Supplementary Appendix

How Robust Is the Renewable Energy Industry to Political Shocks?

Evidence from the 2016 U.S. Elections

Forthcoming, *Business & Politics*

Michaël Aklin*

*Department of Political Science, University of Pittsburgh, and Fellow at the Initiative for Sustainable Energy Policy (ISEP), Johns Hopkins University. 4600 WWPH, 230 S. Bouquet Street, Pittsburgh, PA 15260, USA. Email: aklin@pitt.edu.

Contents

A1 Overview

This document contains the supplementary appendix for *How Robust Is the Renewable Energy Industry to Political Shocks? Evidence from the 2016 U.S. Elections*, to be published in *Business & Politics*.

A2 Additional Tables

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.47***	0.47***	0.47***	0.17	0.17	0.17	-0.79	-0.77	-0.77
	(0.11)	(0.11)	(0.11)	(0.11)	(0.12)	(0.12)	(1.35)	(1.36)	(1.35)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	4542	4542	4542	3974	3974	3974	3974	3974	3974
R^2	0.01	0.03	0.02	0.00	0.03	0.01	0.00	0.55	0.15
# Clusters	120	120	120	108	108	108	108	108	108

Table A1: Sample including all firms. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	0.51	0.53	0.52	-0.32	-0.32	-0.31
	(0.51)	(0.52)	(0.51)	(0.51)	(0.51)	(0.51)
Post-Election Period	0.46***	0.47***	0.46***	0.18*	0.18*	0.18*
	(0.10)	(0.11)	(0.10)	(0.11)	(0.11)	(0.11)
Return (t-1)	-0.97***	-0.99***	-0.98***			
	(0.04)	(0.04)	(0.04)			
Abnormal Return (t-1)				-0.98***	-1.01***	-0.99***
				(0.05)	(0.04)	(0.04)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	4539	4539	4539	3858	3858	3858
R^2	0.49	0.50	0.49	0.49	0.50	0.49
# Clusters	120	120	120	108	108	108

Table A2: Sample including all firms. Effect of the election on observed returns and abnormal returns returns. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	0.60***	0.28**	1.86	0.20	-0.07	-6.60**
	(0.13)	(0.13)	(1.32)	(0.22)	(0.25)	(3.07)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	3115	2737	2737	1427	1237	1237
R^2	0.03	0.02	0.57	0.02	0.05	0.54
# Clusters	82	74	74	38	34	34

Table A3: Sample including all firms. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.32	0.32	0.32	-0.20	-0.20	-0.20	-2.21	-2.21	-2.21
	(0.22)	(0.23)	(0.22)	(0.15)	(0.15)	(0.15)	(5.19)	(5.25)	(5.25)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	268	268	268	222	222	222	222	222	222
R^2	0.00	0.03	0.02	0.00	0.04	0.04	0.01	0.63	0.63
# Clusters	7	7	7	6	6	6	6	6	6

Table A4: Sample limited to firms operating in the wind energy sector. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	-0.17	-0.17	-0.17	-0.53**	-0.52**	-0.52**	-9.93***	-9.88**	-9.88**
	(0.20)	(0.20)	(0.20)	(0.21)	(0.22)	(0.22)	(3.51)	(3.57)	(3.54)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	815	815	815	793	793	793	793	793	793
R^2	0.00	0.02	0.01	0.01	0.06	0.02	0.10	0.63	0.21
# Clusters	22	22	22	22	22	22	22	22	22

Table A5: Sample limited to firms operating in the solar energy sector. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $*: p < 0.1$, $**: p < 0.05$, $***: p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.38	0.38	0.38	0.11	0.11	0.11	-1.92	-1.92	-1.92
	(0.24)	(0.24)	(0.24)	(0.29)	(0.30)	(0.29)	(3.04)	(3.08)	(3.05)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	568	568	568	444	444	444	444	444	444
R^2	0.01	0.02	0.01	0.00	0.02	0.02	0.01	0.40	0.17
# Clusters	15	15	15	12	12	12	12	12	12

Table A6: Sample limited to firms operating in the biofuel energy sector. observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	2.36	2.36	2.36	2.21	2.21	2.21	9.19	9.19	9.19
	(2.08)	(2.10)	(2.09)	(2.04)	(2.06)	(2.05)	(8.39)	(8.47)	(8.43)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	115	115	115	111	111	111	111	111	111
R^2	0.02	0.02	0.02	0.02	0.02	0.02	0.06	0.58	0.16
# Clusters	3	3	3	3	3	3	3	3	3

Table A7: Sample limited to firms operating in the hydro energy sector. observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Wind Sector

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-0.61	-0.63	-0.62	-2.44	-2.52	-2.52
	(2.14)	(2.17)	(2.16)	(2.55)	(2.60)	(2.60)
Post-Election Period	0.37*	0.37	0.37	-0.12	-0.14	-0.14
	(0.19)	(0.19)	(0.19)	(0.18)	(0.18)	(0.18)
Return (t-1)	-0.93***	-0.95***	-0.95***			
	(0.08)	(0.08)	(0.07)			
Abnormal Return (t-1)				-0.99***	-1.03***	-1.03***
				(0.15)	(0.15)	(0.15)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	268	268	268	214	214	214
R^2	0.46	0.48	0.47	0.49	0.52	0.52
# Clusters	7	7	7	6	6	6

Table A8: Sample limited to firms operating in the wind energy sector. Dependent variable: first difference of observed returns (OR; models 1-3) and first difference of abnormal returns (AR; models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Solar Sector

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-4.02***	-3.97***	-3.98***	-4.17***	-4.10***	-4.13***
	(1.01)	(1.03)	(1.03)	(1.04)	(1.05)	(1.05)
Post-Election Period	0.07	0.07	0.08	-0.33	-0.35	-0.33
	(0.20)	(0.20)	(0.20)	(0.20)	(0.22)	(0.21)
Return (t-1)	-0.98***	-1.00***	-0.99***			
	(0.05)	(0.05)	(0.05)			
Abnormal Return (t-1)				-0.97***	-1.03***	-0.98***
				(0.04)	(0.04)	(0.04)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	815	815	815	770	770	770
R^2	0.53	0.54	0.53	0.51	0.54	0.52
# Clusters	22	22	22	22	22	22

Table A9: Sample limited to firms operating in the solar energy sector. Dependent variable: first difference of observed returns (OR; models 1-3) and first difference of abnormal returns (AR; models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Biofuel Sector

