Appendix For Online Publication "The impact of heterogenous financial shocks on asset prices and corporate decisions"

OA-1 Panel Regressions with Firm-specific Control Variables

Tables OA1 and OA2 report the panel regression results with firm-specific control variables. The main results are close to the findings without firm-specific control variables reported in Section 4. Among the control variables, Q is defined as the sum of market equity and book debt over physical capital (Compustat items: sum(ME, DLTT, PSTKRV, -1*INVT, -1*TXDB)/PPEGT); K is physical capital measured by Compustat item PPEGT; CF is cash flows measured by Compustat items sum(IB, -1*DP); Leverage is book debt over book assets (Compustat items: (DLC + DLTT)/AT).

Table OA1: : Panel Regressions with 5 Book-to-Market and 5 Investment Portfolios with Control Variables

This table reports the key estimates of the panel regressions results of investment and financing in response to issuance shocks across firms: $Y_{j,t} = a + bY_{j,t-1} + MKT \times (1 + \sum_{j=2}^{5} P_j) + EIS \times (1 + \sum_{j=2}^{5} P_j) + DIS \times (1 + \sum_{j=2}^{5} P_j)$ with control variables. P_j represents a set of dummy variables for portfolio where $j = 2, 3, 4$, and 5. Note that the slope coefficients on these dummies can be interpreted as the difference between portfolio j and portfolio 1.

	Book-to-Market					Investment				
	IK	Lt. Debt Growth	St. Debt Growth	Cash Growth	Gross Equity Iss./BE	IK	Lt. Debt Growth	St. Debt Growth	Cash Growth	Gross Equity Iss./BE
EIS	0.387	-2.539	-0.00873	4.139**	1.802*	0.776	-2.482	-0.101	1.600	0.917
(t)	(0.43)	(-1.36)	(-0.00)	(2.99)	(2.32)	(1.16)	(-1.51)	(-0.05)	(1.32)	(1.24)
DIS	2.197	3.105	4.237	-2.351	-0.171	1.517	2.600	4.821	-3.637**	-1.243
	(1.21)	(1.40)	(1.34)	(-1.81)	(-0.24)	(1.08)	(1.58)	(1.47)	(-3.11)	(-1.93)
$P2\times$EIS	-0.600	-0.341	-0.773	-1.220	-0.862	-0.892*	0.179	-2.247	0.962	-0.346
	(-1.31)	(-0.28)	(-0.51)	(-1.05)	(-1.83)	(-2.35)	(0.20)	(-1.37)	(0.85)	(-0.54)
