```
                                                                  ___  ____  ____  ____  ____(R)
                                                                 /__    /   ____/   /   ____/
                                                                ___/   /   /___/   /   /___/
                                                                  Statistics/Data Analysis

                                                                     User: File
                                                                  Project: Resultspdf

  ___  ____  ____  ____  ____ (R)
 /__    /   ____/   /   ____/
___/   /   /___/   /   /___/   16.0   Copyright 1985-2019 StataCorp LLC
  Statistics/Data Analysis             StataCorp
                                       Downloadly.ir
      MP - Parallel Edition            College Station, Texas 77845 USA
                                       800-STATA-PC        http://www.stata.com
                                       979-696-4600        stata@stata.com
                                       979-696-4601 (fax)

Single-user 2-core Stata network license expires 20 Aug 2022:
       Serial number:  501609213901
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Notes:
      1.  Unicode is supported; see help unicode_advice.
      2.  More than 2 billion observations are allowed; see help obs_advice.
      3.  Maximum number of variables is set to 5000; see help set_maxvar.

1 . import excel "D:\Academics\SEM6\AE\Report\Excel Table\final.xlsx", sheet("Sheet1") fi
  > rstrow
  (35 vars, 5,104 obs)

2 . . sysdir set PLUS D:\Academics\SEM6\AE\Stata\Ps

3 . sysdir set PLUS D:\Academics\SEM6\AE\Stata\Ps

4 . ssc install estout, replace
  checking estout consistency and verifying not already installed...
  all files already exist and are up to date.

5 . xtset FirmID Year, yearly
          panel variable:  FirmID (strongly balanced)
           time variable:  Year, 2006 to 2021
                   delta:  1 year

6 . eststo: xtivreg LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ (TQ = TQ_diff_1
  >  TQ_diff_2), fe vce(cluster FirmID)

  Fixed-effects (within) IV regression           Number of obs     =      3,828
  Group variable: FirmID                         Number of groups  =        319

  R-sq:                                          Obs per group:
       within  = 0.1873                                         min =         12
       between = 0.1059                                         avg =       12.0
       overall = 0.1369                                         max =         12


                                                 Wald chi2(6)      =   71710.35
  corr(u_i, Xb)  = -0.1573                       Prob > chi2       =     0.0000
```

(Std. Err. adjusted for **319** clusters in FirmID)

LTITA_1	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
TQ	**.020102**	**.0082738**	**2.43**	**0.015**	**.0038855**	**.0363184**
Amihud	**.0226729**	**.0097229**	**2.33**	**0.020**	**.0036164**	**.0417295**
LTFCF_1	**-4.037241**	**.327359**	**-12.33**	**0.000**	**-4.678852**	**-3.395629**
LTLeverage	**.2539986**	**.1852984**	**1.37**	**0.170**	**-.1091797**	**.6171768**
LTRevenue	**2.268888**	**.2053759**	**11.05**	**0.000**	**1.866359**	**2.671418**
LTCash	**-.3050251**	**.3929587**	**-0.78**	**0.438**	**-1.07521**	**.4651597**
TQ	**0**	(omitted)				
_cons	**-4.776251**	**.1420695**	**-33.62**	**0.000**	**-5.054702**	**-4.4978**
sigma_u	**1.0228172**					
sigma_e	**.94581874**					
rho	**.53905287**	(fraction of variance due to u_i)				

Instrumented: TQ
Instruments: Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ TQ_diff_1 TQ_diff_2

(**est1** stored)

```
7 . eststo: xtivreg LTITA_2 Amihud LTFCF_2 LTLeverage LTRevenue LTCash TQ (TQ = TQ_diff_1
>  TQ_diff_2), fe vce(cluster FirmID)
```

Fixed-effects (within) IV regression — Number of obs = **3,509**
Group variable: **FirmID** — Number of groups = **319**

