

Appendix A – Descriptive statistics of control variables

Variable	Metric	Developed	Emerging	Common Law	Civil Law	Total
GDP _g _t	Observations	92,865	55,340	97,385	50,820	148,205
	Average	2.481	1.022	0.840	4,037	1,936
	Standard deviation	4.244	2.868	2.986	4,419	3,855
	Minimum	-10.820	-9.690	-10.820	-9,900	-10,820
	Maximum	8.260	10.960	10.960	8,260	10,960
	Mann-Whitney			***		***
Risk _t	Observations	92,865	55,340	97,385	50,820	148,205
	Average	6.754	2.050	3.267	8,314	4,997
	Standard deviation	3.349	1.903	2.728	2,920	3,682
	Minimum	1.000	1.000	1.000	5,000	1,000
	Maximum	17.000	13.000	12.000	17,000	17,000
	Mann-Whitney			***		***
IFRSe _t	Observations	92,865	55,340	97,385	50,820	148,205
	Average	4.210	5.366	6.577	0,933	4,641
	Standard deviation	5.845	5.706	6.058	2,743	5,820
	Minimum	0.000	0.000	0.000	0,000	0,000
	Maximum	15.000	15.000	15.000	15,000	15,000
	Mann-Whitney			***		***
RL _t	Observations	92,865	55,340	97,385	50,820	148,205
	Average	63.619	91.004	86.705	49,201	73,845
	Standard deviation	21.059	6.279	14.613	5,620	21,635
	Minimum	21.635	49.519	21.635	26,923	21,635
	Maximum	100.000	96.635	100.000	62,019	100,000
	Mann-Whitney			***		***
RQ _t	Observations	92,865	55,340	97,385	50,820	148,205
	Average	63.402	92.519	88.523	46,971	74,275
	Standard deviation	21.164	5.717	11.996	4,719	22,164
	Minimum	31.731	59.615	32.692	31,731	31,731
	Maximum	99.038	98.558	99.038	64,423	99,038
	Mann-Whitney			***		***

Notes. *** is significant at 1%, 5% and 10%, respectively.

