min_year panel_id own_sic year m_ot
> her_exshock3p2
.
```

```
. reghdfe ag_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 70 singleton observations)
(MWFE estimator converged in 24 iterations)
HDFE Linear regression                            Number of obs   =        640
Absorbing 2 HDFE groups                           F(   2,    258) =      41.97
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.6572
                                                  Adj R-squared   =     0.2649
                                                  Within R-sq.    =     0.1965
Number of clusters (panel_id) =        259        Root MSE        =     0.4065
                                (Std. Err. adjusted for 259 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
m_other_exsh~2 |  -.0140976   .1651168    -0.09   0.932     -.339246    .3110507
  lag_assets |  -.1700791   .0186367    -9.13   0.000    -.2067785   -.1333798
       _cons |   .8461945   .1002648     8.44   0.000     .6487529    1.043636
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       259         259           0    *|
   own_sic#year |        81           0          81     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo2,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country") replace
Table_placebo2.rtf
dir : seeout
```

```
. reghdfe dg_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 70 singleton observations)
(MWFE estimator converged in 24 iterations)
HDFE Linear regression                            Number of obs   =        640
Absorbing 2 HDFE groups                           F(   2,    258) =       7.17
Statistics robust to heteroskedasticity           Prob > F        =     0.0009
                                                  R-squared       =     0.5942
                                                  Adj R-squared   =     0.1298
                                                  Within R-sq.    =     0.1145
Number of clusters (panel_id) =        259        Root MSE        =     0.2942
                                (Std. Err. adjusted for 259 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
          dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
---------------+--------------------------------------------------------------
m_other_exshock3p2 |    .055802   .1186521     0.47   0.639    -.1778478    .2894518
        lag_assets |  -.0890351     .02356    -3.78   0.000    -.1354294   -.0426407
             _cons |   .4373462   .1119889     3.91   0.000     .2168175     .657875
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       259         259           0    *|
   own_sic#year |        81           0          81     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo2,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country")
Table_placebo2.rtf
dir : seeout
```

```
. reghdfe dga_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_id
> own_sic#year) cl(panel_id)
(dropped 70 singleton observations)
(MWFE estimator converged in 24 iterations)
HDFE Linear regression                            Number of obs   =        640
Absorbing 2 HDFE groups                           F(   2,    258) =       7.87
Statistics robust to heteroskedasticity           Prob > F        =     0.0005
                                                  R-squared       =     0.5888
                                                  Adj R-squared   =     0.1182
                                                  Within R-sq.    =     0.1086
Number of clusters (panel_id) =        259        Root MSE        =     0.2127
                                 (Std. Err. adjusted for 259 clusters in panel_id)
------------------------------------------------------------------------------
                  |               Robust
            dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+------------------------------------------------------------
m_other_exshock3p2 |   .0326558   .0916384     0.36   0.722    -.1477987    .2131103
        lag_assets |  -.0625539   .0157988    -3.96   0.000    -.0936649   -.0314428
             _cons |   .3092428   .0766084     4.04   0.000     .1583853    .4601002
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       259         259           0    *|
   own_sic#year |        81           0          81     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo2,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country")
Table_placebo2.rtf
dir : seeout
```

