

Online Appendix to “The Impact of TARP Capital Infusion on Bank Liquidity Creation: Does Bank Size Matter?”

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In this appendix, we present additional results that supplement, and are discussed in, the main paper.

**Table A.1. Dynamics of TARP and Bank Liquidity
Creation: Quarter-by-Quarter Effects**

A. TARP Banks that Repaid Early and Those that Did Not Are Equally Considered						
Independent Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2003Q1</i> × <i>TARP Recipient</i>	0.005 (0.00)	0.006 (0.00)	-0.024 (0.02)	-0.014 (0.02)	0.021 (0.02)	-0.006 (0.02)
<i>Post TARP_2003Q2</i> × <i>TARP Recipient</i>	0.005 (0.00)	0.006 (0.00)	-0.018 (0.02)	-0.007 (0.01)	-0.003 (0.02)	-0.022 (0.02)
<i>Post TARP_2003Q3</i> × <i>TARP Recipient</i>	0.002 (0.00)	0.003 (0.00)	-0.004 (0.02)	-0.001 (0.01)	-0.003 (0.02)	-0.017 (0.02)
<i>Post TARP_2003Q4</i> × <i>TARP Recipient</i>	0.003 (0.00)	0.003 (0.00)	-0.015 (0.01)	-0.010 (0.01)	0.001 (0.02)	-0.004 (0.02)
<i>Post TARP_2004Q1</i> × <i>TARP Recipient</i>	0.005 (0.00)	0.004 (0.00)	-0.015 (0.01)	-0.012 (0.01)	-0.012 (0.02)	-0.024 (0.02)
<i>Post TARP_2004Q2</i> × <i>TARP Recipient</i>	0.003 (0.00)	0.002 (0.00)	-0.013 (0.01)	-0.010 (0.01)	-0.010 (0.02)	-0.016 (0.02)
<i>Post TARP_2004Q3</i> × <i>TARP Recipient</i>	0.001 (0.00)	0.001 (0.00)	-0.006 (0.01)	-0.005 (0.01)	-0.013 (0.02)	-0.019 (0.02)
<i>Post TARP_2004Q4</i> × <i>TARP Recipient</i>	-0.000 (0.00)	0.000 (0.00)	-0.013 (0.01)	-0.005 (0.01)	-0.012 (0.02)	-0.013 (0.02)
<i>Post TARP_2005Q1</i> × <i>TARP Recipient</i>	-0.003 (0.00)	-0.003 (0.00)	0.000 (0.01)	0.002 (0.01)	-0.016 (0.02)	-0.019 (0.02)
<i>Post TARP_2005Q2</i> × <i>TARP Recipient</i>	-0.001 (0.00)	-0.001 (0.00)	-0.002 (0.01)	-0.002 (0.01)	-0.013 (0.02)	-0.020 (0.02)
<i>Post TARP_2005Q3</i> × <i>TARP Recipient</i>	-0.003 (0.00)	-0.003 (0.00)	-0.012 (0.01)	-0.009 (0.01)	-0.011 (0.02)	-0.014 (0.02)

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Table A.1. (Continued)

