

Updated 11/30/2008

WITH YEAR + FIRM FIXED EFFECTS AND MACRO CTRLS – new Bankdep

Table 3 - Change in Capital Structure After the 2001 Banking Reform

Dependent Variable	Bank Debt		Equity		Trade Credit		Capital Cost	
After*Bankdep	-0.314	-0.344	0.129	0.146	0.185	0.198	-0.226	-0.161
	(10.81)	(8.54)	(4.17)	(3.38)	(10.67)	(8.24)	(7.27)	(3.70)
After*Bankdep*ROA₁		-0.198		0.225		-0.027		-0.390
		(0.63)		(0.67)		(0.15)		(1.20)
After*ROA₁		-0.187		0.111		0.076		0.344
		(1.38)		(0.76)		(0.94)		(2.46)
Macro Ctrl - inflation		0.002		-0.001		0.001		0.001
		(9.14)		(4.83)		(5.58)		(6.01)
Macro Ctrl – int. rate		-0.006		0.001		0.003		0.007
		(7.8)		(2.24)		(9.30)		(14.20)
Firm F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Adjusted R ²	0.445	0.447	0.433	0.433	0.541	0.542	0.380	0.381
Number of Observations	94296	94296	94296	94296	94296	94296	94296	94296

* Absolute values of the t-statistics are reported in parentheses. Highlighted coefficients are statistically significant.

WITH ONLY FIRM FIXED EFFECTS AND MACRO CTRLS –new Bankdep

Table 3 - Change in Capital Structure After the 2001 Banking Reform

Dependent Variable	Bank Debt		Equity		Trade Credit		Capital Cost	
After*Bankdep	-0.069	0.031	0.151	0.026	-0.082	-0.057	0.336	0.101
	(13.29)	(2.73)	(27.18)	(2.14)	(26.40)	(8.40)	(68.98)	(9.44)
After*Bankdep*ROA₁		-2.181		0.831		1.350		-1.727
		(9.16)		(3.26)		(9.48)		(7.05)
After*ROA₁		0.714		-0.173		-0.541		0.914
		(7.11)		(1.61)		(9.01)		(8.85)
Macro Ctrl - inflation		0.0002		-0.0000		-0.0002		0.0001
		(2.28)		(0.29)		(3.29)		(0.82)
Macro Ctrl – int. rate		-0.0004		-0.001		0.001		-0.003
		(0.24)		(6.00)		(11.15)		(21.02)
Firm F.E.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Year F.E.	No	No	No	No	No	No	No	No
Adjusted R ²	0.443	0.444	0.429	0.431	0.536	0.538	0.344	0.364
Number of Observations	94296	94296	94296	94296	94296	94296	94296	94296

* Absolute values of the t-statistics are reported in parentheses. Highlighted coefficients are statistically significant.