```
. reghdfe bklev_w  m_other_exshock3p2 lag_assets if treated==0 & year>=min_year, a(panel_i
> d own_sic#year) cl(panel_id)
(dropped 68 singleton observations)
(MWFE estimator converged in 24 iterations)
HDFE Linear regression                            Number of obs   =        633
Absorbing 2 HDFE groups                           F(   2,    256) =       0.76
Statistics robust to heteroskedasticity           Prob > F        =     0.4675
                                                  R-squared       =     0.9353
                                                  Adj R-squared   =     0.8604
                                                  Within R-sq.    =     0.0238
Number of clusters (panel_id) =        257        Root MSE        =     0.1018
                                 (Std. Err. adjusted for 257 clusters in panel_id)
------------------------------------------------------------------------------
                  |               Robust
          bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+------------------------------------------------------------
m_other_exshock3p2 |   .0439029   .0505407     0.87   0.386    -.0556255    .1434313
        lag_assets |   .0131834   .0119803     1.10   0.272    -.0104091    .0367759
             _cons |   .0440034   .0605198     0.73   0.468    -.0751766    .1631834
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       257         257           0    *|
   own_sic#year |        81           0          81     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo2,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Control firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country")
Table_placebo2.rtf
dir : seeout
.
.
. ****Panel B:  Matched treated firms
. ***Treated: First match
. **Columns 1-4
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use Nn_stake_size_final
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
. xtset panel_id year, yearly
       panel variable:  panel_id (unbalanced)
        time variable:  year, 2005 to 2014, but with gaps
                delta:  1 year
. label var own_sic "Own Firm SIC"
. keep ag_w dg_w dga_w bklev_w lag_assets treated year min_year panel_id own_sic year m_ot
> her_exshock3p2
.
```

```
. reghdfe ag_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 114 singleton observations)
(MWFE estimator converged in 184 iterations)
HDFE Linear regression                            Number of obs   =     20,246
Absorbing 2 HDFE groups                           F(   2,   5135) =     475.09
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5108
                                                  Adj R-squared   =     0.3086
                                                  Within R-sq.    =     0.1224
Number of clusters (panel_id) =      5,136        Root MSE        =     0.4128
                                (Std. Err. adjusted for 5,136 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
        ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
m_other_exsh~2 |  -.0581739   .0292979    -1.99   0.047    -.1156103   -.0007374
  lag_assets |  -.1164947   .0037805   -30.81   0.000     -.123906   -.1090834
       _cons |   1.498567   .0473488    31.65   0.000     1.405743    1.591391
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      5136        5136           0    *|
   own_sic#year |       785           0         785     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo3,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country") replace
Table_placebo3.rtf
dir : seeout
```

```
. reghdfe dg_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 181 singleton observations)
(MWFE estimator converged in 177 iterations)
HDFE Linear regression                            Number of obs   =     19,782
Absorbing 2 HDFE groups                           F(   2,   5065) =     219.21
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5163
                                                  Adj R-squared   =     0.3133
                                                  Within R-sq.    =     0.0747
Number of clusters (panel_id) =      5,066        Root MSE        =     0.3619
                                (Std. Err. adjusted for 5,066 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
          dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
---------------+--------------------------------------------------------------
m_other_exshock3p2 |  -.0541068   .0252313    -2.14   0.032     -.103571   -.0046425
        lag_assets |  -.0798703   .0038324   -20.84   0.000    -.0873834   -.0723571
             _cons |   1.039386   .0473347    21.96   0.000     .9465891    1.132182
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      5066        5066           0    *|
   own_sic#year |       781           0         781     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo3,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country")
Table_placebo3.rtf
dir : seeout
```

```
. reghdfe dga_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_id
> own_sic#year) cl(panel_id)
(dropped 181 singleton observations)
(MWFE estimator converged in 177 iterations)
HDFE Linear regression                            Number of obs   =     19,782
Absorbing 2 HDFE groups                           F(   2,   5065) =     221.22
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.5513
                                                  Adj R-squared   =     0.3630
                                                  Within R-sq.    =     0.0766
Number of clusters (panel_id) =      5,066        Root MSE        =     0.3219
                                (Std. Err. adjusted for 5,066 clusters in panel_id)
------------------------------------------------------------------------------
                   |               Robust
             dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
m_other_exshock3p2 |  -.0478436   .0225452    -2.12   0.034     -.092042   -.0036451
        lag_assets |  -.0720198   .0034449   -20.91   0.000    -.0787732   -.0652663
             _cons |   .9338582   .0424683    21.99   0.000     .8506021    1.017114
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |      5066        5066           0    *|
   own_sic#year |       781           0         781     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo3,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country")
Table_placebo3.rtf
dir : seeout
```