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-0.77	-0.77	-0.77	-1.69	-1.70	-1.69
	(0.94)	(0.95)	(0.95)	(1.14)	(1.15)	(1.14)
Post-Election Period	0.45*	0.46*	0.46*	0.21	0.21	0.21
	(0.24)	(0.25)	(0.25)	(0.28)	(0.29)	(0.29)
Return (t-1)	-0.98***	-1.00***	-0.99***			
	(0.04)	(0.04)	(0.04)			
Abnormal Return (t-1)				-0.96***	-0.98***	-0.97***
				(0.04)	(0.04)	(0.04)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	566	566	566	432	432	432
R^2	0.50	0.50	0.50	0.48	0.50	0.49
# Clusters	15	15	15	12	12	12

Table A10: Sample limited to firms operating in the biofuel energy sector. Dependent variable: first difference of observed returns (OR; models 1-3) and first difference of abnormal returns (AR; models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Hydro Sector

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	2.06	2.06	2.06	0.76	0.76	0.76
	(0.92)	(0.93)	(0.92)	(1.03)	(1.04)	(1.04)
Post-Election Period	2.66	2.66	2.66	2.55	2.55	2.55
	(2.49)	(2.51)	(2.50)	(2.38)	(2.40)	(2.39)
Return (t-1)	-1.11***	-1.11***	-1.11***			
	(0.02)	(0.02)	(0.02)			
Abnormal Return (t-1)				-1.12***	-1.12***	-1.12***
				(0.02)	(0.02)	(0.02)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	115	115	115	107	107	107
R^2	0.56	0.56	0.56	0.56	0.56	0.56
# Clusters	3	3	3	3	3	3

Table A11: Sample limited to firms operating in the hydro energy sector. Dependent variable: first difference of observed returns (OR; models 1-3) and first difference of abnormal returns (AR; models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Return Without Exchange Rate Effects

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-1.92***	-1.88***	-1.89***	-3.17***	-3.13***	-3.15***
	(0.69)	(0.70)	(0.69)	(0.76)	(0.77)	(0.77)
Post-Election Period	0.40**	0.41**	0.41**	0.16	0.16	0.16
	(0.19)	(0.20)	(0.19)	(0.20)	(0.21)	(0.20)
Return (t-1)	-1.02***	-1.04***	-1.03***			
	(0.03)	(0.03)	(0.03)			
Abnormal Return (t-1)				-1.02***	-1.05***	-1.03***
				(0.04)	(0.03)	(0.04)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	1804	1804	1804	1561	1561	1561
R^2	0.52	0.53	0.52	0.52	0.54	0.53
# Clusters	48	48	48	44	44	44

Table A12: Effect of the election on observed returns and abnormal returns returns. Abnormal returns are corrected for daily exchange rate changes. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Return Without Exchange Rate Effects

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.26	0.27	0.27	-0.01	-0.01	-0.01	-5.56**	-5.54**	-5.54**
	(0.18)	(0.19)	(0.19)	(0.20)	(0.21)	(0.20)	(2.25)	(2.28)	(2.26)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	1804	1804	1804	1607	1607	1607	1607	1607	1607
R^2	0.00	0.02	0.01	0.00	0.03	0.01	0.04	0.57	0.18
# Clusters	48	48	48	44	44	44	44	44	44

Table A13: Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as $+/-40$ days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Time Window: +/−2 Days

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	-2.36***	-2.37***	-2.37***	-2.53***	-2.53***	-2.53***	-4.15***	-4.18***	-4.18***
	(0.66)	(0.74)	(0.68)	(0.73)	(0.81)	(0.76)	(1.05)	(1.17)	(1.08)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	233	233	233	208	208	208	208	208	208
R^2	0.08	0.27	0.15	0.08	0.29	0.17	0.02	0.91	0.28
# Clusters	47	47	47	42	42	42	42	42	42

Table A14: Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as +/−2 (business) days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Time Window: +/−4 Days

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.05	0.06	0.06	-0.15	-0.14	-0.14	-4.38***	-4.33***	-4.33***
	(0.41)	(0.43)	(0.41)	(0.46)	(0.49)	(0.47)	(1.48)	(1.56)	(1.51)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	513	513	513	458	458	458	458	458	458
R^2	0.00	0.09	0.04	0.00	0.09	0.04	0.02	0.81	0.26
# Clusters	47	47	47	42	42	42	42	42	42

Table A15: Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as +/−4 (business) days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Time Window: +/−40 Days

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-2.13***	-2.12***	-2.13***	-2.85***	-2.84***	-2.84***
	(0.71)	(0.71)	(0.71)	(0.77)	(0.78)	(0.77)
Post-Election Period	0.36**	0.36**	0.36**	0.03	0.03	0.03
	(0.16)	(0.16)	(0.16)	(0.21)	(0.23)	(0.22)
Return (t-1)	-1.03***	-1.04***	-1.04***			
	(0.02)	(0.02)	(0.02)			
Abnormal Return (t-1)				-1.03***	-1.06***	-1.04***
				(0.03)	(0.03)	(0.03)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	2597	2597	2597	1487	1487	1487
R^2	0.52	0.53	0.52	0.52	0.54	0.53
# Clusters	47	47	47	42	42	42

Table A16: Effect of the election on observed returns and abnormal returns returns. The event window is computed as +/−40 days around election day. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Time Window: +/−40 Days

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.25	0.25	0.25*	-0.10	-0.10	-0.10	-5.89**	-5.87**	-5.86**
	(0.15)	(0.15)	(0.15)	(0.22)	(0.22)	(0.22)	(2.31)	(2.35)	(2.33)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	2601	2601	2601	1532	1532	1532	1532	1532	1532
R^2	0.00	0.01	0.01	0.00	0.03	0.01	0.04	0.58	0.20
# Clusters	47	47	47	42	42	42	42	42	42

Table A17: Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as +/−40 days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Time Window: +/−90 Days

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-2.22***	-2.22***	-2.22***	-2.85***	-2.84***	-2.84***
	(0.68)	(0.69)	(0.68)	(0.77)	(0.78)	(0.77)
Post-Election Period	0.16**	0.16**	0.16**	0.03	0.03	0.03
	(0.07)	(0.08)	(0.07)	(0.21)	(0.23)	(0.22)
Return (t-1)	-1.03***	-1.04***	-1.04***			
	(0.01)	(0.01)	(0.01)			
Abnormal Return (t-1)				-1.03***	-1.06***	-1.04***
				(0.03)	(0.03)	(0.03)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	5655	5655	5655	1487	1487	1487
R^2	0.52	0.52	0.52	0.52	0.54	0.53
# Clusters	47	47	47	42	42	42