Appendix B – Regression with control variables

Control (GDPg)											
X_t/P_{t-1}	Basu (1997)					ΔNI_t	Ball and Shivakumar (2006)				
	(15) <i>General</i>	(16) <i>DEV</i>	(17) <i>EMER</i>	(18) <i>COML</i>	(19) <i>CIVL</i>		(20) <i>General</i>	(21) <i>DEV</i>	(22) <i>EMER</i>	(23) <i>COML</i>	(24) <i>CIVL</i>
<i>Constant</i>	4.326 ^{***} (0.336)	4.365 ^{***} (0.246)	4.241 ^{***} (0.347)	4.076 ^{***} (0.326)	5.477 ^{***} (0.525)	<i>Constant</i>	0.133 ^{***} (0.021)	0.126 ^{***} (0.021)	0.149 ^{***} (0.024)	0.184 ^{***} (0.021)	0.127 ^{***} (0.036)
DR_t	0.548 ^{**} (0.039)	1.321 ^{***} (0.063)	0.161 ^{***} (0.052)	1.808 ^{***} (0.085)	0.075 ^{**} (0.038)	$\Delta \Delta NI_t$	-0.267 ^{***} (0.005)	-0.079 ^{**} (0.009)	-0.001 ^{**} (0.028)	-0.069 ^{**} (0.009)	-0.078 ^{**} (0.020)
ΔR_{t-1}	-1.335 ^{***} (0.035)	-1.335 ^{***} (0.042)	-0.897 ^{***} (0.083)	-2.003 ^{***} (0.076)	-0.821 ^{***} (0.033)	ΔNI_{t-1}	-0.065 ^{**} (0.007)	-0.257 ^{***} (0.006)	-0.259 ^{***} (0.010)	-0.290 ^{***} (0.007)	-0.239 ^{***} (0.008)
$DR_t \Delta R_{t-1}$	6.216 ^{***} (0.118)	7.621 ^{***} (0.146)	3.558 ^{***} (0.210)	10.676 ^{***} (0.227)	3.275 ^{***} (0.118)	$\Delta \Delta NI_t \Delta NI_{t-1}$	1.267 ^{***} (0.022)	1.303 ^{***} (0.027)	1.047 ^{***} (0.050)	1.260 ^{***} (0.031)	1.129 ^{***} (0.040)
GDPg		0.032 ^{**} (0.005)	0.102 ^{**} (0.006)	0.019 ^{**} (0.010)	0.080 ^{**} (0.004)	GDPg		0.020 ^{**} (0.001)	0.006 ^{**} (0.003)	0.010 ^{**} (0.002)	0.024 ^{**} (0.002)
$DR_t \Delta GDPg$		-0.060 ^{**} (0.008)	-0.106 ^{**} (0.007)	-0.046 ^{**} (0.014)	-0.090 ^{**} (0.005)	$\Delta \Delta NI_t \Delta GDPg$		-0.077 ^{***} (0.005)	-0.011 ^{**} (0.010)	-0.038 ^{**} (0.005)	-0.102 ^{**} (0.007)
$\Delta R_{t-1} \Delta GDPg$		0.000 ^{**} (0.000)	-0.000 ^{**} (0.000)	0.000 ^{**} (0.000)	-0.000 ^{**} (0.000)	$\Delta NI_{t-1} \Delta GDPg$		-0.027 ^{***} (0.002)	-0.005 ^{**} (0.004)	-0.012 ^{**} (0.002)	-0.032 ^{**} (0.002)
$DR_t \Delta R_{t-1} \Delta GDPg$		0.000 ^{**} (0.000)	0.000 ^{**} (0.000)	0.000 ^{**} (0.000)	0.000 ^{**} (0.000)	$\Delta \Delta NI_t \Delta NI_{t-1} \Delta GDPg$		0.019 ^{**} (0.009)	-0.050 ^{**} (0.015)	0.001 ^{**} (0.009)	0.016 ^{**} (0.011)
Observations	121,145	80,130	41,015	44,900	76,245	Observations	11,131	8,225	2,906	5,004	6,127
Firm	26,164	17,390	8,774	9,912	16,252	Firm	6,657	4,390	2,267	2,627	4,030
R ²	0.008	0.015	0.025	0.022	0.019	R ²	0.546	0.556	0.472	0.621	0.517

Notes. DEV = Developed; EMER = Emerging; COML = *Common law*; CIVL = *civil law*. Fixed effect by country and year. ^{***}, ^{**}, ^{*} is significant at the 1%, 5% and 10% level, respectively. Robust standard errors in parentheses.