```
. reghdfe bklev_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_i
> d own_sic#year) cl(panel_id)
(dropped 254 singleton observations)
(MWFE estimator converged in 199 iterations)
HDFE Linear regression                            Number of obs   =     19,183
Absorbing 2 HDFE groups                           F(   2,   4996) =       2.09
Statistics robust to heteroskedasticity           Prob > F        =     0.1234
                                                  R-squared       =     0.9012
                                                  Adj R-squared   =     0.8586
                                                  Within R-sq.    =     0.0005
Number of clusters (panel_id) =      4,997        Root MSE        =     0.1245
                                (Std. Err. adjusted for 4,997 clusters in panel_id)
------------------------------------------------------------------------------
             |               Robust
     bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
m_other_exsh~2 |  -.0147769   .0108023    -1.37   0.171    -.0359542    .0064003
  lag_assets |   .0016665   .0011393     1.46   0.144    -.0005671       .0039
       _cons |   .5050361   .0143795    35.12   0.000     .4768459    .5332263
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
      panel_id |      4997        4997           0    *|
  own_sic#year |       781           0         781     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo3,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, industry, year, and country")
Table_placebo3.rtf
dir : seeout
.
. ******Treated: Second match
. **Columns 5-8
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use Nn_stake_age_size_lev_final
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
. xtset panel_id year, yearly
       panel variable:  panel_id (unbalanced)
        time variable:  year, 2005 to 2014, but with gaps
                delta:  1 year
. label var own_sic "Own Firm SIC"
. keep ag_w dg_w dga_w bklev_w lag_assets treated year min_year panel_id own_sic year m_ot
> her_exshock3p2
.
```

```
. reghdfe ag_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 52 singleton observations)
(MWFE estimator converged in 21 iterations)
HDFE Linear regression                            Number of obs   =        719
Absorbing 2 HDFE groups                           F(   2,    281) =      23.95
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.6517
                                                  Adj R-squared   =     0.2936
                                                  Within R-sq.    =     0.2403
Number of clusters (panel_id) =        282        Root MSE        =     0.4266
                                 (Std. Err. adjusted for 282 clusters in panel_id)
------------------------------------------------------------------------------
                   |               Robust
              ag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
m_other_exshock3p2 |  -.3991891   .1832344    -2.18   0.030    -.7598753   -.0385028
        lag_assets |  -.1683809   .0250222    -6.73   0.000    -.2176357   -.1191261
             _cons |   1.116149   .1554746     7.18   0.000     .8101058    1.422191
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       282         282           0    *|
   own_sic#year |        81           0          81     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo4,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country") replace
Table_placebo4.rtf
dir : seeout
```

```
. reghdfe dg_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_id o
> wn_sic#year) cl(panel_id)
(dropped 52 singleton observations)
(MWFE estimator converged in 20 iterations)
HDFE Linear regression                            Number of obs   =        706
Absorbing 2 HDFE groups                           F(   2,    280) =      13.41
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.6617
                                                  Adj R-squared   =     0.3046
                                                  Within R-sq.    =     0.2095
Number of clusters (panel_id) =        281        Root MSE        =     0.3483
                                (Std. Err. adjusted for 281 clusters in panel_id)
------------------------------------------------------------------------------
                   |               Robust
              dg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
m_other_exshock3p2 |  -.3696508   .1758212    -2.10   0.036      -.71575   -.0235515
        lag_assets |  -.1233996   .0270529    -4.56   0.000    -.1766525   -.0701466
             _cons |   .8382026    .154388     5.43   0.000     .5342941    1.142111
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       281         281           0    *|
   own_sic#year |        80           0          80     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo4,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country")
Table_placebo4.rtf
dir : seeout
```