Table A18: Effect of the election on observed returns and abnormal returns returns. The event window is computed as +/−90 days around election day. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Time Window: +/−90 Days

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.12	0.12	0.12	-0.10	-0.10	-0.10	-5.89**	-5.87**	-5.86**
	(0.07)	(0.07)	(0.07)	(0.22)	(0.22)	(0.22)	(2.31)	(2.35)	(2.33)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	5671	5671	5671	1532	1532	1532	1532	1532	1532
R^2	0.00	0.01	0.00	0.00	0.03	0.01	0.04	0.58	0.20
# Clusters	47	47	47	42	42	42	42	42	42

Table A19: Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as +/−90 days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	0.73*	0.72*	0.76*	0.09	0.06	0.14
	(0.38)	(0.39)	(0.39)	(0.33)	(0.33)	(0.34)
Post-Election Period	0.19*	0.19*	0.19*	0.25**	0.26**	0.25**
	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
Return (t-1)	-0.96***	-0.98***	-0.96***			
	(0.05)	(0.05)	(0.05)			
Abnormal Return (t-1)				-1.00***	-1.04***	-1.01***
				(0.03)	(0.03)	(0.03)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	6942	6942	6786	5565	5565	5425
R^2	0.48	0.50	0.49	0.50	0.53	0.51
# Clusters	178	178	174	159	159	155

Table A20: Results for fossil fuel companies. Effect of the election on observed returns and abnormal returns returns. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.23**	0.23**	0.22**	0.19**	0.19**	0.20**	-0.43	-0.43	-0.22
	(0.11)	(0.11)	(0.11)	(0.09)	(0.09)	(0.09)	(1.04)	(1.06)	(1.06)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	6942	6942	6786	5883	5883	5735	5883	5883	5735
R^2	0.00	0.03	0.01	0.00	0.04	0.01	0.00	0.75	0.26
# Clusters	178	178	174	159	159	155	159	159	155

Table A21: Results for fossil fuel companies. Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	0.99***	0.71***	-0.29	-0.05	-0.00	-0.48
	(0.26)	(0.19)	(2.24)	(0.11)	(0.10)	(1.19)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	1833	1628	1628	5109	4255	4255
R^2	0.03	0.04	0.75	0.02	0.05	0.75
# Clusters	47	44	44	131	115	115

Table A22: Results for fossil fuel companies (by headquarter location). Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $*: p < 0.1$, $**: p < 0.05$, $***: p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.26	0.26	0.26	-0.08	-0.08	-0.08	-5.29**	-5.26*	-5.25*
	(0.21)	(0.22)	(0.22)	(0.24)	(0.25)	(0.24)	(2.58)	(2.62)	(2.59)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	1533	1533	1533	1347	1347	1347	1347	1347	1347
R^2	0.00	0.02	0.01	0.00	0.03	0.01	0.03	0.57	0.16
# Clusters	41	41	41	37	37	37	37	37	37

Table A23: Sample excludes firms whose headquarters are in tax havens or that are highly international. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $*: p < 0.1$, $**: p < 0.05$, $***: p < 0.01$.

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-2.01**	-1.98**	-1.98**	-2.73***	-2.70***	-2.71***
	(0.77)	(0.78)	(0.77)	(0.85)	(0.86)	(0.85)
Post-Election Period	0.41*	0.42*	0.42*	0.04	0.04	0.05
	(0.22)	(0.23)	(0.23)	(0.24)	(0.26)	(0.25)
Return (t-1)	-1.03***	-1.05***	-1.04***			
	(0.03)	(0.03)	(0.03)			
Abnormal Return (t-1)				-1.03***	-1.07***	-1.04***
				(0.04)	(0.03)	(0.03)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	1530	1530	1530	1309	1309	1309
R^2	0.52	0.53	0.53	0.52	0.54	0.53
# Clusters	41	41	41	37	37	37

Table A24: Sample excludes firms whose headquarters are in tax havens or that are highly international. Effect of the election on observed returns and abnormal returns returns. Error correction model specification. Standard errors clustered by firm. $*: p < 0.1$, $**: p < 0.05$, $***: p < 0.01$.

	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	0.60**	0.30	-0.53	-0.41*	-0.90**	-15.59**
	(0.29)	(0.30)	(2.57)	(0.23)	(0.31)	(5.04)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	1025	924	924	508	423	423
R^2	0.02	0.01	0.57	0.03	0.09	0.67
# Clusters	27	25	25	14	12	12

Table A25: Sample excludes firms whose headquarters are in tax havens or that are highly international. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $*: p < 0.1$, $**: p < 0.05$, $***: p < 0.01$.

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.03	0.03	0.03	-0.34	-0.34	-0.34	-4.81	-4.81	-4.81
	(0.24)	(0.24)	(0.24)	(0.26)	(0.26)	(0.26)	(3.65)	(3.70)	(3.67)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	608	608	608	592	592	592	592	592	592
R^2	0.00	0.04	0.03	0.01	0.06	0.05	0.04	0.54	0.34
# Clusters	16	16	16	16	16	16	16	16	16

Table A26: Sample excludes firms that are not listed on the NYSE. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns (CAR). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-0.77	-0.74	-0.75	-1.33	-1.34	-1.34
	(1.12)	(1.12)	(1.12)	(0.95)	(0.95)	(0.95)
Post-Election Period	0.08	0.08	0.08	-0.26	-0.29	-0.28
	(0.20)	(0.21)	(0.21)	(0.24)	(0.26)	(0.25)
Return (t-1)	-0.95***	-0.98***	-0.97***			
	(0.05)	(0.05)	(0.05)			
Abnormal Return (t-1)				-0.94***	-1.00***	-0.98***
				(0.05)	(0.06)	(0.06)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	608	608	608	576	576	576
R^2	0.48	0.50	0.49	0.47	0.50	0.49
# Clusters	16	16	16	16	16	16

Table A27: Sample excludes firms that are not listed on the NYSE. Effect of the election on observed returns and abnormal returns returns. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	0.39	0.08	4.42	-0.56	-1.04**	-20.19***
	(0.30)	(0.30)	(2.55)	(0.29)	(0.34)	(3.46)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	380	370	370	228	222	222
R^2	0.02	0.02	0.62	0.02	0.05	0.78
# Clusters	10	10	10	6	6	6

