

# **Online Appendix**

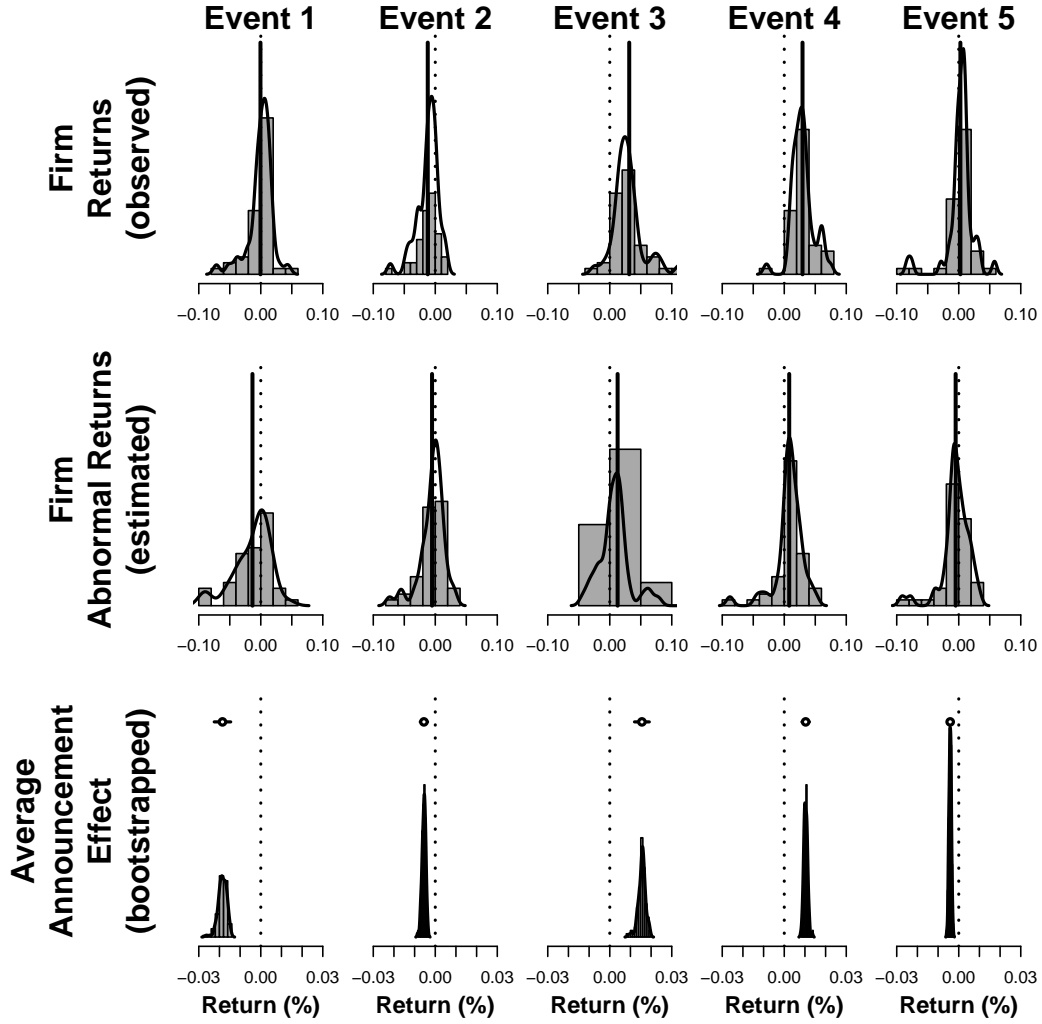


Figure A: *Distributions of Firm Returns, Bootstrapped Samples, 20-day Estimation Window*: To add transparency, these graphs show the data distributions (histograms and density curves) that underlie the aggregate results in Figure 4. The vertical dotted line in each graph delineates zero returns. For the sample of 45 regulated US banks, the top row is the distribution of Observed Firm Returns ( $R_{i0}$ ) for each event, where the vertical solid line shows the average observed firm return. The middle row is the distribution of calculated Abnormal Firm Returns ( $\epsilon_{i0}$ ) for each event, where the vertical solid line shows the average Abnormal Firm Return for each event. The bottom row is the distribution of the calculated Average Announcement Effect for 100 bootstrapped samples for each event. The white circle at the top of each graph on the bottom row indicates the point estimate from the 100 bootstrapped sample, and 95 percent confidence interval. Together, the figures reinforce that results are not driven by outlier observations.