A. TARP Banks that Repaid Early and Those that Did Not Are Equally Considered						
Independent Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2005Q4</i> × <i>TARP Recipient</i>	-0.004 (0.00)	-0.005 (0.00)	-0.012 (0.01)	-0.013 (0.01)	-0.009 (0.02)	-0.007 (0.02)
<i>Post TARP_2006Q1</i> × <i>TARP Recipient</i>	-0.003 (0.00)	-0.004 (0.00)	-0.014 (0.01)	-0.012 (0.01)	0.011 (0.02)	-0.005 (0.02)
<i>Post TARP_2006Q2</i> × <i>TARP Recipient</i>	-0.003 (0.00)	-0.005 (0.00)	-0.017* (0.01)	-0.016* (0.01)	0.007 (0.02)	-0.010 (0.02)
<i>Post TARP_2006Q3</i> × <i>TARP Recipient</i>	-0.005 (0.00)	-0.006* (0.00)	-0.018* (0.01)	-0.017* (0.01)	0.005 (0.02)	-0.010 (0.02)
<i>Post TARP_2006Q4</i> × <i>TARP Recipient</i>	-0.003 (0.00)	-0.004 (0.00)	-0.011 (0.01)	-0.011 (0.01)	0.000 (0.02)	-0.008 (0.02)
<i>Post TARP_2007Q1</i> × <i>TARP Recipient</i>	0.003 (0.00)	0.002 (0.00)	-0.008 (0.01)	-0.009 (0.01)	0.010 (0.02)	-0.003 (0.01)
<i>Post TARP_2007Q2</i> × <i>TARP Recipient</i>	0.007** (0.00)	0.005* (0.00)	-0.005 (0.01)	-0.006 (0.01)	0.006 (0.02)	-0.006 (0.01)
<i>Post TARP_2007Q3</i> × <i>TARP Recipient</i>	0.008*** (0.00)	0.006** (0.00)	-0.006 (0.01)	-0.005 (0.01)	0.020 (0.02)	-0.007 (0.01)
<i>Post TARP_2007Q4</i> × <i>TARP Recipient</i>	0.003 (0.00)	0.002 (0.00)	-0.004 (0.01)	-0.004 (0.01)	0.016 (0.02)	-0.008 (0.01)
<i>Post TARP_2008Q1</i> × <i>TARP Recipient</i>	0.005** (0.00)	0.005** (0.00)	-0.004 (0.01)	-0.004 (0.01)	0.013 (0.02)	-0.016 (0.01)
<i>Post TARP_2008Q2</i> × <i>TARP Recipient</i>	0.005** (0.00)	0.004** (0.00)	-0.003 (0.01)	-0.002 (0.01)	0.004 (0.01)	-0.010 (0.01)
<i>Post TARP_2008Q3</i> × <i>TARP Recipient</i>	0.002 (0.00)	0.001 (0.00)	-0.006 (0.00)	-0.006 (0.00)	0.008 (0.01)	-0.004 (0.01)
<i>Post TARP_2009Q1</i> × <i>TARP Recipient</i>	0.003 (0.00)	0.004** (0.00)	-0.004 (0.01)	-0.000 (0.01)	0.007 (0.01)	-0.017* (0.01)
<i>Post TARP_2009Q2</i> × <i>TARP Recipient</i>	0.001 (0.00)	0.003* (0.00)	-0.003 (0.01)	0.000 (0.01)	0.010 (0.01)	-0.006 (0.01)
<i>Post TARP_2009Q3</i> × <i>TARP Recipient</i>	0.003 (0.00)	0.006** (0.00)	-0.002 (0.01)	0.002 (0.01)	0.004 (0.01)	-0.007 (0.01)
<i>Post TARP_2009Q4</i> × <i>TARP Recipient</i>	0.007** (0.00)	0.010*** (0.00)	-0.004 (0.01)	-0.002 (0.01)	0.002 (0.01)	-0.005 (0.02)
<i>Post TARP_2010Q1</i> × <i>TARP Recipient</i>	0.005 (0.00)	0.007** (0.00)	-0.016* (0.01)	-0.011 (0.01)	0.009 (0.02)	-0.012 (0.02)
<i>Post TARP_2010Q2</i> × <i>TARP Recipient</i>	0.007** (0.00)	0.009*** (0.00)	-0.016* (0.01)	-0.006 (0.01)	0.001 (0.02)	-0.017 (0.02)
<i>Post TARP_2010Q3</i> × <i>TARP Recipient</i>	0.010*** (0.00)	0.013*** (0.00)	-0.016 (0.01)	-0.011 (0.01)	-0.002 (0.02)	0.000 (0.02)
<i>Post TARP_2010Q4</i> × <i>TARP Recipient</i>	0.014*** (0.00)	0.017*** (0.00)	-0.007 (0.01)	-0.002 (0.01)	-0.001 (0.02)	0.008 (0.02)
<i>Post TARP_2011Q1</i> × <i>TARP Recipient</i>	0.008** (0.00)	0.009*** (0.00)	-0.012 (0.01)	-0.007 (0.01)	0.013 (0.02)	-0.014 (0.02)

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Table A.1. (Continued)

A. TARP Banks that Repaid Early and Those that Did Not Are Equally Considered						
Independent Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2011Q2</i> × <i>TARP Recipient</i>	0.011*** (0.00)	0.013*** (0.00)	-0.012 (0.01)	-0.008 (0.01)	0.003 (0.02)	-0.015 (0.02)
<i>Post TARP_2011Q3</i> × <i>TARP Recipient</i>	0.013*** (0.00)	0.015*** (0.00)	-0.016 (0.01)	-0.013 (0.01)	0.009 (0.02)	0.002 (0.02)
<i>Post TARP_2011Q4</i> × <i>TARP Recipient</i>	0.015*** (0.00)	0.018*** (0.00)	-0.020* (0.01)	-0.017 (0.01)	0.009 (0.02)	0.012 (0.02)
<i>Post TARP_2012Q1</i> × <i>TARP Recipient</i>	0.011*** (0.00)	0.013*** (0.00)	-0.021* (0.01)	-0.019* (0.01)	0.022 (0.02)	-0.000 (0.02)
<i>Post TARP_2012Q2</i> × <i>TARP Recipient</i>	0.011*** (0.00)	0.013*** (0.00)	-0.020* (0.01)	-0.019* (0.01)	0.015 (0.02)	-0.001 (0.02)
<i>Post TARP_2012Q3</i> × <i>TARP Recipient</i>	0.012*** (0.00)	0.015*** (0.00)	-0.012 (0.01)	-0.010 (0.01)	0.011 (0.02)	-0.001 (0.02)
<i>Post TARP_2012Q4</i> × <i>TARP Recipient</i>	0.013*** (0.00)	0.015*** (0.00)	-0.023** (0.01)	-0.020* (0.01)	0.014 (0.02)	0.008 (0.02)
<i>Post TARP_2013Q1</i> × <i>TARP Recipient</i>	0.013*** (0.00)	0.013*** (0.00)	-0.020* (0.01)	-0.016 (0.01)	0.010 (0.02)	-0.012 (0.02)
<i>Post TARP_2013Q2</i> × <i>TARP Recipient</i>	0.012*** (0.00)	0.012*** (0.00)	-0.020* (0.01)	-0.014 (0.01)	0.003 (0.02)	-0.013 (0.02)
<i>Post TARP_2013Q3</i> × <i>TARP Recipient</i>	0.013*** (0.00)	0.012*** (0.00)	-0.021* (0.01)	-0.016 (0.01)	0.000 (0.02)	-0.013 (0.02)
<i>Post TARP_2013Q4</i> × <i>TARP Recipient</i>	0.013*** (0.00)	0.013*** (0.00)	-0.025** (0.01)	-0.017 (0.01)	0.004 (0.02)	-0.012 (0.02)
<i>Post TARP_2014Q1</i> × <i>TARP Recipient</i>	0.011** (0.00)	0.010** (0.00)	-0.026** (0.01)	-0.019* (0.01)	0.003 (0.02)	-0.026 (0.02)
<i>Post TARP_2014Q2</i> × <i>TARP Recipient</i>	0.010** (0.00)	0.010** (0.00)	-0.028** (0.01)	-0.022* (0.01)	0.000 (0.02)	-0.023 (0.02)
<i>Post TARP_2014Q3</i> × <i>TARP Recipient</i>	0.010** (0.00)	0.010** (0.00)	-0.023** (0.01)	-0.017 (0.01)	-0.008 (0.02)	-0.026 (0.02)
<i>Post TARP_2014Q4</i> × <i>TARP Recipient</i>	0.010** (0.00)	0.009** (0.00)	-0.030** (0.01)	-0.022* (0.01)	-0.011 (0.02)	-0.031 (0.02)
<i>TARP Recipient</i>	-0.007** (0.00)	-0.009** (0.00)	0.005 (0.01)	-0.001 (0.01)	0.016 (0.02)	0.041** (0.02)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	243,884	243,884	11,105	11,105	5,981	5,981
Adjusted R ²	0.790	0.751	0.719	0.630	0.761	0.641