```
. reghdfe dga_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_id
> own_sic#year) cl(panel_id)
(dropped 52 singleton observations)
(MWFE estimator converged in 20 iterations)
HDFE Linear regression                            Number of obs   =        706
Absorbing 2 HDFE groups                           F(   2,    280) =      12.21
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.6674
                                                  Adj R-squared   =     0.3164
                                                  Within R-sq.    =     0.2309
Number of clusters (panel_id) =        281        Root MSE        =     0.3123
                                 (Std. Err. adjusted for 281 clusters in panel_id)
------------------------------------------------------------------------------
                   |               Robust
             dga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
m_other_exshock3p2 |  -.3359733   .1687655    -1.99   0.047    -.6681837    -.003763
        lag_assets |  -.1180048    .027343    -4.32   0.000    -.1718286   -.0641809
             _cons |   .7925795   .1547294     5.12   0.000     .4879989     1.09716
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       281         281           0    *|
   own_sic#year |        80           0          80     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo4,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country")
Table_placebo4.rtf
dir : seeout
```

```
. reghdfe bklev_w  m_other_exshock3p2 lag_assets if treated==1 & year>=min_year, a(panel_i
> d own_sic#year) cl(panel_id)
(dropped 54 singleton observations)
(MWFE estimator converged in 20 iterations)
HDFE Linear regression                            Number of obs   =        698
Absorbing 2 HDFE groups                           F(   2,    274) =       3.93
Statistics robust to heteroskedasticity           Prob > F        =     0.0207
                                                  R-squared       =     0.9304
                                                  Adj R-squared   =     0.8574
                                                  Within R-sq.    =     0.0500
Number of clusters (panel_id) =        275        Root MSE        =     0.1111
                                 (Std. Err. adjusted for 275 clusters in panel_id)
------------------------------------------------------------------------------
                   |               Robust
          bklev_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
------------------+------------------------------------------------------------
m_other_exshock3p2 |  -.1108174   .0494977    -2.24   0.026    -.2082617   -.0133732
        lag_assets |   .0171181   .0091128     1.88   0.061    -.0008219    .0350581
             _cons |   .0817023   .0521913     1.57   0.119    -.0210447    .1844493
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
       panel_id |       275         275           0    *|
   own_sic#year |        81           0          81     |
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table_placebo4,word bdec(3) r2  nocons label addtext(Firm FE, Yes,  Indust
> ry-year FE, 3-dig, Sample, Treated firms, Matching, Nearest neighbor, Matching by, "Stak
> e, size, age, leverage, industry, year, and country")
Table_placebo4.rtf
dir : seeout
.
.
.
. ***Table 9: Current vs non-current and other outcomes
. ***
. clear all
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final
. use main_data_RCFS_July_2023
. cd "C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results"
C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results
.
. set more off
```

```
. reghdfe fag_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 274 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    248,662
Absorbing 2 HDFE groups                           F(   2,    293) =     206.02
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3727
                                                  Adj R-squared   =     0.1248
Number of clusters (owner)   =     43,900         Within R-sq.    =     0.0238
Number of clusters (own_sic) =        294         Root MSE        =     0.1077
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
       fag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0149958   .0038269    -3.92   0.000    -.0225276   -.0074641
  lag_assets |  -.0151894   .0009375   -16.20   0.000    -.0170345   -.0133444
       _cons |   .1790513   .0110152    16.25   0.000     .1573724    .2007303
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     67802       67802           0    *|
   own_sic#year |      2627        2627           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All) replace
Table9.rtf
dir : seeout
```

```
. reghdfe nfag_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 274 singleton observations)
(MWFE estimator converged in 395 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    248,662
Absorbing 2 HDFE groups                           F(   2,    293) =     259.59
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3982
                                                  Adj R-squared   =     0.1603
Number of clusters (owner)   =     43,900         Within R-sq.    =     0.1064
Number of clusters (own_sic) =        294         Root MSE        =     0.3637
                            (Std. Err. adjusted for 294 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
      nfag_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0463776   .0154107    -3.01   0.003    -.0767072   -.0160479
  lag_assets |   -.113489   .0055815   -20.33   0.000    -.1244739   -.1025042
       _cons |   1.403695   .0659025    21.30   0.000     1.273993    1.533398
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     67802       67802           0    *|
   own_sic#year |      2627        2627           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
```