R-sq:
within = **0.1756**
between = **0.1150**
overall = **0.1377**

Obs per group:
min = **11**
avg = **11.0**
max = **11**

Wald chi2(**6**) = **105111.82**
corr(u_i, Xb) = **-0.1309** — Prob > chi2 = **0.0000**

(Std. Err. adjusted for **319** clusters in FirmID)

LTITA_2	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
TQ	**.0090351**	**.0067623**	**1.34**	**0.182**	**-.0042188**	**.0222889**
Amihud	**.0076344**	**.0073635**	**1.04**	**0.300**	**-.0067979**	**.0220666**
LTFCF_2	**-3.416676**	**.3490161**	**-9.79**	**0.000**	**-4.100735**	**-2.732617**
LTLeverage	**.3628983**	**.1975545**	**1.84**	**0.066**	**-.0243014**	**.750098**
LTRevenue	**2.280234**	**.2427974**	**9.39**	**0.000**	**1.80436**	**2.756108**
LTCash	**-1.274293**	**.5250104**	**-2.43**	**0.015**	**-2.303294**	**-.2452915**
TQ	**0**	(omitted)				
_cons	**-4.705504**	**.1771604**	**-26.56**	**0.000**	**-5.052732**	**-4.358276**
sigma_u	**1.0807969**					
sigma_e	**.99360841**					
rho	**.54195646**	(fraction of variance due to u_i)				

Instrumented: TQ
Instruments: Amihud LTFCF_2 LTLeverage LTRevenue LTCash TQ TQ_diff_1 TQ_diff_2

(**est2** stored)

```
8 . eststo: xtivreg LTITA_1 Turnover LTFCF_1 LTLeverage LTRevenue LTCash TQ (TQ = TQ_diff
> _1 TQ_diff_2), fe vce(cluster FirmID)

Fixed-effects (within) IV regression           Number of obs     =      3,828
Group variable: FirmID                         Number of groups  =        319

R-sq:                                          Obs per group:
     within  = 0.1871                                         min =         12
     between = 0.1087                                         avg =       12.0
     overall = 0.1388                                         max =         12

                                               Wald chi2(6)      =   71006.91
corr(u_i, Xb)  = -0.1512                       Prob > chi2       =     0.0000

                              (Std. Err. adjusted for 319 clusters in FirmID)
------------------------------------------------------------------------------
             |               Robust
     LTITA_1 |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
          TQ |   .0200377   .0083142     2.41   0.016     .0037421    .0363333
    Turnover |   9.954855   10.25239     0.97   0.332    -10.13946    30.04917
     LTFCF_1 |   -4.04659   .3289749   -12.30   0.000    -4.691369   -3.401811
  LTLeverage |   .2887611   .1861704     1.55   0.121    -.0761261    .6536484
   LTRevenue |   2.256065   .2042135    11.05   0.000     1.855814    2.656316
      LTCash |  -.2648147    .389973    -0.68   0.497    -1.029148    .4995184
          TQ |           0  (omitted)
       _cons |  -4.806199   .1468369   -32.73   0.000    -5.093994   -4.518404
-------------+----------------------------------------------------------------
     sigma_u |  1.0196932
     sigma_e |    .945936
         rho |  .53747072   (fraction of variance due to u_i)
------------------------------------------------------------------------------
Instrumented:   TQ
Instruments:    Turnover LTFCF_1 LTLeverage LTRevenue LTCash TQ TQ_diff_1
                TQ_diff_2
------------------------------------------------------------------------------
(est3 stored)

9 . eststo: xtivreg LTITA_2 Turnover LTFCF_2 LTLeverage LTRevenue LTCash TQ (TQ = TQ_diff
> _1 TQ_diff_2), fe vce(cluster FirmID)

Fixed-effects (within) IV regression           Number of obs     =      3,509
Group variable: FirmID                         Number of groups  =        319

R-sq:                                          Obs per group:
     within  = 0.1768                                         min =         11
     between = 0.1136                                         avg =       11.0
     overall = 0.1376                                         max =         11

                                               Wald chi2(6)      =  104787.06
corr(u_i, Xb)  = -0.1287                       Prob > chi2       =     0.0000
```