Table A28: Sample excludes firms that are not listed on the NYSE. Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	-0.16	-0.86	-1.68	0.01	-0.28	-5.60
	(0.69)	(0.73)	(5.36)	(0.31)	(0.44)	(6.38)
Exposure to US	0.73	-0.66	6.10	-3.49***	-2.53***	14.28*
	(0.55)	(0.60)	(4.14)	(0.34)	(0.47)	(6.73)
Post-Election Period * Exposure to US	1.01	1.46	0.77	-0.74	-1.13	-31.88*
	(1.23)	(1.31)	(9.01)	(0.80)	(1.02)	(14.65)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	911	813	813	510	423	423
R^2	0.02	0.01	0.53	0.03	0.09	0.71
# Clusters	24	22	22	14	12	12

Table A29: The post-election dummy is interacted with the share (in percent) of sales completed in the U.S. (*US Exposure*). Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Different Estimation Window

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-1.97***	-1.94***	-1.95***	-3.72***	-3.69***	-3.70***
	(0.70)	(0.71)	(0.71)	(0.77)	(0.78)	(0.77)
Post-Election Period	0.41**	0.42**	0.42**	0.11	0.11	0.12
	(0.20)	(0.20)	(0.20)	(0.22)	(0.22)	(0.22)
Return (t-1)	-1.02***	-1.04***	-1.03***			
	(0.03)	(0.03)	(0.03)			
Abnormal Return (t-1)				-1.05***	-1.07***	-1.06***
				(0.03)	(0.03)	(0.03)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	1760	1760	1760	1521	1521	1521
R^2	0.52	0.53	0.52	0.54	0.55	0.55
# Clusters	47	47	47	43	43	43

Table A30: Different estimation window. The window was limited to the period between January 1, 2016 and July 18, 2018 (the first day of the Republican convention). Effect of the election on observed returns and abnormal returns returns. Abnormal returns are corrected for daily exchange rate changes. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Different Estimation Window

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.26	0.27	0.27	-0.08	-0.08	-0.08	-4.99***	-4.96***	-4.94***
	(0.19)	(0.19)	(0.19)	(0.21)	(0.22)	(0.21)	(1.78)	(1.80)	(1.79)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	1763	1763	1763	1568	1568	1568	1568	1568	1568
R^2	0.00	0.02	0.01	0.00	0.02	0.01	0.04	0.62	0.26
# Clusters	47	47	47	43	43	43	43	43	43

Table A31: Different estimation window. The window was limited to the period between January 1, 2016 and July 18, 2018 (the first day of the Republican convention). Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as $+/-40$ days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	0.60**	0.27	-1.26	-0.28	-0.62**	-10.81***
	(0.27)	(0.30)	(2.07)	(0.19)	(0.24)	(2.78)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	1101	961	961	662	607	607
R^2	0.02	0.01	0.67	0.03	0.05	0.62
# Clusters	29	26	26	18	17	17

Table A32: Different estimation window. The window was limited to the period between January 1, 2016 and July 18, 2018 (the first day of the Republican convention). Results for fossil fuel companies (by headquarter location). Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Different Estimation Window

	Observed Returns			Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE
November 9, 2016	-1.97***	-1.94***	-1.95***	-3.80***	-3.78***	-3.78***
	(0.70)	(0.71)	(0.71)	(0.72)	(0.73)	(0.72)
Post-Election Period	0.41**	0.42**	0.42**	0.18	0.18	0.18
	(0.20)	(0.20)	(0.20)	(0.20)	(0.21)	(0.21)
Return (t-1)	-1.02***	-1.04***	-1.03***			
	(0.03)	(0.03)	(0.03)			
Abnormal Return (t-1)				-1.07***	-1.09***	-1.08***
				(0.03)	(0.03)	(0.03)
Firm FE		✓			✓	
Headquarter FE			✓			✓
Sector FE			✓			✓
Observations	1760	1760	1760	1663	1663	1663
R^2	0.52	0.53	0.52	0.55	0.56	0.56
# Clusters	47	47	47	47	47	47

Table A33: Different estimation window. The window was limited to the period between April 1, 2016 and October 10, 2018. Effect of the election on observed returns and abnormal returns returns. Abnormal returns are corrected for daily exchange rate changes. Error correction model specification. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

Different Estimation Window

	Observed Returns			Abnormal Returns			Cumulative Abnormal Returns		
	(1) OLS	(2) FE	(3) FE	(4) OLS	(5) FE	(6) FE	(7) OLS	(8) FE	(9) FE
Post-Election Period	0.26	0.27	0.27	-0.03	-0.03	-0.02	-7.52***	-7.51***	-7.48***
	(0.19)	(0.19)	(0.19)	(0.19)	(0.19)	(0.19)	(1.67)	(1.70)	(1.68)
Firm FE		✓			✓			✓	
Headquarter FE			✓			✓			✓
Sector FE			✓			✓			✓
Observations	1763	1763	1763	1715	1715	1715	1715	1715	1715
R^2	0.00	0.02	0.01	0.00	0.02	0.01	0.08	0.68	0.26
# Clusters	47	47	47	47	47	47	47	47	47

Table A34: Different estimation window. The window was limited to the period between April 1, 2016 and October 10, 2018. Dependent variable: observed returns (models 1-3) abnormal returns (models 4-6), and cumulative abnormal returns (models 7-9). The event window is computed as $+/-40$ days around election day. Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

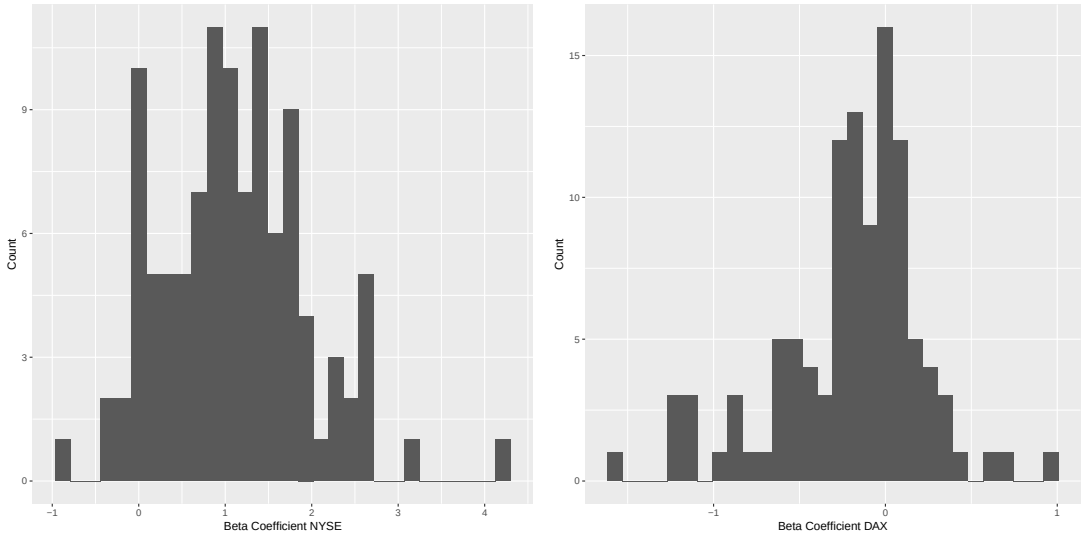
	US			Rest of the World		
	(1) OR	(2) AR	(3) CAR	(4) OR	(5) AR	(6) CAR
Post-Election Period	0.60**	0.28	-5.06**	-0.28	-0.53**	-11.58***
	(0.27)	(0.27)	(2.25)	(0.19)	(0.22)	(2.29)
Firm FE	✓	✓	✓	✓	✓	✓
Observations	1101	1072	1072	662	643	643
R^2	0.02	0.02	0.70	0.03	0.03	0.66
# Clusters	29	29	29	18	18	18

