

Internet Appendix

Table IA1: Treated and control firms in match

This table reports the firm characteristics used in propensity-score match for treated and control (matched) firms. The matching criteria include assets, Tobin's q , stock return, and the 2-digit SIC industry (exact match) in the year before S&P500 index addition. The sample period is 1997 to 2017. The medians of the matching criteria are reported and the p -values are for the equality tests between the treated and control groups.

	Log(Assets)	Tobin's q	Return
Treated	8.41	2.09	0.32
Control	8.29	1.56	0.22
p -value	0.16	0.01	0.03

Table IA2: Abnormal returns of S&P 500 index additions excluding 2008

This table presents abnormal stock returns for S&P 500 index additions. The abnormal returns are calculated for the full sample (1997 to 2017, excluding 2008), the early sub-period (1997 to 2007), and the late sub-period (2009 to 2017). The p -values of the equality tests for abnormal returns between the early and the late sub-periods are reported. Panel A (B) shows the short-run CARs for the event window [-5, +5] ([-5, +21]) around the announcement date. The short-run CARs are calculated using four models: market model, Fama-French three-factor model, Carhart (1997) four-factor model (FF3 plus momentum), and Fama-French five-factor model (Fama and French, 2015). Panels C and D present long-run CARs for twelve months starting from the addition month to 12 months later. Panel C presents CARs (monthly alphas) using the calendar-time portfolio approach. Panel D presents abnormal returns based on benchmark portfolio matching following Daniel, Grinblatt, Titman and Wermers (1997). In particular, the column “Calendar-time monthly alpha” shows the average difference between the stock return and its matched benchmark portfolio return, in which the average is across all firms added to S&P 500 index from the addition month to 12 months later (the window is [0,12]). The column “Event time BHAR” shows the event-time buy-and-hold abnormal returns (BHAR), which are measured as the buy-and-hold raw return minus the buy-and-hold return for a benchmark portfolio matched on size, book-to-market, and momentum over the same [0,12] window as in Panel C following Barber and Lyon (1997) and Daniel, Grinblatt, Titman and Wermers (1997). ***, **, and * are for statistical significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Short-run CAR [-5, +5]: event-time method

Period	Market	FF3	FF3 + UMD	FF5
1997-2017	0.033***	0.033***	0.031***	0.033***
1997-2007	0.049***	0.048***	0.047***	0.049***
2009-2017	0.001	0.002	0.002	0.001

Panel B. Short-run CAR [-5, +21]: event-time method

Period	Market	FF3	FF3 + UMD	FF5
1997-2017	0.009*	0.008	0.010	0.008
1997-2007	0.024***	0.020**	0.023***	0.021**
2009-2017	-0.019***	-0.017**	-0.015**	-0.018**

Panel C. One-year long-run CAR: Calendar-time portfolio method (monthly alpha)

Period	Market	FF3	FF3 + UMD	FF5
1997-2017	-0.0018	-0.0016	-0.0013	-0.0012
1997-2007	-0.0007	-0.0003	0.0006	0.0008
2009-2017	-0.0054	-0.0063**	-0.0063**	-0.0056*

Panel D. One-year long-run CAR: DGTW benchmark portfolio match

Period	Calendar-time alpha monthly	Event-time BHAR
1997-2017	-0.0017	0.008
1997-2007	-0.0016	0.035
2009-2017	-0.0039	-0.052*

Table IA3: Passive mutual fund holdings and S&P 500 index additions excluding 2008

This table shows the effects of S&P 500 index addition on passive fund holdings, active fund holdings, and total 13F-institutional holdings. A mutual fund is defined as an S&P 500 passive mutual fund if its active share is less than 0.60 (following Cremers and Petajisto, 2009) or its fund name contains both “index” and “500”. *Passive* is the proportion of a firm’s outstanding shares held by S&P 500 passive mutual funds. *Active* is the proportion of a firm’s outstanding shares held by active mutual funds that are not passive mutual funds (as defined above). *All 13F* is the proportion of a firm’s outstanding shares held by all 13F institutions. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable that is equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. The event window is four years before and four years after a year of addition. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. All specifications include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively

VARIABLES	(1) Passive	(2) Passive	(3) Active	(4) Active	(5) All 13F	(6) All 13F
SP500Add	0.034*** [25.02]	0.023*** [12.91]	-0.120*** [-2.66]	-0.028 [-0.92]	-0.017 [-0.65]	-0.023 [-0.89]
SP500Add x Late		0.020*** [8.85]		-0.163 [-1.60]		0.012 [0.32]
PreSP500Add	0.001 [1.25]	0.000 [0.35]	0.024 [0.46]	0.030 [0.54]	-0.007 [-0.46]	-0.007 [-0.50]
Log(Assets)	0.002** [2.27]	0.002** [2.41]	0.037 [1.44]	0.037 [1.45]	0.037** [2.05]	0.037** [2.04]
Tobin's <i>q</i>	0.001*** [2.88]	0.001*** [2.84]	0.011 [1.46]	0.011 [1.51]	0.003 [0.61]	0.003 [0.59]
Cash	0.002 [0.56]	0.002 [0.74]	-0.024 [-0.51]	-0.027 [-0.60]	0.049 [0.76]	0.049 [0.76]
Leverage	0.001 [0.36]	0.002 [0.58]	0.092** [2.22]	0.085** [2.03]	0.092* [1.95]	0.092* [1.95]
Return	0.000 [0.24]	0.000 [0.08]	-0.007 [-0.32]	-0.007 [-0.29]	0.023** [2.22]	0.023** [2.22]
Observations	4,297	4,297	4,297	4,297	2,897	2,897
R-squared	0.815	0.826	0.584	0.586	0.802	0.802
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y

