Internet Appendix to: "Deposit-Lending Synergies: Evidence from Chinese Students at US Universities"

December 27, 2020

Table IA.1: The Impact of Chinese Students on Local Credit Market

Liquidity Sensitive Market: First Lien Jumbo Mortgages

This table reports results of the following regression: $LnY_{i,c,t} = \beta Brand_i \times LnChinese_{c,t} + \alpha_{i,t} + \alpha_{c,t}$, where Y is first lien jumbo mortgages. The sample for which results are reported in columns 1 and 2 includes all banks with $Distance_{i,c,t} <= 1mile$ and $1mile < Distance_{i,c,t} <= 3miles$. The sample for which results are reported in columns 3 and 4 includes all branded banks and top-20 banks ranked by total assets with $Distance_{i,c,t} <= 1mile$ and $1mile < Distance_{i,c,t} <= 3miles$. County $\times$ year and bank $\times$ year fixed effects are included. Standard errors are clustered at the county level and reported in parentheses. Variables are winsorized at the 1st and 99th percentiles. * p<0.1, ** p<0.05, *** p<0.01.

	LnFirstLienJumboMortgages$_{i,c,t}$			
	All Banks		Top 20 Banks	
	(1)	(2)	(3)	(4)
	Within 1 Mile	1-3 Miles	Within 1 Mile	1-3 Miles
Brand$_i$ × LnChinese$_{c,t}$	0.0348	0.0263	0.0502	-0.00102
	(0.0427)	(0.0499)	(0.0423)	(0.0495)
County × Year FE	Yes	Yes	Yes	Yes
Bank × Year FE	Yes	Yes	Yes	Yes
Observations	23467	21617	10634	5455

Table IA.2: The Impact of Chinese Students on Information Sensitive Credit Markets

This table reports regression results of Equation (1) and uses LnSmallBusinessLoans$_{i,c,t}$ and LnSecondLienMortgages$_{i,c,t}$ as dependent variables. The unit of analysis is bank(i)-county(c)-year(t). $Brand_i$ is a dummy variable that equals one if a bank has a business presence in China during 2000-2018. Columns 1 and 3 report results for branded banks and all other non-branded banks. Columns 2 and 4 report results for branded banks and top-20 banks ranked by total assets. Distance categories are created based on the shortest distance between any branch and the closest affected campus within a bank-county-year. $ClosetoAnyCampus_{i,c,t}$ equals -1 times the shortest distance between any branch and the closest campus within a bank-county-year. Bank, county, and year fixed effects are included in column 1, while county × year and bank × year fixed effects are included in within-county analyses. Standard errors are clustered at the county level and reported in parentheses. Variables are winsorized at the 1st and 99th percentiles. * p<0.1, ** p<0.05, *** p<0.01.

	LnSmallBusinessLoans$_{i,c,t}$		LnSecondLienMortgages$_{i,c,t}$	
	(1)	(2)	(3)	(4)
	All Banks	Top 20	All Banks	Top 20
Brand$_i$ × LnChinese$_{c,t}$	0.0585***	0.0464***	0.0534***	0.0378***
	(0.0119)	(0.0116)	(0.0105)	(0.0121)
Distance$(<0.5)_{i,c,t}$	0.657***	0.161	0.658***	0.372**
	(0.1303)	(0.2292)	(0.1059)	(0.1763)
Distance$(0.5\sim1)_{i,c,t}$	0.720***	0.500**	0.588***	0.294**
	(0.1242)	(0.2119)	(0.0928)	(0.1347)
Distance$(1\sim2)_{i,c,t}$	0.701***	0.448**	0.563***	0.407***
	(0.0923)	(0.1751)	(0.0775)	(0.1253)
Distance$(2\sim3)_{i,c,t}$	0.216**	-0.0115	0.277***	0.310**
	(0.1095)	(0.1786)	(0.0798)	(0.1295)
Distance$(<0.5)_{i,c,t}$ × LnChinese$_{c,t}$	0.157***	0.263***	0.0928***	0.163***
	(0.0232)	(0.0458)	(0.0205)	(0.0355)
Distance$(0.5\sim1)_{i,c,t}$ × LnChinese$_{c,t}$	0.0790***	0.127***	0.0545***	0.120***
	(0.0237)	(0.0469)	(0.0182)	(0.0311)
Distance$(1\sim2)_{i,c,t}$ × LnChinese$_{c,t}$	0.0263	0.0810**	0.0153	0.0401
	(0.0185)	(0.0387)	(0.0153)	(0.0284)
Distance$(2\sim3)_{i,c,t}$ × LnChinese$_{c,t}$	0.0393*	0.0786*	0.00705	-0.00753
	(0.0216)	(0.0405)	(0.0167)	(0.0325)
ClosetoAnyCampus$_{i,c,t}$	0.0741***	0.0715***	0.0549***	0.0496***
	(0.0044)	(0.0094)	(0.0026)	(0.0072)
County × Year FE	Yes	Yes	Yes	Yes
Bank × Year FE	Yes	Yes	Yes	Yes
Observations	203629	61458	154492	33103

Table IA.3: The Impact of Local Deposits on Information Sensitive Credit Markets: IV

Small Business Loans & Second Lien Mortgages

This table reports IV regression of credit supply as a function of deposits. $LnDeposits_{i,c,t}$ is instrumented with $Brand_i \times LnChinese_{c,t}$. The unit of analysis is bank(i)-county(c)-year(t). $Brand_i$ is a dummy variable that equals one if a bank has a business presence in China during 2000-2018. Columns 1 and 2 report results for branded banks and all other non-branded banks. Columns 3 and 4 report results for branded banks and top-20 banks ranked by total assets. Distance categories are created based on the shortest distance between any branch and the closest affected campus within a bank-county-year. County $\times$ year and bank $\times$ year fixed effects are included in within-county analyses. Standard errors are clustered at the county level and reported in parentheses. Variables are winsorized at the 1st and 99th percentiles. * p<0.1, ** p<0.05, *** p<0.01.

	All Banks		Top 20 Banks	
	(1)	(2)	(3)	(4)
	Within 1 Mile	1-3 Miles	Within 1 Mile	1-3 Miles
Panel A: LnSmallBusinessLoans$_{i,c,t}$				
$Ln\widehat{Deposits}_{i,c,t}$	1.236***	0.773*	1.391***	1.895
	(0.2463)	(0.4506)	(0.3738)	(1.2254)
Observations	24445	20298	11375	5736
Panel B: LnSecondLienMortgages$_{i,c,t}$				
$Ln\widehat{Deposits}_{i,c,t}$	1.829***	0.379	1.019***	1.232
	(0.5871)	(0.6368)	(0.3711)	(0.9603)
Observations	23467	21617	10634	5455
County $\times$ Year FE	Yes	Yes	Yes	Yes
Bank $\times$ Year FE	Yes	Yes	Yes	Yes
Observations	24445	20298	11375	5736

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