Table A35: Different estimation window. The window was limited to the period between April 1, 2016 and October 10, 2018. Results for fossil fuel companies (by headquarter location). Dependent variable: observed returns (OR), abnormal returns (AR), and cumulative abnormal returns in the U.S. (models 1-3) and abroad (models 4-6). Standard errors clustered by firm. $* : p < 0.1$, $** : p < 0.05$, $*** : p < 0.01$.

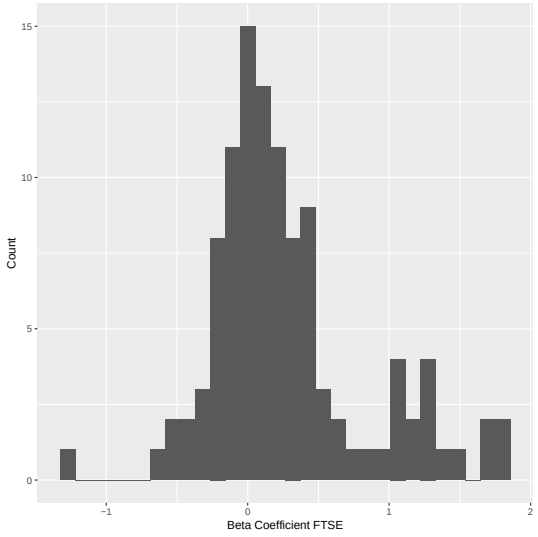
Name	Headquarters
ABO Group	Belgium
Archer-Daniels Midland	USA
Advanced Energy Industries, Inc	USA
Adecoagro SA	Luxembourg
American Superconductor Corporation	USA
Andersons Inc	USA
Ballard Power Systems Inc. (USA)	USA
Broadwind Energy Inc.	USA
Canadian Solar Inc.	Canada
Cosan Ltd	Brazil
Daqo New Energy Corp	China
EnerSys	USA
Enertronica SpA	Italy
Etrion SA	Switzerland
Enviva Partners LP	USA
FutureFuel Corp.	USA
FirstSolar Inc.	USA
General Electric	USA
TerraForm Global Inc	USA
Green Plains Inc	USA
Grenergy Renovables SL	Spain
Hanwha Q Cells Co Ltd	South Korea
JA Solar Holdings Co., Ltd.	China
JinkoSolar Holding Company	China
Gladstone Land Corp	USA
ON Semiconductor Corp	USA
Ocean Power Technologies Inc	USA
Ormat Technologies, Inc	USA
Pacific Ethanol Inc	USA
Renewable Energy Group Inc	USA
Red Trail Energy, LLC	USA
American Resources Corp	USA
Sunrun Inc	USA
Solar Alliance Energy Inc	Canada
Solaredge Technologies Inc	Israel
Siemens AG	Germany
Sky Solar Holdings Ltd	China
ReneSola Ltd.	China
SunPower Corporation	USA
Sunworks Inc	USA
Teledyne Technologies Incorporated	USA
TPI Composites Inc	USA
Tesla Inc.	USA
Valero Energy Corporation	USA
Vivint Solar Inc	USA
Vestas Wind Systems	Denmark
Wacker Chemie AG	Germany
Yingli Green Energy Holding Co Ltd	China

Table A36: Roster of all firms used in the main analysis. The second column indicates the location of the firm's headquarters.

A3 Additional Figures



(a) NYSE (b) DAX



(c) FTSE

Figure A1: Distribution of the estimated parameters of the effect of the NYSE, DAX, and FTSE on the shares of all firms included in the analysis. The effect of each market indicator is estimated separately for each firm. These are the estimates. A point estimate of one means that for an increase of a given index by one unit, the stock market return increases by one unit.