Table IA4: Corporate governance and S&P 500 index additions excluding 2008

This table shows the effect of S&P 500 index addition on block ownership. Block ownership is the percent of shares held by blockholders (at least 5%). Quasi index institutions are excluded, in which quasi-index institutions follow the classification by Bushee and Noe (2000). *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. The event window is four years before and four years after a year of addition. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. All specifications include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1) Block ownership	(2) Block ownership
SP500Add	-0.023* [-1.80]	-0.031** [-2.03]
SP500Add x Late		0.015 [0.85]
PreSP500Add	-0.010 [-1.32]	-0.011 [-1.38]
Log(Assets)	-0.031*** [-2.83]	-0.032*** [-2.86]
Tobin's <i>q</i>	-0.002 [-0.74]	-0.002 [-0.79]
Cash	-0.018 [-0.52]	-0.018 [-0.54]
Leverage	0.088*** [3.19]	0.088*** [3.17]
Return	-0.008 [-1.55]	-0.008 [-1.54]
Analysts	-0.001 [-0.98]	-0.001 [-0.96]
Amihud	-0.000 [-1.28]	-0.000 [-1.12]
Observations	2,238	2,238
R-squared	0.676	0.677
Firm FE	Y	Y
Year FE	Y	Y

Table IA5: Stock price informativeness, S&P 500 additions, and passive holdings excluding 2008

This table presents the effect of S&P 500 index addition and passive mutual fund holdings on stock price informativeness (SPI). *Rsq* is the R-squared from the market model where the value-weighted market return is used (*vwretd* in CRSP). *GPIN* follows the Generalized PIN model by Duarte, Hu, and Young (2020). *SP500Add* is a dummy variable that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable that is equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. Panel A (B) shows the addition (passive holding) effect on SPI. In Panel B, *Passive* is the proportion of a firm's outstanding shares held in S&P 500 passive mutual funds. A mutual fund is defined as an S&P 500 passive mutual fund if its active share is less than 0.60 (following that in Cremers and Petajisto, 2009) or its fund name contains both "index" and "500". The event window is four years before and four years after a year of addition. The sample period is from 1997 to 2017 excluding 2008. The addition year is excluded. All specifications include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A: SPI and S&P 500 additions

VARIABLES	(1) Rsq	(2) Rsq	(3) GPIN	(4) GPIN
SP500Add	0.022*** [2.80]	0.028*** [3.11]	-0.021*** [-4.01]	-0.032*** [-4.06]
SP500Add x Late		-0.012 [-0.99]		0.022*** [2.73]
PreSP500Add	-0.002 [-0.33]	-0.001 [-0.26]	0.010 [1.10]	0.008 [0.97]
Log(Assets)	0.031*** [6.18]	0.030*** [6.14]	-0.001 [-0.16]	-0.000 [-0.05]
Tobin's <i>q</i>	0.012*** [7.28]	0.012*** [7.27]	0.008* [1.92]	0.008* [1.96]
Cash	0.011 [0.41]	0.010 [0.41]	-0.016 [-0.62]	-0.016 [-0.61]
Leverage	-0.048** [-2.35]	-0.049** [-2.39]	0.037** [2.39]	0.039** [2.56]
Return	0.001 [0.35]	0.001 [0.36]	0.004 [1.02]	0.004 [1.06]
Observations	5,101	5,101	2,277	2,277
R-squared	0.743	0.743	0.269	0.272
Firm FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y

Panel B: SPI and passive holdings

VARIABLES	(1) Rsq	(2) Rsq	(3) GPIN	(4) GPIN
Passive	0.033 [0.28]	-0.109 [-0.67]	-0.286*** [-3.40]	-0.368** [-2.42]
Passive x Late		0.229 [1.07]		0.153 [1.00]
Log(Assets)	0.033*** [5.31]	0.033*** [5.37]	-0.003 [-0.49]	-0.003 [-0.48]
Tobin's q	0.013*** [7.94]	0.013*** [7.98]	0.007** [2.23]	0.007** [2.22]
Cash	0.048* [1.70]	0.048* [1.71]	-0.014 [-0.51]	-0.013 [-0.49]
Leverage	-0.046** [-2.06]	-0.046** [-2.06]	0.034** [2.01]	0.033** [1.99]
Return	-0.004 [-0.98]	-0.004 [-1.01]	0.009* [1.88]	0.009* [1.87]
Observations	4,541	4,541	2,102	2,102
R-squared	0.749	0.749	0.241	0.242
Firm FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y

Table IA6: Investment- q sensitivity and S&P 500 additions excluding 2008

This table shows the effect of S&P 500 index addition on firms' investment efficiency. *Investment* is defined as capital expenditures (Capex) scaled by lagged total assets. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. Tobin's q is one-year lagged following the literature. The event window is four years before and four years after an addition year. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. All specifications include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1) Investment	(2) Investment
SP500Add x Tobin's q	-0.005*** [-3.99]	-0.006*** [-4.05]
SP500Add x Tobin's q x Late		0.004* [1.81]
Tobin's q	0.008*** [7.11]	0.008*** [7.00]
Tobin's q x Late		-0.002 [-0.79]
SP500Add	0.006 [1.33]	0.013** [2.16]
SP500Add x Late		-0.017** [-2.24]
PreSP500Add x Tobin's q	-0.002 [-1.04]	-0.002 [-1.01]
PreSP500Add	-0.000 [-0.08]	-0.000 [-0.02]
Cashflow	0.111*** [5.44]	0.112*** [5.45]
Observations	5,146	5,146
R-squared	0.757	0.757
Firm FE	Y	Y
Year FE	Y	Y