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Table A.1. (Continued)

B. TARP Banks that Repaid Early and Those that Did Not Are Separated						
Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2003Q1</i> ×	0.006	-0.001	-0.036*	-0.019	0.025	-0.009
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)	(0.02)
<i>Post TARP_2003Q2</i> ×	0.003	-0.004	-0.037*	-0.015	0.002	-0.024
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)	(0.02)
<i>Post TARP_2003Q3</i> ×	-0.002	-0.008	-0.027	-0.014	0.006	-0.013
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2003Q4</i> ×	0.004	-0.002	-0.040**	-0.025	0.005	-0.002
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2004Q1</i> ×	-0.002	-0.008	-0.048**	-0.034	-0.011	-0.029
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2004Q2</i> ×	-0.001	-0.007	-0.043**	-0.027	-0.012	-0.019
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2004Q3</i> ×	-0.003	-0.005	-0.032*	-0.024	-0.015	-0.021
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2004Q4</i> ×	-0.001	-0.004	-0.038**	-0.024	-0.013	-0.015
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2005Q1</i> ×	-0.007	-0.007	-0.017	-0.016	-0.014	-0.023
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2005Q2</i> ×	0.003	0.001	-0.026	-0.024	-0.008	-0.022
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2005Q3</i> ×	-0.006	-0.008	-0.033**	-0.032**	-0.010	-0.020
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2005Q4</i> ×	-0.009	-0.011	-0.028*	-0.028*	-0.011	-0.017
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2006Q1</i> ×	-0.003	-0.006	-0.032**	-0.028*	0.013	-0.022
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)	(0.02)
<i>Post TARP_2006Q2</i> ×	-0.006	-0.008	-0.035**	-0.032**	0.010	-0.026
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.03)	(0.02)
<i>Post TARP_2006Q3</i> ×	-0.005	-0.008	-0.041***	-0.037**	0.007	-0.024
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2006Q4</i> ×	-0.005	-0.009	-0.029**	-0.028**	-0.003	-0.022
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2007Q1</i> ×	-0.004	-0.006	-0.024*	-0.023*	0.011	-0.017
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2007Q2</i> ×	-0.002	-0.004	-0.026**	-0.023**	0.006	-0.019
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2007Q3</i> ×	0.004	0.002	-0.029***	-0.025***	0.026	-0.018
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
<i>Post TARP_2007Q4</i> ×	-0.007	-0.008	-0.021**	-0.021**	0.014	-0.015
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
<i>Post TARP_2008Q1</i> ×	-0.005	-0.004	-0.018*	-0.017*	0.017	-0.022
<i>TARP Recipient.Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)

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Table A.1. (Continued)