```
. reghdfe cashg_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 3304 singleton observations)
(MWFE estimator converged in 380 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    206,227
Absorbing 2 HDFE groups                           F(   2,    291) =      49.02
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.2840
                                                  Adj R-squared   =    -0.0026
Number of clusters (owner)   =     39,498         Within R-sq.    =     0.0193
Number of clusters (own_sic) =        292         Root MSE        =     0.2277
                            (Std. Err. adjusted for 292 clusters in owner own_sic)
------------------------------------------------------------------------------
                |               Robust
        cashg_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0205624   .0071811    -2.86   0.004    -.0346958    -.006429
      lag_assets |  -.0282276   .0029728    -9.50   0.000    -.0340785   -.0223768
           _cons |   .3617403   .0364707     9.92   0.000     .2899604    .4335201
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     56367       56367           0    *|
   own_sic#year |      2588        2588           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
```

```
. reghdfe othercuasg2_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 3879 singleton observations)
(MWFE estimator converged in 418 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    199,738
Absorbing 2 HDFE groups                           F(   2,    291) =     287.55
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3034
                                                  Adj R-squared   =     0.0187
Number of clusters (owner)   =     39,056         Within R-sq.    =     0.0429
Number of clusters (own_sic) =        292         Root MSE        =     0.2199
                            (Std. Err. adjusted for 292 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
   othercuasg2_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -.0322761   .0088607    -3.64   0.000    -.0497153    -.014837
      lag_assets |  -.0426618   .0019585   -21.78   0.000    -.0465165   -.0388072
           _cons |   .5392715   .0238017    22.66   0.000     .4924262    .5861168
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     55411       55411           0    *|
   own_sic#year |      2535        2535           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
```

```
. reghdfe ncdga_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2877 singleton observations)
(MWFE estimator converged in 503 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    208,401
Absorbing 2 HDFE groups                           F(   2,    292) =      76.21
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.1868
                                                  Adj R-squared   =    -0.1298
Number of clusters (owner)   =     38,614         Within R-sq.    =     0.0052
Number of clusters (own_sic) =        293         Root MSE        =     0.1666
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
     ncdga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |   -.009247   .0050406    -1.83   0.068    -.0191674    .0006735
      lag_assets |  -.0120964   .0010557   -11.46   0.000    -.0141742   -.0100186
           _cons |   .1536756   .0125914    12.20   0.000     .1288942     .178457
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     55834       55834           0    *|
   own_sic#year |      2567        2567           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
```

```
. reghdfe cdga_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2877 singleton observations)
(MWFE estimator converged in 503 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =    208,401
Absorbing 2 HDFE groups                           F(   2,    292) =     167.99
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.3062
                                                  Adj R-squared   =     0.0360
Number of clusters (owner)   =     38,614         Within R-sq.    =     0.0362
Number of clusters (own_sic) =        293         Root MSE        =     0.2642
                            (Std. Err. adjusted for 293 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
      cdga_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0189236   .0100853    -1.88   0.062    -.0387728    .0009256
  lag_assets |  -.0516436   .0032022   -16.13   0.000    -.0579459   -.0453412
       _cons |    .643481   .0381607    16.86   0.000     .5683762    .7185859
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     55834       55834           0    *|
   own_sic#year |      2567        2567           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
. **Other outcomes
```