Table IA7: Credit ratings and S&P 500 index additions excluding 2008

This table shows the effect of S&P 500 index addition on corporate credit ratings. *Rating* is an integer between 1 and 22, in which AAA is 22 and each step down is one integer less (following Butler, Fauver, and Mortal, 2009). Panel A shows differences in ratings of S&P 500 firms and non-S&P 500 firms. *SP500* is a dummy variable equal to one if a firm is a member of the S&P 500 index and zero otherwise. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. The test sample for Panel A includes all S&P 500 firms and the largest 500 non-S&P 500 firms (by market capitalization) per year from 1997-2017 excluding 2008. Panel B shows the effect of S&P 500 additions on ratings. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to the addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. The event window in Panel B is four years before and four years after an addition year. The addition year is excluded. All specifications in Panel A (B) include industry (firm) and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Ratings of S&P 500 and non-S&P 500 firms

VARIABLES	(1) Rating	(2) Rating
SP500	0.424*** [3.63]	0.293*** [2.81]
Log(Assets)	1.089*** [19.32]	1.036*** [18.93]
Tobin's <i>q</i>	0.252** [2.81]	0.384*** [4.90]
Cash		-2.274*** [-4.12]
Leverage		-4.544*** [-11.30]
Return		-0.959*** [-13.43]
Observations	14,791	14,608
R-squared	0.349	0.416
Industry FE	Y	Y
Year FE	Y	Y

Panel B. S&P 500 addition effects on credit ratings

VARIABLES	(1) Rating	(2) Rating
SP500Add	0.414*** [3.14]	0.522*** [3.22]
SP500Add x Late		-0.221 [-1.06]
PreSP500Add	0.112 [1.48]	0.123 [1.63]
Log(Assets)	0.873*** [7.64]	0.868*** [7.61]
Tobin's q	0.111** [2.31]	0.108** [2.25]
Cash	-0.445 [-0.90]	-0.460 [-0.92]
Leverage	-1.586*** [-3.70]	-1.613*** [-3.81]
Return	-0.359*** [-4.93]	-0.357*** [-4.89]
Observations	3,450	3,450
R-squared	0.902	0.902
Firm FE	Y	Y
Year FE	Y	Y

Table IA8: S&P 500 peer firms as performance benchmark in executive compensation excluding 2008

This table shows the effect of S&P 500 index addition on CEO performance evaluation in executive compensation. *%SP500Peer* is the portion of S&P 500 peers in a CEO's peer group for the relative performance evaluation in her compensation contract. The data is available from 2006, but excludes 2008. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. Model 1 uses contemporaneous control variables. Model 2 uses lagged controls. Peer group data is from IncentiveLab. The event window is four years before and four years after an addition year. The addition year is excluded. All specifications include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1)	(2)
	%SP500Peers	%SP500Peers
Controls	Contemp	Lagged
SP500Add	0.044* [1.83]	0.041* [1.95]
Pre SP500Add	0.013 [0.78]	0.022 [1.56]
Log(Assets)	0.079*** [3.66]	0.097*** [3.80]
Tobin's Q	0.010 [1.48]	0.012* [1.74]
Cash	-0.034 [-0.47]	0.058 [0.86]
Leverage	-0.054 [-0.94]	-0.107 [-1.57]
Return	-0.020** [-2.12]	-0.008 [-0.85]
Analysts	0.004*** [2.77]	0.005** [2.51]
Board independence	-0.054 [-0.48]	-0.313** [-2.42]
Observations	1,312	1,160
R-squared	0.851	0.851
Firm FE	Y	Y
Year FE	Y	Y

Table IA9: Corporate investment and S&P 500 additions excluding 2008

This table shows the effect of S&P 500 index addition on corporate investment. *Investment* is the annual change in total assets scaled by lagged total assets. Panel A shows differences in investment of S&P 500 firms and non-S&P 500 firms. *SP500* is a dummy variable equal to one if a firm is a member of the S&P 500 index and zero otherwise. *Late* is a dummy variable equal to one for years in or after 2008 and zero otherwise. The test sample in Panel A includes all S&P 500 firms and the largest 500 non-S&P 500 firms (by market capitalization). Panel B shows the effect of S&P 500 additions on investment. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. Panel C shows the S&P 500 peer effect on investment of newly added firms. *InvestSP500Peer* is the average investment of S&P 500 peers in a firm's industry. The event window in Panels B and C is four years before and four years after an addition year. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. Specifications in Panel A include industry and year fixed effects. Specifications in Panels B and C include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Investment of S&P 500 and non-S&P 500 firms

VARIABLES	(1) Investment	(2) Investment
SP500	-0.056*** [-6.35]	-0.079*** [-9.16]
SP500 x Late		0.051*** [4.64]
Log(Assets)	0.029 [1.05]	0.024 [1.03]
Log(Assets) squared	-0.002 [-1.21]	-0.001 [-1.13]
Tobin's <i>q</i>	0.017*** [4.13]	0.017*** [3.56]
Cashflow	-0.499** [-2.31]	-0.504*** [-7.00]
Cash	0.128** [2.44]	0.124*** [3.52]
Leverage	0.055 [1.28]	0.053** [2.19]
Return	0.154*** [6.05]	0.152*** [12.30]
Observations	18,055	18,055
R-squared	0.136	0.137
Industry FE	Y	Y
Year FE	Y	Y