B. TARP Banks that Repaid Early and Those that Did Not Are Separated						
Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2008Q2</i> ×	-0.001	-0.002	-0.016*	-0.016	0.003	-0.018
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
<i>Post TARP_2008Q3</i> ×	-0.004	-0.005	-0.017**	-0.018**	0.018	-0.001
<i>TARP Recipient_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.01)
<i>Post TARP_2009Q1</i> ×	-0.005	-0.004	-0.014	-0.011	0.012	-0.016
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
<i>Post TARP_2009Q2</i> ×	-0.005	-0.004	-0.018*	-0.014	0.013	-0.007
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
<i>Post TARP_2009Q3</i> ×	-0.010	-0.008	-0.020	-0.010	0.004	-0.008
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)
<i>Post TARP_2009Q4</i> ×	-0.005	-0.003	-0.023	-0.017	0.014	0.000
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2010Q1</i> ×	-0.011	-0.010	-0.033**	-0.024	0.030	-0.006
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2010Q2</i> ×	-0.005	-0.004	-0.035**	-0.020	0.019	-0.015
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2010Q3</i> ×	-0.005	-0.005	-0.030	-0.024	0.018	-0.004
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2010Q4</i> ×	-0.016	-0.014	-0.031	-0.024	0.014	0.002
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2011Q1</i> ×	-0.017	-0.016	-0.032	-0.018	0.030	-0.012
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2011Q2</i> ×	-0.013	-0.012	-0.030	-0.019	0.021	-0.018
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2011Q3</i> ×	-0.000	-0.000	-0.032	-0.022	0.029	0.002
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2011Q4</i> ×	0.002	0.004	-0.038*	-0.029	0.028	0.008
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2012Q1</i> ×	0.002	0.001	-0.039	-0.026	0.040*	-0.004
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2012Q2</i> ×	-0.004	-0.004	-0.037	-0.026	0.034*	-0.004
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2012Q3</i> ×	0.004	0.005	-0.024	-0.013	0.027	-0.004
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2012Q4</i> ×	0.000	0.001	-0.034	-0.020	0.026	0.001
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2013Q1</i> ×	-0.000	0.001	-0.035	-0.019	0.021	-0.021
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2013Q2</i> ×	-0.012	-0.011	-0.027	-0.012	0.015	-0.017
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2013Q3</i> ×	-0.012	-0.014	-0.033*	-0.016	0.010	-0.015
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)

(continued)

Table A.1. (Continued)

B. TARP Banks that Repaid Early and Those that Did Not Are Separated						
Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2013Q4</i> ×	-0.019	-0.021*	-0.037*	-0.021	0.015	-0.009
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2014Q1</i> ×	-0.018	-0.020	-0.029	-0.013	0.018	-0.026
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2014Q2</i> ×	-0.010	-0.011	-0.034*	-0.018	0.010	-0.023
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2014Q3</i> ×	-0.015	-0.016	-0.022	-0.008	-0.002	-0.027
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2014Q4</i> ×	-0.013	-0.014	-0.035	-0.018	-0.002	-0.028
<i>TARP Recipient_Repaid</i>	(0.01)	(0.01)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2003Q1</i> × <i>TARP</i>	0.006	0.007	-0.011	-0.005	0.024	-0.004
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.02)	(0.03)	(0.03)
<i>Post TARP_2003Q2</i> × <i>TARP</i>	0.005	0.007	0.001	0.006	0.001	-0.021
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2003Q3</i> × <i>TARP</i>	0.003	0.005	0.014	0.012	-0.011	-0.032
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.02)	(0.02)	(0.03)
<i>Post TARP_2003Q4</i> × <i>TARP</i>	0.002	0.003	0.004	0.005	0.003	-0.018
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2004Q1</i> × <i>TARP</i>	0.004	0.005	0.007	0.004	-0.004	-0.026
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.02)	(0.02)	(0.02)
<i>Post TARP_2004Q2</i> × <i>TARP</i>	0.002	0.003	0.002	-0.002	0.008	-0.019
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2004Q3</i> × <i>TARP</i>	0.000	0.001	0.009	0.006	0.001	-0.029
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.02)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2004Q4</i> × <i>TARP</i>	-0.001	-0.001	0.000	0.006	0.002	-0.024
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2005Q1</i> × <i>TARP</i>	-0.002	-0.003	0.010	0.012	-0.008	-0.026
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2005Q2</i> × <i>TARP</i>	-0.002	-0.003	0.007	0.007	-0.010	-0.031
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2005Q3</i> × <i>TARP</i>	-0.003	-0.004	-0.001	0.002	-0.002	-0.021
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2005Q4</i> × <i>TARP</i>	-0.004	-0.004	-0.003	-0.005	0.007	-0.007
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2006Q1</i> × <i>TARP</i>	-0.005	-0.006	-0.003	-0.003	0.020	0.005
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2006Q2</i> × <i>TARP</i>	-0.004	-0.006*	-0.004	-0.005	0.015	0.000
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2006Q3</i> × <i>TARP</i>	-0.006	-0.007**	-0.003	-0.004	0.015	-0.003
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2006Q4</i> × <i>TARP</i>	-0.004	-0.005	-0.001	-0.002	0.021	0.001
<i>Recipient_Not_Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)

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Table A.1. (Continued)