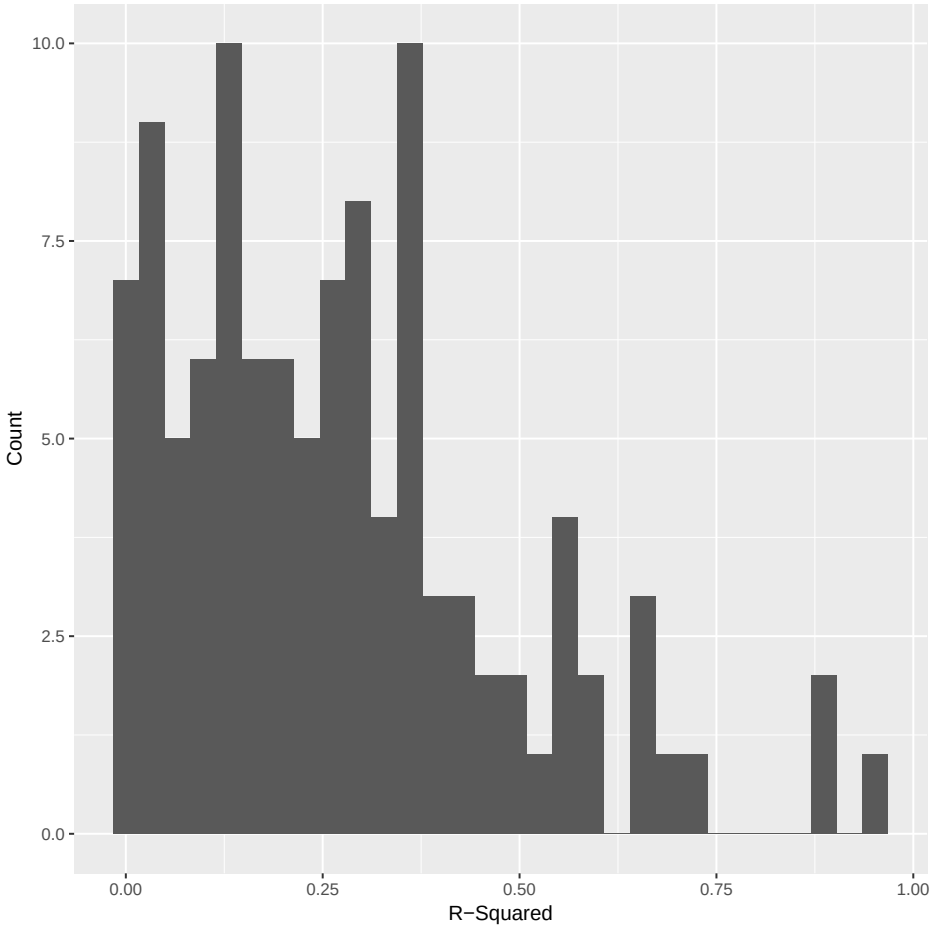
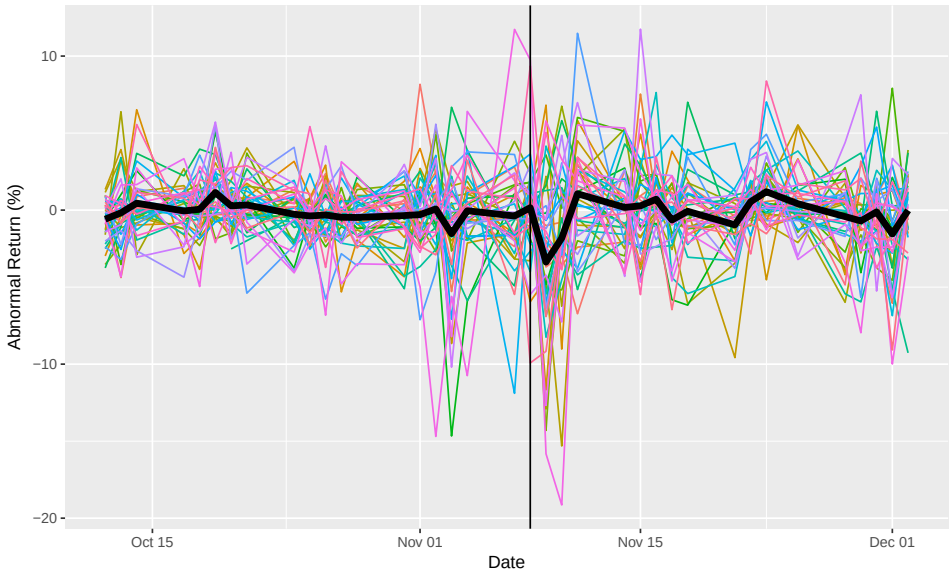
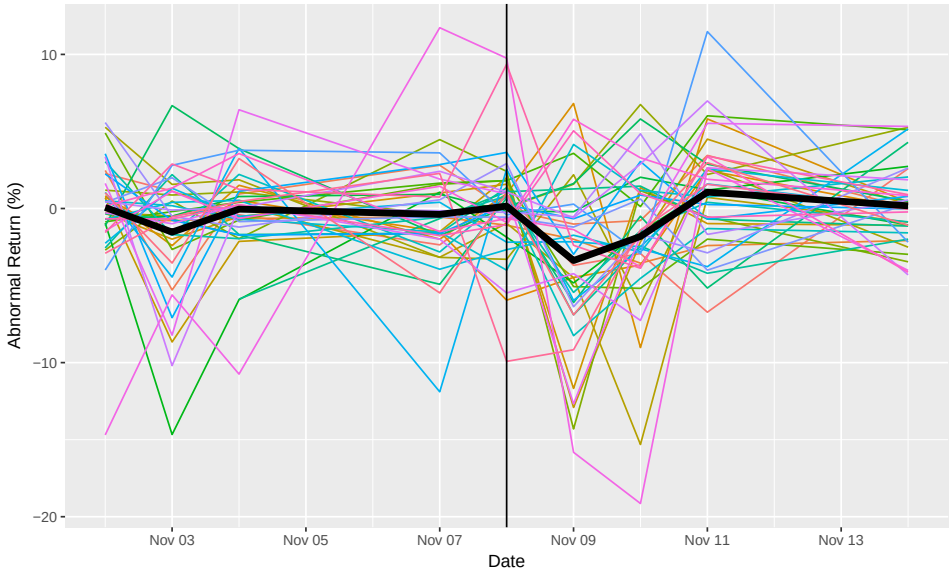


Figure A2: Distribution of the R^2 of the estimates generated during the estimation window.



(a) **Panel A**. +/− 20 days



(b) **Panel B**. +/− 7 days

Figure A3: Abnormal returns for renewable energy companies before and after the election. The abnormal returns are corrected for exchange rate changes by taking $[\Delta \text{Share}_i - \Delta \text{Exchange Rate}_i]$ for daily observation. The vertical black line indicates November 8, 2016. The horizontal black line represents the daily raw average of abnormal returns. One firm (OPTT) that experienced large positive and negative swings was removed to make the figure more readable.

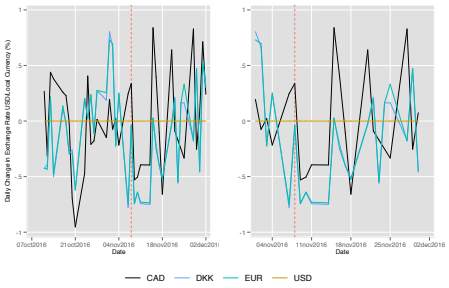


Figure A4: Daily variation in exchange rates (in percentage) for countries in which the stockmarkets used in the main analysis are located. The figure on the left plots changes between October 11 and December 4, 2016. The figure on the right limits the window to November 1 till November 30, 2016.