Panel B. S&P 500 addition effects on investment

VARIABLES	(1) Investment	(2) Investment
SP500Add	-0.155*** [-5.21]	-0.205*** [-4.78]
SP500Add x Late		0.100** [2.07]
PreSP500Add	-0.040 [-1.42]	-0.044 [-1.56]
Log(Assets)	0.004 [0.04]	0.012 [0.10]
Log(Assets) squared	0.014* [1.95]	0.014* [1.91]
Tobin's q	-0.004 [-0.38]	-0.004 [-0.39]
Cash	0.291** [2.23]	0.295** [2.27]
Leverage	0.366*** [4.22]	0.371*** [4.27]
Cashflow	1.623*** [9.29]	1.617*** [9.24]
Return	0.114*** [5.71]	0.114*** [5.70]
Observations	5,121	5,121
R-squared	0.396	0.397
Firm FE	Y	Y
Year FE	Y	Y

Panel C. S&P 500 peer effects on investment

VARIABLES	(1) Investment	(2) Investment
InvestSP500Peer x SP500Add	0.477*** [3.52]	0.438*** [2.81]
InvestSP500Peer x SP500Add x Late		0.199 [0.66]
InvestSP500Peer x Late		-0.047 [-0.30]
InvestSP500Peer	0.223*** [3.47]	0.233*** [3.70]
SP500Add	-0.221*** [-6.25]	-0.282*** [-5.86]
SP500Add x Late		0.120** [2.23]
InvestSP500Peer x PreSP500Add	0.116 [0.70]	0.115 [0.69]
PreSP500Add	-0.045 [-1.22]	-0.049 [-1.33]
Log(Assets)	0.016 [0.13]	0.025 [0.21]
Log(Assets) squared	0.011 [1.56]	0.011 [1.52]
Tobin's q	-0.002 [-0.18]	-0.002 [-0.21]
Cash	0.359*** [2.84]	0.361*** [2.87]
Leverage	0.341*** [3.68]	0.348*** [3.76]
Cashflow	1.402*** [8.00]	1.395*** [7.98]
Return	0.104*** [5.06]	0.103*** [5.06]
Observations	4,469	4,469
R-squared	0.440	0.443
Firm FE	Y	Y
Year FE	Y	Y

Table IA10: External financing and S&P 500 index additions excluding 2008

This table shows the effect of S&P 500 index addition on firms' external financing. *Net Debt* is defined as debt issuance less debt retired scaled by total assets. *Net Equity* is equity issued less equity repurchased scaled by assets. Panel A shows differences in external financing of S&P 500 firms and non-S&P 500 firms. *SP500* is a dummy variable equal to one if a firm is a member of the S&P 500 index and zero otherwise. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. The test sample in Panel A includes all S&P 500 firms and the largest 500 non-S&P 500 firms (by market capitalization). Panel B shows the effect of S&P 500 additions on net debt issuance and net equity issuance. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. Panel C shows the S&P 500 peer effect on security issuance of newly added firms. *NDI_SP500Peer* (*NEI_SP500Peer*) is the average net debt (equity) issuance of S&P 500 firms in a firm's industry (4-digit SIC). The event window in Panels B and C is four years before and four years after an addition year. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. Specifications in Panel A include industry and year fixed effects. Specifications in Panels B and C include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A. External financing of S&P 500 and non-S&P 500 firms

VARIABLES	(1) Net Debt	(2) Net Debt	(3) Net Equity	(4) Net Equity
SP500	-0.001 [-0.66]	-0.003 [-1.49]	-0.021*** [-8.87]	-0.020*** [-9.56]
SP500 x Late		0.003 [1.47]		-0.001 [-0.33]
Log(Assets)	-0.002** [-2.33]	-0.002*** [-3.10]	0.002** [2.57]	0.002*** [2.71]
Tobin's <i>q</i>	0.001 [1.57]	0.001** [2.14]	-0.002 [-1.62]	-0.002*** [-2.75]
Cash	0.044*** [4.75]	0.044*** [7.03]	0.008 [0.91]	0.008 [0.93]
Leverage	0.139*** [11.31]	0.138*** [23.42]	-0.008 [-1.15]	-0.008 [-1.28]
Return	0.001 [0.37]	0.001 [0.53]	0.016*** [5.59]	0.016*** [10.54]
Firm age	-0.000*** [-4.33]	-0.000*** [-4.86]	-0.000 [-0.10]	-0.000 [-0.12]
Observations	14,210	14,210	13,752	13,752
R-squared	0.140	0.140	0.188	0.188
Industry FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y

Panel B. S&P 500 addition effects on external financing

VARIABLES	(1) Net Debt	(2) Net Debt	(3) Net Equity	(4) Net Equity
SP500Add	-0.003 [-0.57]	-0.001 [-0.15]	-0.017*** [-3.93]	-0.022*** [-3.46]
SP500Add x Late		-0.004 [-0.45]		0.008 [1.05]
PreSP500Add	-0.003 [-0.50]	-0.002 [-0.47]	-0.004 [-0.91]	-0.004 [-0.99]
Log(Assets)	0.021*** [4.75]	0.021*** [4.73]	0.010*** [2.81]	0.010*** [2.86]
Tobin's q	0.002 [1.13]	0.002 [1.14]	0.000 [0.17]	0.000 [0.17]
Cash	0.088*** [4.09]	0.088*** [4.09]	0.076*** [4.03]	0.076*** [4.02]
Leverage	0.294*** [11.66]	0.294*** [11.65]	-0.010 [-0.72]	-0.010 [-0.69]
Return	-0.003 [-0.84]	-0.003 [-0.84]	0.014*** [5.49]	0.014*** [5.48]
Firm age	-0.000 [-0.01]	0.000 [0.00]	0.002*** [3.10]	0.002*** [2.99]
Observations	4,307	4,307	4,074	4,074
R-squared	0.346	0.346	0.512	0.512
Firm FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y