B. TARP Banks that Repaid Early and Those that Did Not Are Separated						
Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2007Q1</i> × TARP	0.004	0.003	0.002	-0.000	0.024	0.006
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2007Q2</i> × TARP	0.008**	0.007**	0.003	0.000	0.022	0.003
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2007Q3</i> × TARP	0.009***	0.007**	0.001	0.002	0.027	0.001
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2007Q4</i> × TARP	0.004	0.003	0.002	0.003	0.032*	-0.006
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2008Q1</i> × TARP	0.007**	0.006**	0.000	-0.000	0.023	-0.016
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.01)
<i>Post TARP_2008Q2</i> × TARP	0.006**	0.005**	0.002	0.004	0.022	-0.009
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
<i>Post TARP_2008Q3</i> × TARP	0.003	0.002	-0.002	-0.001	0.009	-0.014
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)	(0.01)
<i>Post TARP_2009Q1</i> × TARP	0.004**	0.005***	-0.000	0.003	0.003	-0.019**
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
<i>Post TARP_2009Q2</i> × TARP	0.003	0.005**	0.001	0.004	-0.003	-0.005
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
<i>Post TARP_2009Q3</i> × TARP	0.006**	0.008***	0.003	0.005	-0.007	-0.005
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)
<i>Post TARP_2009Q4</i> × TARP	0.010***	0.012***	0.002	0.003	0.013	-0.000
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.02)
<i>Post TARP_2010Q1</i> × TARP	0.009***	0.011***	-0.010	-0.006	0.016	-0.015
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2010Q2</i> × TARP	0.010***	0.013***	-0.009	-0.001	0.006	-0.016
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2010Q3</i> × TARP	0.014***	0.017***	-0.011	-0.006	-0.000	0.008
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2010Q4</i> × TARP	0.019***	0.022***	0.001	0.005	0.009	0.019
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2011Q1</i> × TARP	0.013***	0.014***	-0.004	-0.001	0.020	-0.020
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2011Q2</i> × TARP	0.016***	0.018***	-0.006	-0.005	0.008	-0.016
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2011Q3</i> × TARP	0.017***	0.020***	-0.011	-0.011	0.009	-0.006
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2011Q4</i> × TARP	0.018***	0.021***	-0.013	-0.013	0.017	0.009
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2012Q1</i> × TARP	0.016***	0.018***	-0.014	-0.015	0.031	0.002
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)
<i>Post TARP_2012Q2</i> × TARP	0.017***	0.019***	-0.012	-0.013	0.023	-0.001
<i>Recipient.Not.Repaid</i>	(0.00)	(0.00)	(0.01)	(0.01)	(0.02)	(0.02)

(continued)

Table A.1. (Continued)

B. TARP Banks that Repaid Early and Those that Did Not Are Separated						
Variables	Dependent Variables: Bank Liquidity Creation					
	Small Banks		Medium Banks		Large Banks	
	<i>catfat_gta</i> (1)	<i>catnonfat_gta</i> (2)	<i>catfat_gta</i> (3)	<i>catnonfat_gta</i> (4)	<i>catfat_gta</i> (5)	<i>catnonfat_gta</i> (6)
<i>Post TARP_2012Q3</i> × <i>TARP Recipient_Not_Repaid</i>	0.017*** (0.00)	0.019*** (0.00)	-0.006 (0.01)	-0.007 (0.01)	0.020 (0.02)	-0.002 (0.02)
<i>Post TARP_2012Q4</i> × <i>TARP Recipient_Not_Repaid</i>	0.019*** (0.00)	0.021*** (0.00)	-0.016 (0.01)	-0.016 (0.01)	0.029 (0.02)	0.011 (0.02)
<i>Post TARP_2013Q1</i> × <i>TARP Recipient_Not_Repaid</i>	0.020*** (0.00)	0.020*** (0.00)	-0.010 (0.01)	-0.009 (0.01)	0.023 (0.02)	-0.006 (0.02)
<i>Post TARP_2013Q2</i> × <i>TARP Recipient_Not_Repaid</i>	0.020*** (0.00)	0.021*** (0.00)	-0.014 (0.01)	-0.012 (0.01)	0.014 (0.02)	-0.015 (0.02)
<i>Post TARP_2013Q3</i> × <i>TARP Recipient_Not_Repaid</i>	0.021*** (0.00)	0.021*** (0.00)	-0.014 (0.01)	-0.013 (0.01)	0.012 (0.02)	-0.019 (0.02)
<i>Post TARP_2013Q4</i> × <i>TARP Recipient_Not_Repaid</i>	0.022*** (0.00)	0.022*** (0.00)	-0.018 (0.01)	-0.014 (0.01)	0.013 (0.02)	-0.024 (0.02)
<i>Post TARP_2014Q1</i> × <i>TARP Recipient_Not_Repaid</i>	0.020*** (0.00)	0.020*** (0.00)	-0.023* (0.01)	-0.019 (0.01)	0.009 (0.02)	-0.031 (0.02)
<i>Post TARP_2014Q2</i> × <i>TARP Recipient_Not_Repaid</i>	0.018*** (0.00)	0.018*** (0.00)	-0.023* (0.01)	-0.020* (0.01)	0.013 (0.02)	-0.026 (0.02)
<i>Post TARP_2014Q3</i> × <i>TARP Recipient_Not_Repaid</i>	0.019*** (0.01)	0.018*** (0.00)	-0.021* (0.01)	-0.018 (0.01)	0.010 (0.02)	-0.028 (0.02)
<i>Post TARP_2014Q4</i> × <i>TARP Recipient_Not_Repaid</i>	0.018*** (0.00)	0.017*** (0.00)	-0.026** (0.01)	-0.020* (0.01)	0.004 (0.02)	-0.038 (0.02)
<i>TARP Recipient_Repaid</i>	-0.009 (0.01)	-0.009 (0.01)	0.031** (0.01)	0.016 (0.02)	0.009 (0.02)	0.033* (0.02)
<i>TARP Recipient_Not_Repaid</i>	-0.007* (0.00)	-0.009** (0.00)	-0.007 (0.01)	-0.009 (0.01)	0.010 (0.02)	0.060*** (0.02)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	243,884	243,884	11,105	11,105	5,981	5,981
Adjusted R ²	0.790	0.751	0.720	0.631	0.762	0.646