$P3\times$EIS	-0.745	-0.825	-1.073	-1.643	-1.305*	-0.956*	0.0447	-1.590	1.707	-0.388
	(-1.61)	(-0.66)	(-0.65)	(-1.42)	(-2.29)	(-2.34)	(0.04)	(-1.13)	(1.39)	(-0.55)
$P4\times$EIS	-0.900	0.224	-0.723	-1.989	-1.274	-1.462***	-0.184	0.0532	1.394	-0.513
	(-1.65)	(0.16)	(-0.36)	(-1.47)	(-1.93)	(-3.36)	(-0.16)	(0.03)	(0.93)	(-0.73)
$P5\times$EIS	-0.586	0.734	-0.883	-2.121	-1.490*	-1.257*	-1.169	0.748	1.307	0.0985
	(-0.94)	(0.49)	(-0.49)	(-1.27)	(-2.15)	(-2.22)	(-0.97)	(0.63)	(1.16)	(0.12)
$P2\times$DIS	-0.278	-0.472	1.360	-0.0945	-0.383	0.195	-0.386	-0.208	0.367	1.137*
	(-0.41)	(-0.39)	(0.90)	(-0.08)	(-0.95)	(0.48)	(-0.52)	(-0.11)	(0.32)	(2.07)
$P3\times$DIS	-0.489	-0.182	-0.119	-0.00875	-0.0297	0.0870	-0.120	-0.559	1.045	0.989
	(-0.65)	(-0.15)	(-0.07)	(-0.01)	(-0.06)	(0.26)	(-0.14)	(-0.39)	(0.94)	(1.60)
$P4\times$DIS	-0.607	-0.238	-0.877	-1.057	-0.0672	0.264	0.460	-0.644	1.449	1.296*
	(-0.65)	(-0.15)	(-0.47)	(-0.80)	(-0.11)	(0.48)	(0.50)	(-0.34)	(1.12)	(2.33)
$P5\times$DIS	-1.160	-0.720	-0.549	-1.464	0.117	0.254	0.271	-1.013	0.604	0.697
	(-1.16)	(-0.43)	(-0.29)	(-1.01)	(0.18)	(0.58)	(0.23)	(-0.54)	(0.53)	(1.11)
log Q	0.0516***	-0.00868	0.00792	-0.00807	0.00311	0.0518***	-0.00244	0.00277	0.00956	0.0151***
	(7.97)	(-1.13)	(0.67)	(-1.35)	(1.24)	(9.67)	(-0.39)	(0.30)	(1.61)	(8.13)
log K	-0.0177***	0.0159***	0.00156	-0.00741*	-0.0126***	-0.0173***	0.0177***	0.00230	-0.00744*	-0.0110***
	(-10.85)	(4.80)	(0.40)	(-2.12)	(-8.20)	(-10.91)	(5.38)	(0.58)	(-2.05)	(-9.19)
CF/K	0.00205	0.00238	-0.00396	0.00927**	-0.0173***	0.00211	0.00249	-0.00868*	0.0133***	-0.0161***
	(1.13)	(0.63)	(-1.15)	(2.74)	(-11.15)	(1.02)	(0.58)	(-2.13)	(3.44)	(-7.73)
log Lev	-0.0168***	-0.000187	0.0510***	0.0109***	0.0106***	-0.0175***	0.00471	0.0516***	0.0128***	0.0118***
	(-7.25)	(-0.03)	(7.22)	(3.36)	(9.17)	(-7.42)	(0.67)	(7.18)	(4.00)	(9.46)
N	64360	62247	59646	64281	58852	62355	60284	57790	62257	57292
R-sq	0.204	0.011	0.055	0.074	0.249	0.208	0.020	0.061	0.071	0.242