Panel C. S&P 500 peer effects on external financing

VARIABLES	(1) Net Debt	(2) Net Debt	(3) Net Equity	(4) Net Equity
NDI_SP500Peer x SP500Add	0.627*** [8.84]	0.630*** [7.04]		
NDI_SP500Peer x SP500Add x Late		0.024 [0.17]		
NDI_SP500Peer x Late		-0.080 [-0.76]		
NDI_SP500Peer	0.137*** [2.73]	0.161*** [2.62]		
NDI_SP500Peer x PreSP500Add	-0.007 [-0.06]	0.003 [0.02]		
NEI_SP500Peer x SP500Add			0.647*** [7.39]	0.761*** [6.41]
NEI_SP500Peer x SP500Add x Late				-0.217 [-1.32]
NEI_SP500Peer x Late				0.064 [0.74]
NEI_SP500Peer			0.221*** [3.83]	0.200*** [3.06]
NEI_SP500Peer x PreSP500Add			0.033 [0.31]	0.028 [0.26]
SP500Add	-0.007 [-1.16]	-0.009 [-1.19]	-0.002 [-0.37]	-0.002 [-0.40]
SP500Add x Late		0.004 [0.41]		0.001 [0.08]
PreSP500Add	0.004 [0.75]	0.004 [0.72]	-0.004 [-0.75]	-0.004 [-0.81]
Log(Assets)	0.016*** [3.45]	0.016*** [3.48]	0.009** [2.43]	0.009** [2.41]
Tobin's q	0.002 [0.95]	0.001 [0.92]	0.001 [0.45]	0.001 [0.41]
Cash	0.087*** [3.59]	0.087*** [3.60]	0.077*** [3.92]	0.076*** [3.87]
Leverage	0.268*** [10.73]	0.268*** [10.75]	-0.001 [-0.09]	0.000 [0.00]
Return	-0.001 [-0.32]	-0.001 [-0.30]	0.012*** [4.56]	0.012*** [4.50]
Firm age	0.001 [0.18]	0.001 [0.16]	0.002 [0.75]	0.002 [0.74]
Observations	3,768	3,768	3,552	3,552
R-squared	0.415	0.416	0.579	0.580
Firm FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y

Table IA11: Payouts and S&P 500 index additions excluding 2008

This table shows the effect of S&P 500 index addition on corporate payouts. *Dividend* is the dollar amount of dividends paid to common stock scaled by total assets. *Repurchase* is the dollar amount of repurchases scaled by total assets. *Payout* is the sum of *Dividend* and *Repurchase*. Panel A shows differences in payouts of S&P 500 firms and non-S&P 500 firms. *SP500* is a dummy variable equal to one if a firm is a member of the S&P 500 index and zero otherwise. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. The test sample in Panel A includes all S&P 500 firms and the largest 500 non-S&P 500 firms (by market capitalization). Panel B shows the effect of S&P 500 additions on payouts. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. Panel C shows the S&P 500 peer effect on payouts of newly added firms. *DivSP500Peer*, *RepSP500Peer*, and *PayoutSP500Peer* are the average dividend, repurchase, and total payouts of S&P 500 peers in a firm's industry (4-digit SIC), respectively. The event window in Panels B and C is four years before and four years after an addition year. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. Specifications in Panel A include industry and year fixed effects. Specifications in Panels B and C include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Payouts of S&P 500 and non-S&P 500 firms

VARIABLES	(1) Dividend	(2) Dividend	(3) Repurchase	(4) Repurchase	(5) Payout	(6) Payout
SP500	-0.001 [-0.97]	-0.001 [-1.01]	0.021*** [10.96]	0.021*** [13.57]	0.020*** [13.85]	0.020*** [11.65]
SP500 x Late		0.000 [0.17]		-0.000 [-0.26]		-0.000 [-0.23]
Log(Assets)	0.000 [0.81]	0.000 [0.81]	-0.003*** [-4.99]	-0.003*** [-5.30]	-0.003*** [-4.29]	-0.003*** [-4.29]
Tobin's <i>q</i>	0.001*** [4.11]	0.001*** [4.11]	0.001* [1.84]	0.001*** [2.86]	0.003*** [3.42]	0.003*** [3.42]
Cashflow	0.125*** [19.25]	0.125*** [19.25]	0.219*** [12.44]	0.219*** [18.42]	0.360*** [25.26]	0.360*** [25.21]
Cash	-0.007** [-2.21]	-0.007** [-2.21]	0.030*** [4.37]	0.030*** [4.50]	0.024*** [3.13]	0.024*** [3.13]
Leverage	0.006** [1.98]	0.006** [1.98]	0.018*** [3.24]	0.018*** [3.64]	0.026*** [4.53]	0.026*** [4.53]
Return	-0.006*** [-12.00]	-0.006*** [-12.01]	-0.008*** [-4.48]	-0.008*** [-8.32]	-0.014*** [-11.66]	-0.014*** [-11.66]
Observations	18,061	18,061	16,824	16,824	16,824	16,824
R-squared	0.328	0.328	0.313	0.313	0.385	0.385
Industry FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y