Note: This table reports difference-in-difference (DID) regression estimates for the timing of the (quarter-by-quarter) effects of TARP on bank liquidity creation. *TARP Recipient* takes the value of one if a bank is a TARP recipient and zero otherwise. *Post TARP* is a dummy equal to one in the 2009–14 period after TARP program initiation and zero otherwise. *TARP_Recipient_Repaid* is a dummy equal to one if the bank repaid in 2009–10 and zero otherwise. *TARP_Recipient_Not_Repaid* is a dummy equal to one if the bank did not repay in 2009–10 and zero otherwise. DID coefficients are created by interacting the *TARP Recipient* variable with quarter dummies for each of the time periods before and after the TARP program. In panel A, we consider equally both TARP banks that repaid early and those that did not repay early. In panel B, we separate the TARP recipients that repaid early (*TARP Recipient_Repaid*) from those that did not (*TARP Recipient_Not_Repaid*). *catfat_gta* is the sum of on-balance-sheet and off-balance-sheet liquidity creation; *catnonfat_gta* measures liquidity created on the balance sheet only. All models include time fixed effects. The estimation results are for 2003–14. Note that we use contemporaneous control variables rather than lagged controls in this table because of multicollinearity issues. The variable descriptions are in the appendix in the main paper. Robust standard errors clustered by bank are in parentheses. *, **, and *** denote significance at the 10 percent, 5 percent, and 1 percent level, respectively.

Table A.2. Robustness Checks: Splitting the Sample of Banks into Alternative Size Cut-Offs

A. \$1 Billion and \$5 Billion Size Cut-Off						
Variables	Dependent Variables: Bank Liquidity Creation					
	<i>caifcat_gta</i>			<i>catnonfat_gta</i>		
	Small Banks (1)	Medium Banks (2)	Large Banks (3)	Small Banks (4)	Medium Banks (5)	Large Banks (6)
<i>Post TARP X TARP Recipient</i>	0.008** (0.00)	-0.011 (0.01)	-0.019 (0.02)	0.014*** (0.00)	-0.004 (0.01)	-0.051*** (0.02)
<i>TARP Recipient</i>	-0.009*** (0.00)	0.009 (0.01)	0.017 (0.02)	-0.013*** (0.00)	0.004 (0.01)	0.051*** (0.02)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	181,613	9,287	3,063	181,613	9,287	3,063
Adjusted R ²	0.757	0.631	0.698	0.726	0.580	0.551
B. \$1 Billion and \$10 Billion Size Cut-Off						
Variables	Dependent Variables: Bank Liquidity Creation					
	<i>caifcat_gta</i>			<i>catnonfat_gta</i>		
	Small Banks (1)	Medium Banks (2)	Large Banks (3)	Small Banks (4)	Medium Banks (5)	Large Banks (6)
<i>Post TARP X TARP Recipient</i>	0.008** (0.00)	-0.009 (0.01)	-0.016 (0.03)	0.014*** (0.00)	-0.008 (0.01)	-0.026 (0.03)
<i>TARP Recipient</i>	-0.009*** (0.00)	0.011 (0.01)	0.001 (0.02)	-0.013*** (0.00)	0.011 (0.01)	0.022 (0.03)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	181,613	10,456	1,894	181,613	10,456	1,894
Adjusted R ²	0.757	0.619	0.728	0.726	0.566	0.567

Table A.2. (Continued)

C. \$1 Billion Size Cut-Off					
Dependent Variables: Bank Liquidity Creation					
Variables	<i>catfat_gta</i>		<i>catnonfat_gta</i>		
	Small Banks (1)	Large Banks (2)	Small Banks (3)	Large Banks (4)	
<i>Post TARP X TARP Recipient</i>	0.008** (0.00)	-0.007 (0.01)	0.014*** (0.00)	-0.014 (0.01)	
<i>TARP Recipient</i>	-0.009*** (0.00)	0.010 (0.01)	-0.013*** (0.00)	0.016* (0.01)	
Bank Controls	Yes	Yes	Yes	Yes	
Macro and Local Controls	Yes	Yes	Yes	Yes	
Time Fixed Effects	Yes	Yes	Yes	Yes	
Observations	181,613	12,350	181,613	12,350	
Adjusted R ²	0.757	0.633	0.726	0.520	
D. \$10 Billion Size Cut-Off					
Dependent Variables: Bank Liquidity Creation					
Variables	<i>catfat_gta</i>		<i>catnonfat_gta</i>		
	Small Banks (1)	Large Banks without TBTF (2)	Small Banks (4)	Large Banks with TBTF (5)	Large Banks without TBTF (6)
<i>Post TARP X TARP Recipient</i>	0.006* (0.00)	-0.016 (0.03)	0.013*** (0.00)	-0.026 (0.03)	0.031 (0.04)
<i>TARP Recipient</i>	0.006 (0.00)	0.001 (0.02)	-0.004 (0.00)	0.022 (0.03)	0.046* (0.03)
Bank Controls	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	192,069	1,161	192,069	1,894	1,161
Adjusted R ²	0.689	0.755	0.678	0.567	0.633