```
. reghdfe log_empl other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 4715 singleton observations)
(MWFE estimator converged in 216 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     59,551
Absorbing 2 HDFE groups                           F(   2,    251) =      32.03
Statistics robust to heteroskedasticity           Prob > F        =     0.0000
                                                  R-squared       =     0.9771
                                                  Adj R-squared   =     0.9669
Number of clusters (owner)   =     11,702         Within R-sq.    =     0.0046
Number of clusters (own_sic) =        252         Root MSE        =     0.2024
                            (Std. Err. adjusted for 252 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
   log_empl |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exsh~2 |  -.0406158   .0139245    -2.92   0.004    -.0680395    -.013192
  lag_assets |   .0094449    .001183     7.98   0.000      .007115    .0117747
       _cons |   1.760881   .0159007   110.74   0.000     1.729565    1.792196
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
 Absorbed FE | Categories  - Redundant  = Num. Coefs |
-------------+---------------------------------------|
          id |      16479       16479           0    *|
 own_sic#year |       1850        1850           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
```

```
. reghdfe roa1_w other_exshock3p2 lag_assets, a(id own_sic#year) cl(owner own_sic)
(dropped 2418 singleton observations)
(MWFE estimator converged in 172 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     48,375
Absorbing 2 HDFE groups                           F(   2,    228) =       2.07
Statistics robust to heteroskedasticity           Prob > F        =     0.1281
                                                  R-squared       =     0.5972
                                                  Adj R-squared   =     0.4387
Number of clusters (owner)   =      8,140         Within R-sq.    =     0.0002
Number of clusters (own_sic) =        229         Root MSE        =     0.1346
                            (Std. Err. adjusted for 229 clusters in owner own_sic)
------------------------------------------------------------------------------
             |               Robust
      roa1_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
other_exshock3p2 |  -.0096439   .0085897    -1.12   0.263    -.0265692    .0072814
  lag_assets |  -.0012103   .0009598    -1.26   0.209    -.0031014    .0006808
       _cons |   .0560811   .0134394     4.17   0.000     .0295999    .0825623
------------------------------------------------------------------------------
Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     11762       11762           0    *|
   own_sic#year |      1892        1892           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
```

```
. reghdfe oppl_w other_exshock3p2 lag_assets if roa1_w!=., a(id own_sic#year) cl(owner own
> _sic)
(dropped 2418 singleton observations)
(MWFE estimator converged in 172 iterations)
Warning: VCV matrix was non-positive semi-definite; adjustment from Cameron, Gelbach & Mil
> ler applied.
HDFE Linear regression                            Number of obs   =     48,375
Absorbing 2 HDFE groups                           F(   2,    228) =       0.82
Statistics robust to heteroskedasticity           Prob > F        =     0.4416
                                                  R-squared       =     0.8182
                                                  Adj R-squared   =     0.7466
Number of clusters (owner)   =      8,140         Within R-sq.    =     0.0001
Number of clusters (own_sic) =        229         Root MSE        =  1.718e+05
                            (Std. Err. adjusted for 229 clusters in owner own_sic)
------------------------------------------------------------------------------
                 |               Robust
          oppl_w |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
other_exshock3p2 |  -16828.48   13314.34    -1.26   0.208    -43063.36    9406.393
      lag_assets |   284.4962   696.4837     0.41   0.683    -1087.871    1656.864
           _cons |   110715.4   9784.139    11.32   0.000     91436.49    129994.3
------------------------------------------------------------------------------

Absorbed degrees of freedom:
-----------------------------------------------------+
    Absorbed FE | Categories  - Redundant  = Num. Coefs |
----------------+------------------------------------|
             id |     11762       11762           0    *|
   own_sic#year |      1892        1892           0    *|
-----------------------------------------------------+
* = FE nested within cluster; treated as redundant for DoF computation
. outreg2 using Table9, word bdec(3) r2 nocons label addtext(Firm FE, Yes, Industry-year F
> E, 3-dig, Sample, All)
Table9.rtf
dir : seeout
.
.
. log close
      name:  <unnamed>
       log:  C:\Users\sertsios\Dropbox\Exogenous Shocks\Stakes\RCFS\Final\Results\LSU_Fund
> ingContagion_2023.log
  log type:  text
 closed on:  24 Jul 2023, 15:57:58
------------------------------------------------------------------------------------------
> ---------------------------
```