Panel B. S&P 500 addition effects on payouts

VARIABLES	(1) Dividend	(2) Dividend	(3) Repurchase	(4) Repurchase	(5) Payout	(6) Payout
SP500Add	0.002** [2.40]	0.003** [2.08]	0.017*** [5.02]	0.017*** [3.50]	0.021*** [5.29]	0.023*** [3.99]
SP500Add x Late		-0.000 [-0.23]		-0.001 [-0.16]		-0.004 [-0.54]
PreSP500Add	0.001 [0.78]	0.001 [0.79]	0.003 [1.08]	0.003 [1.08]	0.004 [1.23]	0.004 [1.25]
Log(Assets)	-0.001* [-1.88]	-0.001* [-1.89]	-0.011*** [-4.79]	-0.011*** [-4.77]	-0.014*** [-5.05]	-0.014*** [-5.03]
Tobin's q	0.001** [2.39]	0.001** [2.38]	0.000 [0.34]	0.000 [0.34]	0.001 [1.06]	0.001 [1.06]
Cashflow	0.016*** [2.69]	0.016*** [2.69]	0.116*** [7.14]	0.116*** [7.14]	0.152*** [7.02]	0.152*** [7.03]
Cash	0.001 [0.25]	0.001 [0.25]	-0.021 [-1.64]	-0.021 [-1.64]	-0.021 [-1.42]	-0.021 [-1.43]
Leverage	0.002 [0.49]	0.002 [0.49]	0.014 [1.22]	0.014 [1.22]	0.030** [2.17]	0.030** [2.17]
Return	-0.002*** [-3.71]	-0.002*** [-3.72]	-0.009*** [-5.79]	-0.009*** [-5.80]	-0.012*** [-6.53]	-0.012*** [-6.54]
Observations	5,123	5,123	4,556	4,556	4,556	4,556
R-squared	0.738	0.738	0.579	0.579	0.599	0.599
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y

Panel C. S&P 500 peer effects on payouts

VARIABLES	(1) Dividend	(2) Dividend	(3) Repurchase	(4) Repurchase	(5) Payout	(6) Payout
DivSP500Peer x SP500Add	0.279*** [3.16]	0.281* [1.72]				
DivSP500Peer x SP500Add x Late		0.058 [0.28]				
DivSP500Peer x Late		-0.044 [-0.45]				
DivSP500Peer	0.214*** [3.82]	0.225*** [3.42]				
DivSP500Peer x PreSP500Add	-0.007 [-0.12]	-0.008 [-0.13]				
RepSP500Peer x SP500Add			0.586*** [7.58]	0.560*** [5.24]		
RepSP500Peer x SP500Add x Late				0.053 [0.35]		
RepSP500Peer x Late				0.003 [0.05]		
RepSP500Peer			0.141*** [3.84]	0.140*** [3.63]		
RepSP500Peer x PreSP500Add			0.057 [1.00]	0.059 [1.03]		
PayoutSP500Peer x SP500Add					0.619*** [7.95]	0.671*** [5.85]
PayoutSP500Peer x SP500Add x Late						-0.087 [-0.57]
PayoutSP500Peer x Late						-0.009 [-0.12]
PayoutSP500Peer					0.220*** [4.98]	0.221*** [4.58]
PayoutSP500Peer x PreSP500Add					0.071 [1.11]	0.069 [1.06]
SP500Add	-0.002 [-1.48]	-0.001 [-0.31]	-0.004 [-1.14]	-0.006 [-1.07]	-0.013*** [-2.72]	-0.014** [-2.24]
SP500Add x Late		-0.004 [-1.51]		0.002 [0.34]		0.002 [0.25]
PreSP500Add	0.000 [0.13]	0.000 [0.24]	0.003 [0.81]	0.002 [0.75]	0.001 [0.27]	0.001 [0.32]
Log(Assets)	-0.001 [-1.12]	-0.001 [-1.15]	-0.011*** [-4.78]	-0.011*** [-4.80]	-0.013*** [-4.47]	-0.013*** [-4.46]
Tobin's <i>q</i>	0.000* [1.95]	0.001** [1.98]	0.000 [0.23]	0.000 [0.20]	0.001 [1.15]	0.001 [1.19]
Cashflow	0.015** [2.22]	0.015** [2.24]	0.079*** [5.10]	0.079*** [5.09]	0.111*** [5.04]	0.111*** [5.07]
Cash	0.003 [0.68]	0.003 [0.68]	-0.013 [-1.09]	-0.014 [-1.11]	-0.011 [-0.81]	-0.011 [-0.75]
Leverage	0.002 [0.50]	0.002 [0.48]	0.004 [0.36]	0.005 [0.39]	0.020 [1.31]	0.020 [1.30]
Return	-0.002*** [-3.24]	-0.001*** [-3.22]	-0.006*** [-4.09]	-0.006*** [-4.13]	-0.009*** [-4.96]	-0.009*** [-4.94]
Observations	4,471	4,471	3,937	3,937	3,937	3,937
R-squared	0.765	0.765	0.646	0.646	0.668	0.668
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y

Table IA12: EPS forecasts, realized EPS, and ROA excluding 2008

This table shows the effect of S&P 500 index addition on analyst forecasted EPS, realized EPS, and ROA. *EPS forecast* is the average analyst estimate on annual earnings per share (EPS) from IBES. *EPS Realized* is the realized annual EPS. *ROA* is net income scaled by total assets. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to the addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. The event window is four years before and four years after an addition year. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. All specifications include firm and year fixed effects. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