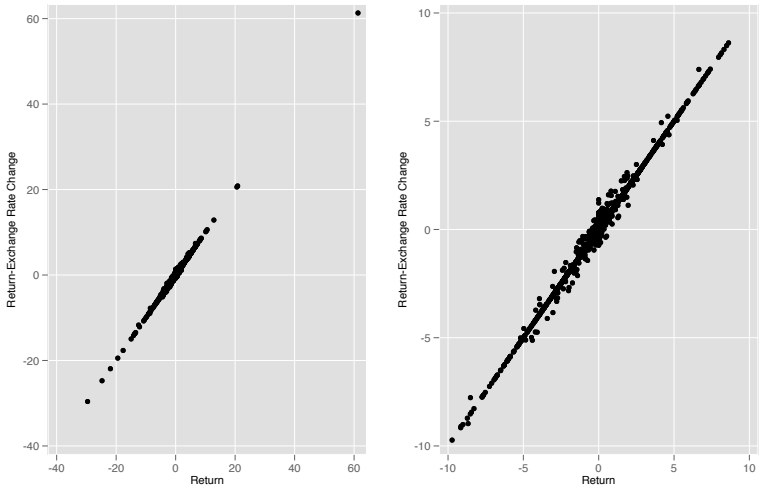
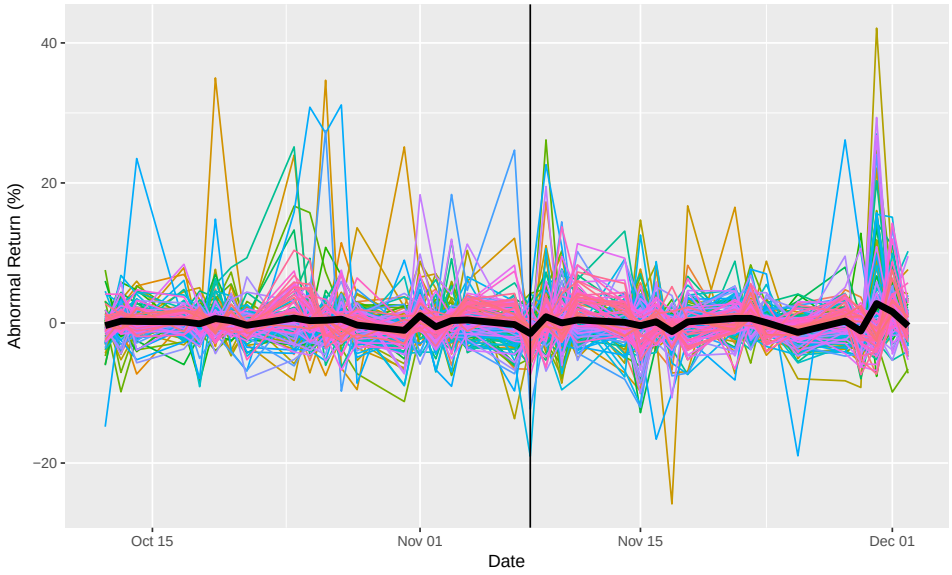
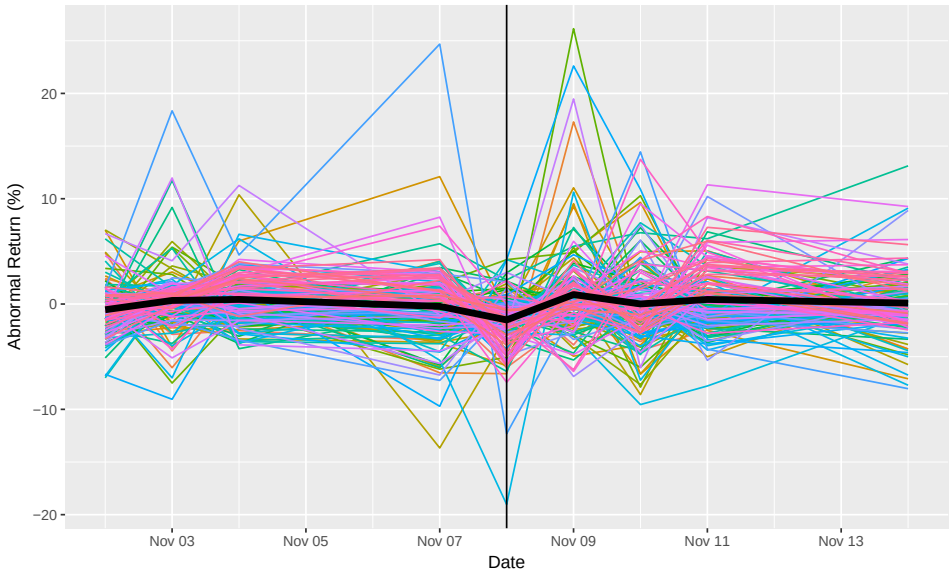


Figure A5: Comparing the daily rate of return in local currency to the rate of return minus changes in exchange rates.