Ticker	Company Name	Consolidated Assets		Tier 1 Capital Ratio	
		(\$bill)		(%)	
		fiscal year 2008	fiscal year 2009	2nd quarter 2009	3rd quarter 2010
Assets >\$1 trillion					
BAC	Bank of America Corp	\$1,817	\$2,223	11.93%	11.16%
C	Citigroup Inc	1,938	1,856	12.74	12.25
JPM	JPMorgan Chase & Co	2,175	2,031	9.70	11.90
WFC	Wells Fargo & Co	1,309	1,243	9.80	10.90
Assets >\$100 billion					
BBT	BB&T Corp	152	165	10.60	11.70
BK	Bank of New York Mellon Corp	237	212	12.50	12.20
FITB	Fifth Third Bancorp	119	113	12.90	13.85
KEY	Keycorp	104	93	12.57	14.30
PNC	PNC Financial Services Grp Inc	291	269	10.50	11.90
RF	Regions Financial Corp	146	142	12.16	12.07
STT	State Street Corp	173	157	14.50	15.80
STI	Suntrust Banks Inc	189	174	12.23	13.58
USB	US Bancorp	265	281	9.40	10.30
Assets >\$10 billion					
ASBC	Associated Banc Corp	24	22	11.93	17.68
BOKF	BOK Financial Corp	22	23	9.76	12.30
BXS	Bancorpsouth Inc	13	13	10.92	10.56
BOH	Bank of Hawaii Corp	10	12	12.02	17.71
CATY	Cathay General Bancorp	11	11	12.50	14.95
CRBC	Citizens Republic Bancorp Inc	13	11	12.16	12.41
CYN	City National Corp	16	21	12.00	12.00
CMA	Comerica Inc	67	59	11.06	9.97
CBSH	Commerce Bancshares Inc	17	18	11.05	14.27
CFR	Cullen Frost Bankers Inc	15	16	10.64	13.38
EWBC	East West Bancorp Inc	12	20	13.67	17.90
FCNCA	First Citizens Bancshares Inc NC	16	18	13.29	14.38
FHN	First Horizon National Corp	31	26	14.97	17.34
FMER	Firstmerit Corp	11	10	11.86	11.46
FULT	Fulton Financial Corp PA	16	16	11.20	11.40
HBAN	Huntington Bancshares Inc	54	51	11.16	12.82
IBOC	International Bancshares Corp	12	11	16.27	18.79
MTB	M&T Bank Corp	65	68	8.76	9.45
NYB	New York Community Bancorp Inc	32	42	7.86	8.87
NTRS	Northern Trust Corp	82	82	13.00	13.20
BPOP	Popular Inc	38	34	11.16	14.87
PVTB	Privatebancorp Inc	10	12	10.13	12.25
SIVB	SVB Financial Group	10	12	13.74	15.04
STSA	Sterling Financial Corp	12	10	9.10	10.50
SUSQ	Susquehanna Bancshares Inc	13	13	11.13	13.51
SNV	Synovus Financial Corp	35	32	11.06	13.06
TCB	TCF Financial Corp	16	17	11.20	10.35
UMBF	UMB Financial Corp	10	11	13.93	12.61
VLY	Valley National Bancorp	14	14	12.07	10.73
WBS	Webster Financial Corp	17	17	12.00	12.94
WTFC	Wintrust Financial Corporation	10	12	9.10	12.70
ZION	Zions Bancorp	55	51	9.33	13.97

Table A: *Banks in Sample*: The table gives key firm size and capitalization characteristics of the 45 banks in the main sample. SOURCE: Compustat.

	Wells Fargo	JPMorgan Chase	Bank of America	Citigroup
<b>Event 1</b>	TrueBlue Inc Cytokinetics Inc Capital Product Partners	AngioDynamics Inc. Robert Half International Inc 3 D Systems Corp Del	Lamar Advertising Co Microstrategy Inc Syneron Medical Ltd	Teledyne Technologies Diana Shipping Inc. China Unicom Hong Kong Ltd
<b>Event 2</b>	Blackbaud Inc Ryland Group Inc. Liveperson Inc.	Tim Hortons Inc. Standard Parking Corp	Perusahaan P P T Telekom Indo Revlon Inc. Saba Software Inc.	Exxon Mobil Corp C R H PLC InvaCard Corp
<b>Event 3</b>	Commscope Inc Concur Technologies Inc NV Energy Inc	C A Inc EOG Resources Inc	Sanfilippo John B & Son Heico Corp New EOG Resources Inc	China Mobile Ltd Compuware Corp National Beverage Corp
<b>Event 4</b>	Qiagen NV News Corp B H P Billiton PLC	Atlantic Tele Network Inc Dominos Pizza Inc Kraft Foods Inc	Sasol Ltd Constellation Energy Group Inc Infosys Technologies Ltd	Nustar Energy L P Constellation Energy Group Inc Newell Rubbermaid Inc
<b>Event 5</b>	B P Prudhoe Bay Royalty Trust Outdoor Channel Holdings Inc Q L T Inc	Atlas Energy Inc Jacobs Engineering Group Inc Q L T Inc	Q L T Inc CBeyond Inc Lawson Products Inc	Super Micro Computer Inc Hercules Offshore Inc M Y R Group Inc DE

Table B: *Nonfinancial Firm, Lasso-Selected Regressors for Select US Regulated Banks*: For the four largest US banks, the table shows the three nonfinancial firms for each event that the Lasso constraint identified as having the highest weights (listed in decreasing weighted order) using the baseline, 20-day estimation window  $[-20, -1]$ . Regressor firms vary across events and across US banks. Two exceptions are EOG Resources Inc., which are key regressors for Event 3 for both JPMorgan and Bank of America, and Q L T Inc., which is a key regressor for Event 5 for Wells Fargo, JPMorgan Chase, and Bank of America.