VARIABLES	(1) EPS forecast	(2) EPS forecast	(3) EPS realized	(4) EPS realized	(5) ROA	(6) ROA
SP500Add	0.219* [1.81]	0.074 [0.62]	0.217 [1.47]	-0.091 [-0.58]	-0.010** [-2.00]	-0.017*** [-2.71]
SP500Add x Late		0.271 [1.35]		0.598** [2.46]		0.013* [1.71]
PreSP500Add	0.071 [1.17]	0.061 [1.01]	0.148 [1.63]	0.125 [1.38]	0.002 [0.60]	0.002 [0.45]
Log(Assets)	0.669*** [5.77]	0.670*** [5.81]	0.296*** [2.67]	0.305*** [2.77]	0.007 [1.32]	0.007 [1.36]
Tobin's <i>q</i>	0.137*** [4.19]	0.137*** [4.21]	0.065** [2.19]	0.063** [2.16]	0.013*** [7.31]	0.013*** [7.27]
Cash	0.093 [0.29]	0.101 [0.31]	1.097** [2.14]	1.103** [2.18]	0.065*** [2.94]	0.065*** [2.95]
Leverage	-0.973*** [-2.61]	-0.968** [-2.57]	-2.519*** [-5.49]	-2.499*** [-5.45]	-0.117*** [-6.02]	-0.117*** [-5.98]
Return	-0.096* [-1.75]	-0.096* [-1.75]	0.404*** [5.44]	0.403*** [5.41]	0.010*** [3.28]	0.010*** [3.26]
Volatility	-17.399*** [-5.06]	-17.490*** [-5.06]	-40.378*** [-8.38]	-40.351*** [-8.35]	-1.802*** [-7.45]	-1.801*** [-7.46]
Observations	3,676	3,676	4,777	4,777	4,780	4,780
R-squared	0.817	0.817	0.622	0.623	0.635	0.635
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y

Table IA13: Competition and index additions excluding 2008

This table shows the effect of S&P 500 index addition on firms' product market competition. Panel A shows evidence at the firm level. *Fluidity* and *Similarity* are firm-level competition measures from the Hoberg and Phillips data library, where a larger value reflects more competition. *Gross margin* is revenues less COGS scaled by revenues. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to the addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. *Late* is a dummy variable equal to one for years after 2008 and zero otherwise. Panel B shows evidence at the industry level. We first divide all S&P 500 firms in a year into different groups by 3-digit SIC industries (i.e. S&P 500 industry group) and define variables at the industry group level. In particular, *Ch(Lerner index SP500)* is the annual change in the median gross margin within an industry group in a year. *Ch(SP500 Firms)* is the change in the number of firms in an S&P 500 industry group in a year. *Increase (Decrease) in SP500 firms* is a dummy variable equal to one if one or more firms are added to (deleted from) an S&P 500 industry group in a year. The event window is four years before and four years after a year of addition. The addition year is excluded. The sample period is from 1997 to 2017 excluding 2008. Panel A (Panel B) specifications include firm (industry) and year fixed effects. Robust standard errors are clustered at the firm level in Panel A and at the industry level in Panel B. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A: Firm level

VARIABLES	(1) Fluidity	(2) Fluidity	(3) Similarity	(4) Similarity	(5) Gross margin	(6) Gross margin
SP500Add	-0.072 [-0.39]	0.032 [0.15]	-0.341 [-0.87]	-0.419 [-0.73]	-0.009 [-1.18]	-0.017 [-1.63]
SP500Add x Late		-0.194 [-0.79]		0.156 [0.24]		0.017 [1.23]
PreSP500Add	0.041 [0.37]	0.053 [0.47]	-0.262 [-0.84]	-0.270 [-0.85]	0.004 [0.72]	0.003 [0.60]
Log(Assets)	0.306** [2.46]	0.305** [2.46]	0.237 [0.88]	0.238 [0.88]	0.016** [2.13]	0.016** [2.18]
Tobin's <i>q</i>	0.020 [0.55]	0.021 [0.58]	0.096 [0.99]	0.096 [0.98]	0.007*** [2.74]	0.007*** [2.71]
Cash	0.628 [1.31]	0.629 [1.32]	0.734 [0.87]	0.734 [0.87]	-0.034 [-0.85]	-0.034 [-0.84]
Leverage	0.237 [0.50]	0.229 [0.48]	-0.585 [-0.60]	-0.579 [-0.60]	-0.068* [-1.92]	-0.067* [-1.89]
Return	-0.086 [-1.43]	-0.085 [-1.43]	-0.261** [-2.11]	-0.261** [-2.11]	-0.001 [-0.18]	-0.001 [-0.21]
Observations	4,103	4,103	4,335	4,335	5,466	5,466
R-squared	0.834	0.834	0.912	0.912	0.878	0.878
Firm FE	Y	Y	Y	Y	Y	Y
Year FE	Y	Y	Y	Y	Y	Y

Panel B: Industry level

VARIABLES	(1) Ch(Lerner Index SP500)	(2) Ch(Lerner Index SP500)	(3) Ch(Lerner Index SP500)	(4) Ch(Lerner Index SP500)
Ch(SP500 Firms)	0.002 [0.25]	0.008 [0.64]		
Ch(SP500 Firms) x Late		-0.013 [-0.96]		
Increase in SP500 Firms			0.013 [0.69]	0.016 [0.53]
Increase in SP500 Firms x Late				-0.007 [-0.20]
Decrease in SP500 Firms			0.001 [0.10]	-0.005 [-0.30]
Decrease in SP500 Firms x Late				0.015 [0.79]
Observations	5,695	5,695	5,695	5,695
R-squared	0.013	0.013	0.013	0.013
Industry FE	Y	Y	Y	Y
Year FE	Y	Y	Y	Y