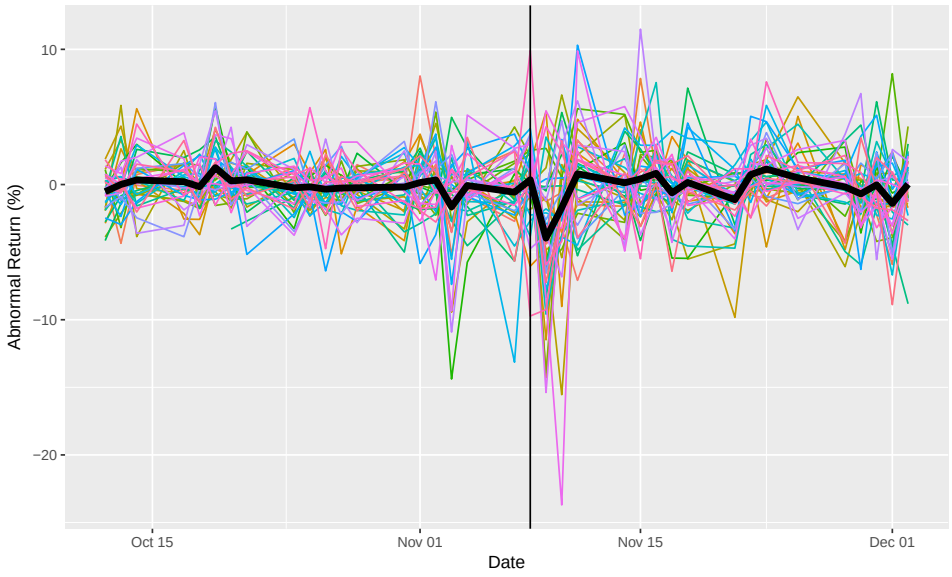


(a) **Panel A**. +/− 20 days

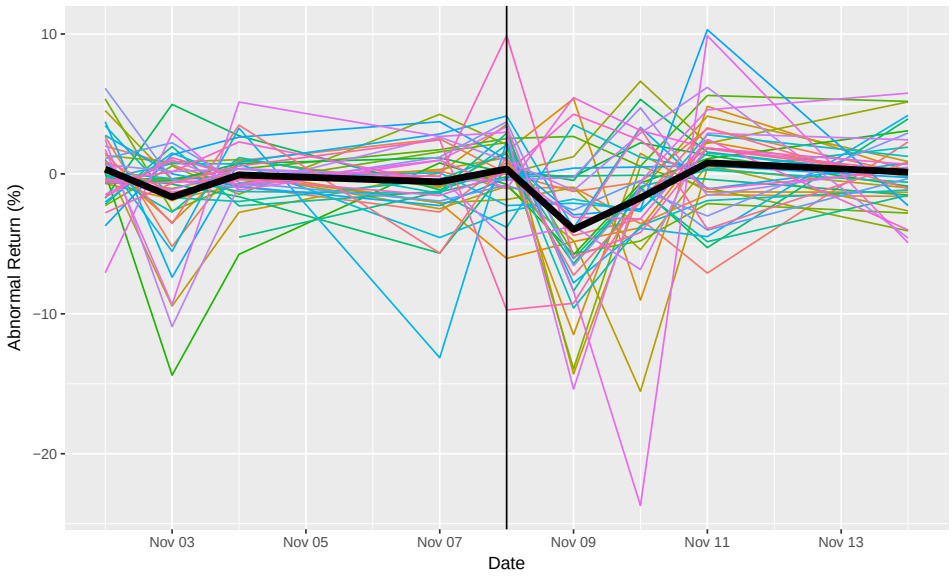


(b) **Panel B**. +/− 7 days

Figure A6: Abnormal returns for fossil fuel companies before and after the election. The vertical black line indicates November 8, 2016. The horizontal black line represents the daily raw average of abnormal returns.

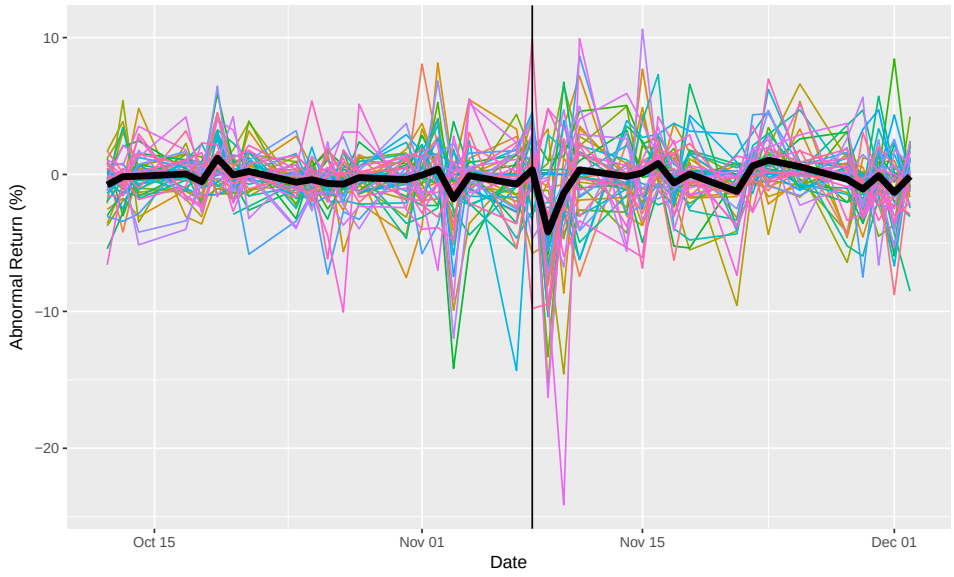


(a) **Panel A**. +/− 20 days

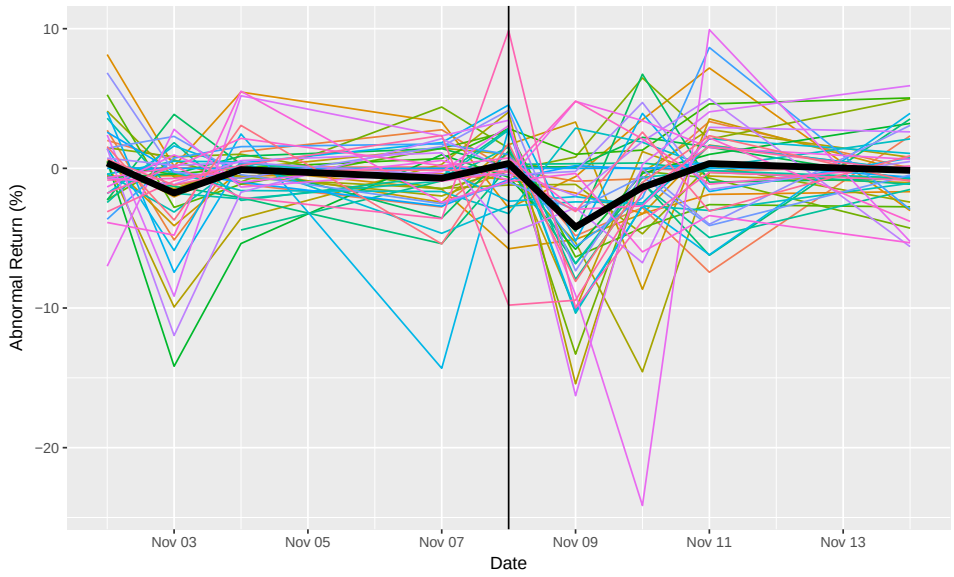


(b) **Panel B**. +/− 7 days

Figure A7: Different estimation window. The window was limited to the period between January 1, 2016 and July 18, 2018 (the first day of the Republican convention). Abnormal returns for renewable energy companies before and after the election. The vertical black line indicates November 8, 2016. The horizontal black line represents the daily raw average of abnormal returns. One firm (OPTT) that experienced large positive and negative swings was removed to make the figure more readable.



(a) **Panel A**. +/− 20 days



(b) **Panel B**. +/− 7 days

Figure A8: Different estimation window. The window was limited to the period between April 1, 2016 and October 10, 2018. Abnormal returns for renewable energy companies before and after the election. The vertical black line indicates November 8, 2016. The horizontal black line represents the daily raw average of abnormal returns. One firm (OPTT) that experienced large positive and negative swings was removed to make the figure more readable.