Control (IFRSe)											
X_t/P_{t-1}	Basu (1997)					ΔNI_t	Ball and Shivakumar (2006)				
	(25) <i>General</i>	(26) <i>DEV</i>	(27) <i>EMER</i>	(28) <i>COML</i>	(29) <i>CIVL</i>		(30) <i>General</i>	(31) <i>DEV</i>	(32) <i>EMER</i>	(33) <i>COML</i>	(34) <i>CIVL</i>
<i>Constant</i>	4.326*** (0.336)	3.566*** (0.265)	4.193*** (0.502)	1.038 (0.481)	2.944*** (0.288)	<i>Constant</i>	0.133*** (0.021)	0.155*** (0.006)	0.142*** (0.074)	0.475*** (0.059)	0.064*** (0.017)
DR_t	0.548*** (0.039)	1.692*** (0.078)	-0.358*** (0.037)	2.502*** (0.119)	-0.302*** (0.031)	$\Delta \Delta NI_t$	-0.267*** (0.005)	-0.051*** (0.006)	-0.031*** (0.029)	-0.039*** (0.006)	-0.049*** (0.016)
ΔR_{t-1}	-1.335*** (0.035)	-1.263*** (0.043)	-0.840*** (0.084)	-1.723*** (0.079)	-0.865*** (0.034)	ΔNI_{t-1}	-0.065*** (0.007)	-0.251*** (0.006)	-0.243*** (0.011)	-0.294*** (0.008)	-0.191*** (0.007)
$DR_t \Delta R_{t-1}$	6.216*** (0.118)	7.645*** (0.145)	3.316*** (0.208)	10.673*** (0.226)	3.103*** (0.117)	$\Delta \Delta NI_t \Delta NI_{t-1}$	1.267*** (0.022)	1.318*** (0.029)	1.116*** (0.053)	1.211*** (0.037)	1.313*** (0.035)
IFRSe		0.124*** (0.016)	0.009 (0.027)	0.257*** (0.027)	-0.043*** (0.012)	IFRSe		-0.023*** (0.003)	-0.004 (0.005)	-0.022*** (0.004)	-0.014*** (0.003)
$DR_t \text{ IFRSe}$		-0.049*** (0.005)	0.027*** (0.011)	-0.092*** (0.009)	0.015*** (0.004)	$\Delta \Delta NI_t \text{ IFRSe}$		0.142*** (0.002)	0.159*** (0.004)	0.145*** (0.003)	0.144*** (0.003)
$\Delta R_{t-1} \text{ IFRSe}$		-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)	-0.000*** (0.000)	$\Delta NI_{t-1} \text{ IFRSe}$		0.015*** (0.001)	0.022*** (0.002)	0.019*** (0.001)	0.011*** (0.001)
$DR_t \Delta R_{t-1} \text{ IFRSe}$		0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	$\Delta \Delta NI_t \Delta NI_{t-1} \text{ IFRSe}$		-0.120*** (0.005)	-0.120*** (0.009)	-0.107*** (0.006)	-0.128*** (0.006)
Observations	121,145	80,130	41,015	44,900	76,245	Observations	11,131	8,225	2,906	5,004	6,127
Firm	26,164	17,390	8,774	9,912	16,252	Firm	6,657	4,390	2,267	2,627	4,030
R ²	0.008	0.017	0.011	0.027	0.010	R ²	0.546	0.662	0.668	0.711	0.582