Table OA2: : Panel Regressions with 5 Momentum and 5 Operating Profitability Portfolios with Control Variables

This table reports the key estimates of the panel regressions results of investment and financing in response to issuance shocks across firms: $Y_{j,t} = a + bY_{j,t-1} + MKT \times (1 + \sum_{j=2}^{5} P_j) + EIS \times (1 + \sum_{j=2}^{5} P_j) + DIS \times (1 + \sum_{j=2}^{5} P_j)$ with control variables. P_j represents a set of dummy variables for portfolio where $j = 2, 3, 4$, and 5. Note that the slope coefficients on these dummies can be interpreted as the difference between portfolio j and portfolio 1.

	Momentum					Operating Profitability				
	IK	Lt. Debt Growth	St. Debt Growth	Cash Growth	Gross Equity Iss./BE	IK	Lt. Debt Growth	St. Debt Growth	Cash Growth	Gross Equity Iss./BE
EIS	-0.0645	-2.814	-0.188	3.277*	0.743**	-0.168	-2.656*	0.548	2.547	1.533**
(t)	(-0.10)	(-1.93)	(-0.10)	(2.13)	(3.10)	(-0.28)	(-2.17)	(0.31)	(1.59)	(2.60)
DIS	0.834	1.136	6.303	-3.822**	-0.191	1.014	1.607	4.310	-4.851***	-0.943
	(0.60)	(0.71)	(1.95)	(-2.59)	(-0.59)	(0.98)	(1.03)	(1.67)	(-3.61)	(-1.54)
$P2\times$EIS	-0.477	1.076	-0.694	-0.275	-0.493	-0.673	-0.104	-2.212	-0.803	-1.177*
	(-1.14)	(1.15)	(-0.54)	(-0.22)	(-1.79)	(-1.91)	(-0.12)	(-1.72)	(-0.44)	(-2.19)
$P3\times$EIS	-0.00475	-0.138	-1.217	-0.265	-0.170	-0.301	-0.229	-1.776	0.888	-1.057
	(-0.01)	(-0.11)	(-1.00)	(-0.19)	(-0.64)	(-0.79)	(-0.30)	(-0.78)	(0.45)	(-1.96)
$P4\times$EIS	-0.121	-0.496	-0.807	-0.769	-0.265	-0.0455	-0.121	-1.621	-0.215	-1.003
	(-0.27)	(-0.40)	(-0.61)	(-0.57)	(-0.80)	(-0.10)	(-0.14)	(-0.81)	(-0.10)	(-1.85)
$P5\times$EIS	0.101	-0.227	-0.316	-0.561	0.840	0.714	-0.152	-0.977	0.908	-0.640
	(0.14)	(-0.19)	(-0.23)	(-0.31)	(1.31)	(1.12)	(-0.13)	(-0.59)	(0.40)	(-1.18)
$P2\times$DIS	0.781	0.365	-1.825	2.004	0.178	0.386	1.092	0.187	1.894	0.786
	(1.48)	(0.39)	(-1.11)	(1.84)	(0.57)	(1.07)	(1.06)	(0.16)	(1.35)	(1.56)
$P3\times$DIS	1.084*	2.099*	-3.127*	1.003	-0.135	0.389	0.161	-1.808	1.786	0.720
	(2.05)	(2.04)	(-2.01)	(0.81)	(-0.40)	(0.92)	(0.19)	(-1.03)	(1.10)	(1.32)
$P4\times$DIS	0.992	1.669	-1.332	1.413	-0.236	0.849	1.154	0.660	2.745	0.731
	(1.95)	(1.43)	(-0.97)	(1.02)	(-0.65)	(1.56)	(1.33)	(0.37)	(1.51)	(1.39)
$P5\times$DIS	1.139	2.803*	-3.056	-0.108	-0.436	1.581	2.411*	0.720	2.847	0.646
	(1.55)	(2.36)	(-1.74)	(-0.06)	(-0.72)	(1.72)	(2.39)	(0.46)	(1.55)	(1.22)
log Q	0.0512***	0.00986	0.0181*	0.0108*	0.0115***	0.0515***	0.00954	0.0173	0.00945	0.0142***
	(10.34)	(1.69)	(2.11)	(2.08)	(7.13)	(9.94)	(1.61)	(1.93)	(1.64)	(8.08)
log K	-0.0164***	0.0159***	0.00151	-0.00434	-0.0101***	-0.0174***	0.0169***	0.00218	-0.00688	-0.0112***
	(-10.06)	(4.68)	(0.37)	(-1.15)	(-8.76)	(-10.59)	(4.96)	(0.55)	(-1.87)	(-9.22)
CF/K	0.00216	0.00793	-0.00164	0.0130***	-0.0183***	0.000733	0.00732	-0.00295	0.0107**	-0.0153***
	(0.95)	(1.71)	(-0.36)	(3.78)	(-8.51)	(0.32)	(1.57)	(-0.67)	(2.94)	(-7.48)
log Lev	-0.0172***	0.00281	0.0527***	0.0122***	0.0112***	-0.0190***	0.000909	0.0515***	0.00919**	0.0129***
	(-7.95)	(0.40)	(7.28)	(3.79)	(9.44)	(-8.52)	(0.13)	(7.03)	(2.90)	(9.95)
N	61738	59685	57200	61642	56709	62356	60281	57787	62254	57292
R-sq	0.222	0.009	0.056	0.088	0.246	0.210	0.008	0.055	0.073	0.243