Note: This table reports estimates from difference-in-difference (DID) regression analysis with Equation (3) for the impact of TARP on bank liquidity creation by alternative measures of bank size. We sort the sample banks into large, medium, and small banks based on different size cut-offs in panels A–D. Bank liquidity creation is proxied by the BB measures (*catfat_gta* and *catnonfat_gta*). *TARP Recipient* takes the value of one if a bank is a TARP recipient and zero otherwise. *Post TARP* is a dummy equal to one in the 2009–14 period after TARP program initiation and zero otherwise. *catfat_gta* is the sum of on-balance-sheet and off-balance-sheet liquidity creation; *catnonfat_gta* measures liquidity created on the balance sheet only. The variable descriptions are in the appendix in the main paper. Robust standard errors clustered by bank are in parentheses. *, **, and *** denote significance at the 10 percent, 5 percent, and 1 percent level, respectively.

Table A.3. Robustness Checks: Alternative Measure of TARP, Excluding TARP Involuntary Participants, and Excluding Participants Subject to the “Stress Test”

A. Alternative Measure of TARP						
Variables	Dependent Variables: Bank Liquidity Creation					
	<i>catfat_gta</i>			<i>catnonfat_gta</i>		
	Small Banks (1)	Medium Banks (2)	Large Banks (3)	Small Banks (4)	Medium Banks (5)	Large Banks (6)
<i>Post TARP</i> × <i>ln(1+Bailout Amount)</i>	0.001** (0.00)	-0.001 (0.00)	0.000 (0.00)	0.001*** (0.00)	-0.001 (0.00)	-0.001 (0.00)
<i>ln(1+Bailout Amount)</i>	-0.001*** (0.00)	-0.000 (0.00)	0.001 (0.00)	-0.001*** (0.00)	-0.000 (0.00)	0.002* (0.00)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	181,613	7,972	4,378	181,613	7,972	4,378
Adjusted R ²	0.757	0.672	0.692	0.726	0.589	0.564
B. Excluding TARP Involuntary Participants						
Variables	Dependent Variables: Bank Liquidity Creation					
	<i>catfat_gta</i>			<i>catnonfat_gta</i>		
	Small Banks (1)	Medium Banks (2)	Large Banks (3)	Small Banks (4)	Medium Banks (5)	Large Banks (6)
<i>Post TARP</i> × <i>TARP Recipient</i>	0.008*** (0.00)	-0.007 (0.01)	-0.001 (0.01)	0.010*** (0.00)	-0.006 (0.02)	0.002 (0.02)
<i>TARP Recipient</i>	-0.006* (0.00)	-0.003 (0.01)	0.024* (0.01)	-0.008*** (0.00)	-0.003 (0.01)	0.044*** (0.01)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	243,874	11,007	5,512	243,874	11,007	5,512
Adjusted R ²	0.790	0.714	0.753	0.751	0.633	0.621

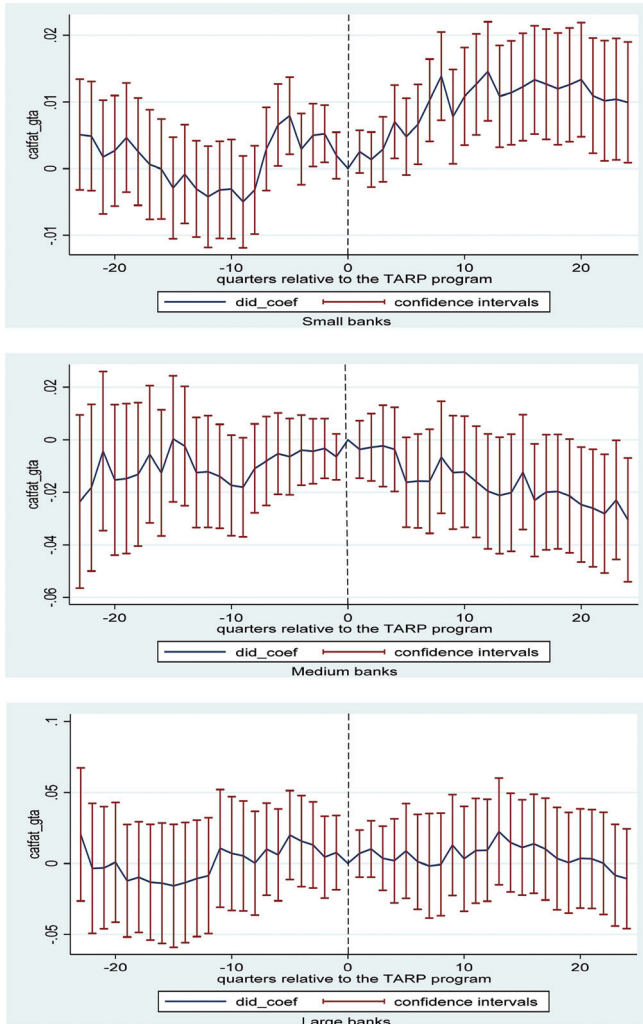
(continued)

Table A.3. (Continued)