Notes. DEV = Developed; EMER = Emerging; COML = *Common* law; CIVL = civil law. Fixed effect by country and year. *, **, *** is significant at the 1%, 5% and 10% level, respectively. Robust standard errors in parentheses.

Control (RL)											
X_t/P_{t-1}	Basu (1997)					ΔNI_t	Ball and Shivakumar (2006)				
	(35) <i>General</i>	(36) <i>DEV</i>	(37) <i>EMER</i>	(38) <i>COML</i>	(39) <i>CIVL</i>		(40) <i>General</i>	(41) <i>DEV</i>	(42) <i>EMER</i>	(43) <i>COML</i>	(44) <i>CIVL</i>
<i>Constant</i>	4.326*** (0.336)	0.426 (0.430)	7.489*** (0.422)	7.622*** (0.980)	6.143*** (0.537)	<i>Constant</i>	0.133*** (0.021)	0.077*** (0.017)	0.117*** (0.036)	0.038*** (0.014)	0.075*** (0.012)
DR_t	0.548*** (0.039)	0.845*** (0.111)	-1.928*** (0.260)	0.896 (0.497)	-0.542*** (0.062)	$D\Delta NI_t$	-0.267*** (0.005)	-0.002 (0.001)	0.001 (0.011)	-0.002 (0.001)	-0.006 (0.004)
ΔR_{t-1}	-1.335*** (0.035)	-1.341*** (0.042)	-0.846*** (0.084)	-1.977*** (0.075)	-0.845*** (0.035)	ΔNI_{t-1}	-0.065*** (0.007)	-0.246*** (0.022)	-0.204*** (0.023)	-0.209*** (0.018)	-0.216*** (0.009)
$DR_t \Delta R_{t-1}$	6.216*** (0.118)	7.595*** (0.145)	3.282*** (0.208)	10.582*** (0.226)	3.083*** (0.117)	$D\Delta NI_t \Delta NI_{t-1}$	1.267*** (0.022)	0.397*** (0.099)	0.635*** (0.074)	0.525*** (0.049)	0.512*** (0.051)
RL		0.016 (0.005)	-0.058 (0.005)	-0.063 (0.017)	-0.012 (0.003)	RL		-0.001 (0.000)	-0.002 (0.001)	-0.000 (0.000)	-0.001 (0.000)
$DR_t \bar{RL}$		0.005 (0.001)	0.032 (0.005)	0.010 (0.006)	0.005 (0.001)	$D\Delta NI_t \bar{RL}$		0.012 (0.000)	0.014 (0.000)	0.012 (0.000)	0.013 (0.000)
$\Delta R_{t-1} \bar{RL}$		0.000 (0.000)	-0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	$\Delta NI_{t-1} \bar{RL}$		0.003 (0.000)	0.003 (0.000)	0.002 (0.000)	0.003 (0.000)
$DR_t \Delta R_{t-1} \bar{RL}$		0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	0.000 (0.000)	$D\Delta NI_t \Delta NI_{t-1} \bar{RL}$		-0.005 (0.001)	-0.009 (0.001)	-0.006 (0.001)	-0.006 (0.001)
Observations	121,145	80,130	41,015	44,900	76,245	Observations	11,131	8,225	2,906	5,004	6,127
Firm	26,164	17,390	8,774	9,912	16,252	Firm	6,657	4,390	2,267	2,627	4,030
R ²	0.008	0.014	0.016	0.022	0.010	R ²	0.546	0.992	0.918	0.997	0.960