Table IA14. Capital Expenditures and S&P 500 index additions

This table shows the effect of S&P 500 index addition on capital expenditures. *Capex* is defined as capital expenditures scaled by lagged total assets. Panel A shows differences in capex of S&P 500 firms and non-S&P 500 firms. *SP500* is a dummy variable equal to one if a firm is a member of the S&P 500 index and zero otherwise. *Late* is a dummy variable equal to one for years in or after 2008 and zero otherwise. The test sample in Panel A includes all S&P 500 firms and the largest 500 non-S&P 500 firms (by market capitalization). Panel B shows the effect of S&P 500 additions on the level of capex. *SP500Add* is the S&P 500 addition dummy that is equal to one for treated firms after an addition year and zero otherwise. *PreSP500Add* is a dummy variable equal to one for treated firms one year prior to an addition year and zero otherwise. Both *SP500Add* and *PreSP500Add* equal zero for control firms. Panel C shows the S&P 500 peer effect on the capex of newly added firms. *CapexSP500Peer* is the average investment of S&P 500 firms in a firm's industry (4-digit SIC). Tobin's *q* in all tests is one-year lagged following the literature. The event window in Panels B and C is four years before and four years after an addition year. The addition year is excluded. The sample period is from 1997 to 2017. Specifications in Panel A include industry and year fixed effects. Specifications in Panels B and C include firm and year fixed effects. Panels D, E, and F repeat Panels A, B, and C, using the sample excluding 2008 for robustness. Robust standard errors are clustered at the firm level. Variable definitions are in Appendix. ***, **, * denote significance at the 1%, 5%, and 10% levels, respectively.

Panel A. Capex of S&P 500 and non-S&P 500 firms

VARIABLES	(1) Capex	(2) Capex
SP500	-0.007*** [-4.84]	-0.006*** [-4.23]
SP500 x Late		-0.002 [-0.99]
Tobin's <i>q</i>	0.002*** [3.95]	0.002*** [4.43]
Cashflow	0.107*** [8.61]	0.107*** [10.48]
Observations	18,841	18,841
R-squared	0.487	0.488
Industry FE	Y	Y
Year FE	Y	Y

Panel B. S&P 500 addition effects on capex

VARIABLES	(1) Capex	(2) Capex
SP500Add	-0.006** [-2.00]	-0.004 [-0.79]
SP500Add x Late		-0.005 [-1.00]
PreSP500Add	-0.004 [-1.43]	-0.004 [-1.38]
Tobin's q	0.006*** [7.55]	0.006*** [7.57]
Cashflow	0.106*** [5.47]	0.106*** [5.48]
Observations	5,384	5,384
R-squared	0.761	0.761
Firm FE	Y	Y
Year FE	Y	Y

Panel C. S&P 500 peer effects on capex

VARIABLES	(1) Capex	(2) Capex
CapexSP500Peer x SP500Add	-0.027 [-0.38]	0.065 [0.78]
CapexSP500Peer x SP500Add x Late		-0.070 [-0.52]
CapexSP500Peer	0.612*** [10.33]	0.642*** [10.01]
CapexSP500Peer x Late		-0.178* [-1.69]
SP500Add	-0.006 [-1.36]	-0.008 [-1.40]
SP500Add x Late		-0.000 [-0.02]
CapexSP500Peer x PreSP500Add	0.031 [0.47]	0.034 [0.52]
PreSP500Add	-0.004 [-1.22]	-0.004 [-1.17]
Tobin's q	0.006*** [6.69]	0.006*** [6.78]
Cashflow	0.068*** [3.74]	0.066*** [3.70]
Observations	4,702	4,702
R-squared	0.798	0.799
Firm FE	Y	Y
Year FE	Y	Y

Panel D. Capex of S&P 500 and non-S&P 500 firms

VARIABLES	(1) Capex	(2) Capex
SP500	-0.013*** [-7.24]	-0.013*** [-7.19]
SP500 x Late		0.001 [0.52]
Tobin's q	0.006*** [4.62]	0.006*** [8.25]
Cashflow	0.114*** [5.13]	0.114*** [8.77]
Observations	17,937	17,937
R-squared	0.447	0.447
Industry FE	Y	Y
Year FE	Y	Y

Panel E. S&P 500 addition effects on capex excluding 2008

VARIABLES	(1) Capex	(2) Capex
SP500Add	-0.007** [-2.07]	-0.004 [-0.78]
SP500Add x Late		-0.006 [-1.07]
PreSP500Add	-0.004 [-1.63]	-0.004 [-1.53]
Tobin's q	0.006*** [7.15]	0.006*** [7.16]
Cashflow	0.112*** [5.44]	0.112*** [5.45]
Observations	5,146	5,146
R-squared	0.755	0.755
Firm FE	Y	Y
Year FE	Y	Y

Panel F. S&P 500 peer effects on capex excluding 2008

VARIABLES	(1) Capex	(2) Capex
CapexSP500Peer x SP500Add	-0.043 [-0.58]	0.076 [0.88]
CapexSP500Peer x SP500Add x Late		-0.100 [-0.63]
CapexSP500Peer	0.607*** [9.97]	0.642*** [9.73]
CapexSP500Peer x Late		-0.257* [-1.92]
SP500Add	-0.005 [-1.26]	-0.009 [-1.52]
SP500Add x Late		0.001 [0.18]
CapexSP500Peer x PreSP500Add	0.015 [0.21]	0.015 [0.21]
PreSP500Add	-0.004 [-1.15]	-0.004 [-1.00]
Tobin's q	0.006*** [6.45]	0.006*** [6.60]
Cashflow	0.073*** [3.83]	0.068*** [3.67]
Observations	4,490	4,490
R-squared	0.791	0.795
Firm FE	Y	Y
Year FE	Y	Y