C. Excluding Participants Subject to the “Stress Test”						
Variables	Dependent Variables: Bank Liquidity Creation					
	<i>catfat_gta</i>			<i>catnonfat_gta</i>		
	Small Banks (1)	Medium Banks (2)	Large Banks (3)	Small Banks (4)	Medium Banks (5)	Large Banks (6)
<i>Post TARP</i> × <i>TARP Recipient</i>	0.008*** (0.00)	-0.006 (0.01)	-0.002 (0.01)	0.010*** (0.00)	-0.009 (0.01)	-0.004 (0.02)
<i>TARP Recipient</i>	-0.006* (0.00)	-0.004 (0.01)	0.024* (0.01)	-0.008** (0.00)	-0.003 (0.01)	0.041*** (0.01)
Bank Controls	Yes	Yes	Yes	Yes	Yes	Yes
Macro and Local Controls	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Observations	243,872	10,984	5,160	243,872	10,984	5,160
Adjusted R ²	0.790	0.713	0.750	0.751	0.632	0.630

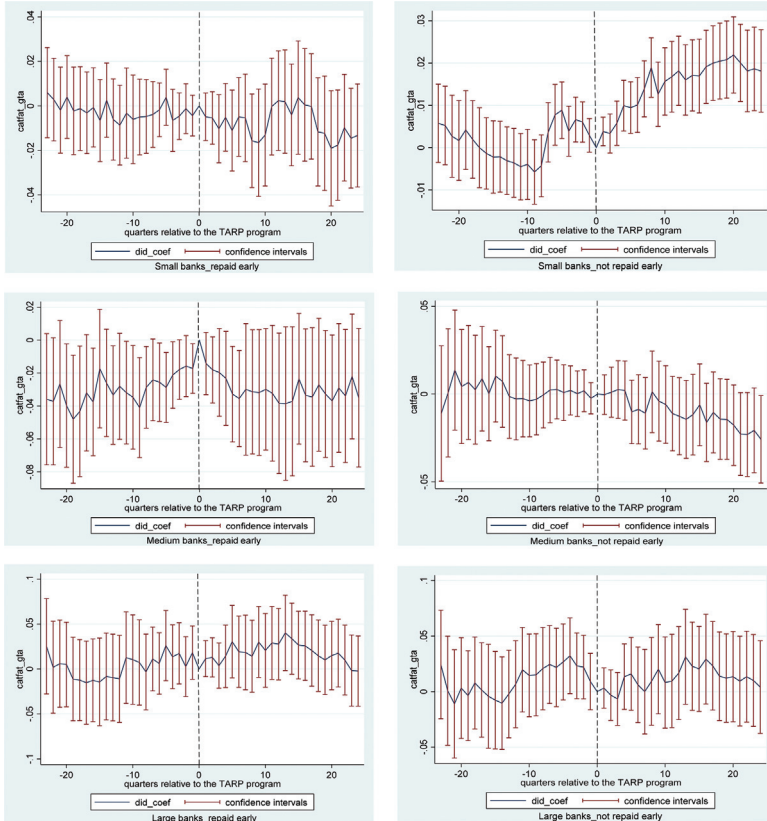
Note: To test the robustness of our main results to the use of an alternative measure of TARP, in panel A, we replace the *TARP Recipient* with an alternative measure of TARP infusion: $\ln(1+Bailout\ Amount)$, the natural logarithm of 1 plus the bailout amount. In panel B, we follow a conservative approach and reestimate the results from a sample that excludes the largest eight banks which are involuntary participants in the TARP program to mitigate the concern that the Treasury Department might have different motivations when approving TARP funds for these banks. We also exclude from our sample banks that were subject to the “stress test” (called the Supervisory Capital Assessment Program, or SCAP) because its institutional design was different from TARP. The results are reported in panel C. *Post TARP* is a dummy equal to one in the 2009–14 period after TARP program initiation and zero otherwise. *catfat_gta* is the sum of on-balance-sheet and off-balance-sheet liquidity creation; *catnonfat_gta* measures liquidity created on the balance sheet only. The variable descriptions are in the appendix in the main paper. Robust standard errors clustered by bank are in parentheses. *, **, and *** denote significance at the 10 percent, 5 percent, and 1 percent level, respectively.

Figure A.1. Dynamics of TARP and Bank Liquidity Creation: Quarter-by-Quarter Effects (TARP banks that repaid early and those that did not are equally considered)



Note: These graphs plot the DID coefficients for the dynamic impact of TARP on bank liquidity creation with their 95 percent confidence intervals. We consider equally both TARP banks that repaid early and those that did not repay early. DID coefficients are created by interacting the *TARP Recipient* variable with quarter dummies for each of the time periods before and after the TARP program. *catfat_gta* is the sum of on-balance-sheet and off-balance-sheet liquidity creation.

Figure A.2. Dynamics of TARP and Bank Liquidity Creation: Quarter-by-Quarter Effects (TARP banks that repaid early and those that did not are not equally considered)



Note: These graphs plot the DID coefficients for the dynamic impact of TARP on bank liquidity creation with their 95 percent confidence intervals. We separate the TARP recipients that repaid early (*TARP Recipient.Repaid*) from those that did not (*TARP Recipient.Not.Repaid*). DID coefficients are created by interacting the *TARP Recipient* variable with quarter dummies for each of the time periods before and after the TARP program. *catfat_gta* is the sum of on-balance-sheet and off-balance-sheet liquidity creation.