Notes. DEV = Developed; EMER = Emerging; COML = *Common law*; CIVL = *civil law*. Fixed effect by country and year. *, **, *** is significant at the 1%, 5% and 10% level, respectively. Robust standard errors in parentheses.

Control (RQ)											
X_t/P_{t-1}	Basu (1997)					ΔNI_t	Ball and Shivakumar (2006)				
	(55) <i>General</i>	(56) <i>DEV</i>	(57) <i>EMER</i>	(58) <i>COML</i>	(59) <i>CIVL</i>		(60) <i>General</i>	(61) <i>DEV</i>	(62) <i>EMER</i>	(63) <i>COML</i>	(64) <i>CIVL</i>
<i>Constant</i>	4.326*** (0.336)	0.000 (0.000)	7.933*** (0.476)	2.025*** (0.832)	6.057*** (0.538)	<i>Constant</i>	0.133*** (0.021)	0.000 (0.000)	0.115*** (0.030)	0.035*** (0.010)	-0.013 (0.025)
DR_t	0.548*** (0.039)	0.852*** (0.141)	-2.428*** (0.296)	2.168*** (0.621)	-0.580*** (0.067)	$D\Delta NI_t$	-0.267*** (0.005)	-0.003*** (0.001)	0.012*** (0.007)	-0.003*** (0.001)	-0.007*** (0.004)
ΔR_{t-1}	-1.335*** (0.035)	-1.344*** (0.042)	-0.885*** (0.084)	-1.993*** (0.075)	-0.835*** (0.035)	ΔNI_{t-1}	-0.065*** (0.007)	-0.231*** (0.019)	-0.212*** (0.025)	-0.190*** (0.011)	-0.207*** (0.009)
$DR_t \Delta R_{t-1}$	6.216*** (0.118)	7.587*** (0.145)	3.292*** (0.208)	10.666*** (0.228)	3.099*** (0.117)	$D\Delta NI_t \Delta NI_{t-1}$	1.267*** (0.022)	0.367*** (0.075)	0.706*** (0.072)	0.459*** (0.040)	0.566*** (0.046)
RQ		0.035*** (0.005)	-0.062*** (0.006)	0.033*** (0.012)	-0.010*** (0.004)	RQ		-0.001*** (0.000)	-0.002*** (0.000)	-0.000*** (0.000)	-0.001*** (0.000)
$DR_t \bar{R}Q$		0.005*** (0.002)	0.044*** (0.006)	-0.004*** (0.007)	0.006*** (0.001)	$D\Delta NI_t \bar{R}Q$		0.012*** (0.000)	0.013*** (0.000)	0.012*** (0.000)	0.012*** (0.000)
$\Delta R_{t-1} \bar{R}Q$		0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	-0.000*** (0.000)	$\Delta NI_{t-1} \bar{R}Q$		0.003*** (0.000)	0.003*** (0.000)	0.002*** (0.000)	0.002*** (0.000)
$DR_t \Delta R_{t-1} \bar{R}Q$		0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	$D\Delta NI_t \Delta NI_{t-1} \bar{R}Q$		-0.004*** (0.001)	-0.011*** (0.001)	-0.005*** (0.000)	-0.007*** (0.001)
Observations	121,145	80,130	41,015	44,900	76,245	Observations	11,131	8,225	2,906	5,004	6,127
Firm	26,164	17,390	8,774	9,912	16,252	Firm	6,657	4,390	2,267	2,627	4,030
R ²	0.008	0.014	0.016	0.022	0.010	R ²	0.546	0.992	0.918	0.997	0.960

Notes. DEV = Developed; EMER = Emerging; COML = *Common law*; CIVL = *civil law*. Fixed effect by country and year. *, **, *** is significant at the 1%, 5% and 10% level, respectively. Robust standard errors in parentheses.

X_t/P_{t-1}	Control (Sector)										
	Basu (1997)					ΔN_t	Ball and Shivakumar (2006)				
	(65)	(66)	(67)	(68)	(69)		(70)	(71)	(72)	(73)	(74)
General	DEV	EMER	COML	CIVL	General	DEV	EMER	COML	CIVL		
Constant	4.326*** (0.336)	4.837*** (0.395)	4.351*** (0.484)	3.391*** (0.464)	6.573*** (0.583)	Constant	0.133 (0.021)	0.184*** (0.019)	0.139*** (0.028)	0.219*** (0.043)	0.170*** (0.030)
DR _t	0.548*** (0.039)	1.255*** (0.063)	-0.340*** (0.036)	1.730*** (0.084)	-0.259*** (0.032)	ΔN_t	-0.267*** (0.005)	-0.080*** (0.007)	0.026*** (0.029)	-0.063*** (0.008)	-0.057*** (0.017)
ΔR_{t-1}	-1.335*** (0.035)	-1.310*** (0.042)	-0.861*** (0.084)	-1.919*** (0.076)	-0.863*** (0.033)	ΔN_{t-1}	-0.065*** (0.007)	-0.270*** (0.006)	-0.249*** (0.010)	-0.311*** (0.007)	-0.215*** (0.007)
DR _t ΔR_{t-1}	6.216*** (0.118)	7.491*** (0.145)	3.270*** (0.206)	10.380*** (0.228)	2.989*** (0.115)	$\Delta N_t \Delta N_{t-1}$	1.267*** (0.022)	1.300*** (0.025)	1.039*** (0.049)	1.206*** (0.031)	1.281*** (0.032)
Academic & Educational Services		-1.250*** (0.621)	1.734*** (0.979)	0.419*** (0.683)	0.075*** (0.836)	Academic & Educational Services		0.007 (0.050)	0.006 (0.036)	0.052 (0.064)	-0.003 (0.034)
Basic Materials		0.650*** (0.305)	-0.201*** (0.355)	2.881*** (0.360)	-1.431*** (0.308)	Basic Materials		-0.075*** (0.019)	-0.047*** (0.019)	-0.104*** (0.040)	-0.049*** (0.014)
Consumer Cyclical		-1.186*** (0.291)	0.203*** (0.357)	-0.029*** (0.344)	-1.035*** (0.304)	Consumer Cyclical		-0.092*** (0.018)	-0.103*** (0.019)	-0.064*** (0.039)	-0.103*** (0.014)
Consumer Non-Cyclical		-1.479*** (0.307)	0.191*** (0.367)	-0.500*** (0.457)	-1.198*** (0.309)	Consumer Non-Cyclical		-0.023*** (0.019)	0.006*** (0.019)	0.000*** (0.041)	-0.014*** (0.014)
Energy		-0.372*** (0.315)	-0.311*** (0.421)	1.386*** (0.361)	-1.490*** (0.349)	Energy		-0.107*** (0.022)	-0.049*** (0.022)	-0.087*** (0.043)	-0.080*** (0.017)
Government Activity		-	0.374*** (0.352)	-	-0.751*** (0.308)	Government Activity		-	-	-	-
Healthcare		-0.226*** (0.295)	-0.126*** (0.375)	1.247*** (0.340)	-0.691*** (0.315)	Healthcare		-0.044*** (0.018)	-0.015*** (0.020)	-0.027*** (0.039)	-0.024*** (0.014)
Industrials		-1.094*** (0.293)	-0.287*** (0.354)	0.360*** (0.344)	-1.413*** (0.305)	Industrials		-0.059*** (0.018)	-0.038*** (0.019)	-0.038*** (0.039)	-0.050*** (0.013)
Institutions, Associations & Organizations		-2.561*** (0.285)	-	-1.060*** (0.325)	-	Institutions, Associations & Organizations		-	-	-	-
Real Estate		-2.158*** (0.300)	0.171*** (0.413)	-0.979*** (0.358)	-1.526*** (0.322)	Real Estate		-0.077*** (0.025)	-0.088*** (0.031)	-0.038*** (0.043)	-0.111*** (0.024)
Technology		0.166*** (0.318)	1.092*** (0.446)	1.831*** (0.432)	-0.025*** (0.330)	Technology		-0.036*** (0.019)	0.029*** (0.022)	-0.015*** (0.040)	-0.015*** (0.016)
Observations	121,145	80,130	41,015	44,900	76,245	Observations	11,131	8,225	2,906	5,004	6,127
Firm	26,164	17,390	8,774	9,912	16,252	Firm	6,657	4,390	2,267	2,627	4,030
R ²	0.008	0.014	0.011	0.022	0.009	R ²	0.546	0.564	0.412	0.634	0.396

Notes. DEV = Developed; EMER = Emerging; COML = Common law; CIVL = civil law. Fixed effect by country and year. ***, **, * is significant at the 1%, 5% and 10% level, respectively. Robust standard errors in parentheses.

Control (All Control Variables)											
X_t/P_{t-1}	Basu (1997)					ΔN_t	Ball and Shivakumar (2006)				
	(75) General	(76) DEV	(77) EMER	(78) COML	(79) CIVL		(80) General	(81) DEV	(82) EMER	(83) COML	(84) CIVL
Constant	4.326*** (0.336)	0.000 (0.000)	0.000 (0.000)	-1.106 (2.522)	0.000 (0.000)	Constant	0.133*** (0.021)	0.782*** (0.193)	0.000 (0.000)	-0.096 (1.075)	0.069 (0.175)
DR _t	0.548*** (0.039)	1.262*** (0.063)	-0.334*** (0.036)	1.716*** (0.084)	-0.252*** (0.032)	$\Delta \Delta N_t$	-0.267*** (0.005)	-0.075*** (0.008)	-0.019 (0.030)	-0.058*** (0.008)	-0.083*** (0.019)
ΔR_{t-1}	-1.335*** (0.035)	-1.326*** (0.042)	-0.908*** (0.083)	-1.903*** (0.075)	-0.886*** (0.033)	ΔN_{t-1}	-0.065*** (0.007)	-0.283*** (0.006)	-0.253*** (0.010)	-0.318*** (0.007)	-0.229*** (0.007)
DR _t * ΔR_{t-1}	6.216*** (0.118)	7.492*** (0.144)	3.226*** (0.207)	10.243*** (0.225)	2.998*** (0.115)	$\Delta \Delta N_t \Delta N_{t-1}$	1.267*** (0.022)	1.258*** (0.026)	1.046*** (0.051)	1.184*** (0.032)	1.237*** (0.034)
GDP _g		0.028*** (0.005)	0.034*** (0.004)	0.037*** (0.010)	0.028*** (0.003)	GDP _g		0.011*** (0.001)	0.007*** (0.001)	0.008*** (0.004)	0.012*** (0.001)
Risk		-0.209*** (0.040)	0.439*** (0.054)	0.047*** (0.122)	-0.261*** (0.028)	Risk		-0.018*** (0.006)	0.027*** (0.015)	0.031*** (0.033)	0.002*** (0.005)
IFRSe		0.126*** (0.018)	0.033*** (0.028)	0.252*** (0.032)	-0.004*** (0.013)	IFRSe		0.002*** (0.006)	-0.028*** (0.011)	0.001*** (0.009)	0.000*** (0.007)
RL		-0.032*** (0.008)	-0.032*** (0.005)	-0.008*** (0.023)	-0.028*** (0.005)	RL		-0.001*** (0.002)	0.002*** (0.003)	0.006*** (0.013)	0.003*** (0.002)
RQ		0.015*** (0.007)	-0.002*** (0.005)	0.016*** (0.015)	-0.004*** (0.004)	RQ		-0.005*** (0.001)	0.002*** (0.002)	-0.007*** (0.002)	-0.002*** (0.001)
Academic & Educational Services		-1.304*** (0.623)	1.734*** (0.979)	0.421*** (0.681)	0.018*** (0.842)	Academic & Educational Services		0.026*** (0.055)	-0.007*** (0.036)	0.074*** (0.068)	-0.013*** (0.034)
Basic Materials		0.630*** (0.305)	-0.204*** (0.355)	2.897*** (0.360)	-1.456*** (0.307)	Basic Materials		-0.070*** (0.019)	-0.048*** (0.019)	-0.100*** (0.039)	-0.046*** (0.014)
Consumer Cyclical		-1.201*** (0.290)	0.201*** (0.357)	-0.022*** (0.344)	-1.061*** (0.303)	Consumer Cyclical		-0.087*** (0.018)	-0.105*** (0.019)	-0.053*** (0.038)	-0.103*** (0.014)
Consumer Non-Cyclical		-1.482*** (0.306)	0.190*** (0.367)	-0.500*** (0.458)	-1.219*** (0.309)	Consumer Non-Cyclical		-0.016*** (0.019)	0.005*** (0.019)	0.012*** (0.040)	-0.012*** (0.014)
Energy		-0.394*** (0.315)	-0.320*** (0.421)	1.402*** (0.361)	-1.512*** (0.348)	Energy		-0.102*** (0.022)	-0.052*** (0.022)	-0.076*** (0.042)	-0.080*** (0.017)
Government Activity		0.000*** (0.000)	0.374*** (0.352)	0.000*** (0.000)	-0.792*** (0.307)	Government Activity		0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)
Healthcare		-0.298*** (0.295)	-0.114*** (0.376)	1.252*** (0.341)	-0.788*** (0.314)	Healthcare		-0.048*** (0.018)	-0.018*** (0.020)	-0.023*** (0.038)	-0.029*** (0.015)
Industrials		-1.118*** (0.292)	-0.288*** (0.354)	0.369*** (0.345)	-1.443*** (0.304)	Industrials		-0.050*** (0.018)	-0.042*** (0.019)	-0.026*** (0.038)	-0.049*** (0.014)
Institutions, Associations & Organizations		-2.604*** (0.284)	0.000*** (0.000)	-1.060*** (0.325)	0.000*** (0.000)	Institutions, Associations & Organizations		0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)
Real Estate		-2.181*** (0.299)	0.171*** (0.413)	-0.982*** (0.359)	-1.550*** (0.321)	Real Estate		-0.065*** (0.025)	-0.085*** (0.030)	-0.023*** (0.042)	-0.102*** (0.024)
Technology		0.063*** (0.318)	1.093*** (0.446)	1.830*** (0.432)	-0.129*** (0.329)	Technology		-0.026*** (0.020)	0.025*** (0.023)	-0.001*** (0.039)	-0.021*** (0.016)
Observations	121,145	80,130	41,015	44,900	76,245	Observations	11,131	8,225	2,906	5,004	6,127
Firm	26,164	17,390	8,774	9,912	16,252	Firm	6,657	4,390	2,267	2,627	4,030
R ²	0.008	0.016	0.018	0.025	0.013	R ²	0.546	0.585	0.459	0.643	0.451

Notes. DEV = Developed; EMER = Emerging; COML = Common law; CIVL = civil law. Fixed effect by country and year. *, **, *** is significant at the 1%, 5% and 10% level, respectively. Robust standard errors in parentheses.