(Std. Err. adjusted for **319** clusters in FirmID)

LTITA_2	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
TQ	**.0089549**	**.0067873**	**1.32**	**0.187**	**-.0043481**	**.0222578**
Turnover	**13.71592**	**12.67197**	**1.08**	**0.279**	**-11.12068**	**38.55252**
LTFCF_2	**-3.409862**	**.3475901**	**-9.81**	**0.000**	**-4.091126**	**-2.728598**
LTLeverage	**.3781087**	**.1956604**	**1.93**	**0.053**	**-.0053786**	**.7615959**
LTRevenue	**2.266715**	**.2416187**	**9.38**	**0.000**	**1.793151**	**2.740279**
LTCash	**-1.22512**	**.5224123**	**-2.35**	**0.019**	**-2.249029**	**-.2012105**
TQ	**0**	(omitted)				
_cons	**-4.740518**	**.1787504**	**-26.52**	**0.000**	**-5.090863**	**-4.390174**
sigma_u	**1.0812251**					
sigma_e	**.99292954**					
rho	**.5424924**	(fraction of variance due to u_i)				

Instrumented: TQ
Instruments: Turnover LTFCF_2 LTLeverage LTRevenue LTCash TQ TQ_diff_1 TQ_diff_2

(**est4** stored)

```
10 . esttab using sec1.csv, r2 label
(output written to sec1.csv)

11 . cd "D:\Academics\SEM6\AE\Report\Output Excel"
D:\Academics\SEM6\AE\Report\Output Excel

12 . esttab using sec1.csv, r2 label
(output written to sec1.csv)

13 . eststo clear

14 . eststo: xtivreg LTITA_1 Amihud AmihudXHigh_KZ LTFCF_1 LTLeverage LTRevenue LTCash TQ
> (TQ = TQ_diff_1 TQ_diff_2), fe vce(cluster FirmID)
```

Fixed-effects (within) IV regression — Number of obs = **3,828**
Group variable: **FirmID** — Number of groups = **319**

R-sq:
within = **0.1873**
between = **0.1059**
overall = **0.1368**

Obs per group:
min = **12**
avg = **12.0**
max = **12**

Wald chi2(**7**) = **71760.87**
corr(u_i, Xb) = **-0.1573** — Prob > chi2 = **0.0000**

(Std. Err. adjusted for **319** clusters in FirmID)

LTITA_1	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
TQ	**.0201952**	**.0082804**	**2.44**	**0.015**	**.0039658**	**.0364245**
Amihud	**.0226489**	**.0097208**	**2.33**	**0.020**	**.0035966**	**.0417012**
AmihudXHigh_KZ	**-.020195**	**.0308062**	**-0.66**	**0.512**	**-.080574**	**.040184**
LTFCF_1	**-4.037517**	**.3274137**	**-12.33**	**0.000**	**-4.679236**	**-3.395798**
LTLeverage	**.2550797**	**.1858667**	**1.37**	**0.170**	**-.1092123**	**.6193716**
LTRevenue	**2.268604**	**.2054248**	**11.04**	**0.000**	**1.865979**	**2.671229**
LTCash	**-.3060226**	**.3931822**	**-0.78**	**0.436**	**-1.076646**	**.4646003**
TQ	**0**	(omitted)				

_cons	**-4.776433**	**.1421076**	**-33.61**	**0.000**	**-5.054958**	**-4.497907**

sigma_u	**1.0228143**	
sigma_e	**.94595069**	
rho	**.5389821**	(fraction of variance due to u_i)

Instrumented: TQ
Instruments: Amihud AmihudXHigh_KZ LTFCF_1 LTLeverage LTRevenue LTCash TQ TQ_diff_1 TQ_diff_2

(**est1** stored)

15 . eststo: xtivreg LTITA_2 Amihud AmihudXHigh_KZ LTFCF_2 LTLeverage LTRevenue LTCash TQ
> (TQ = TQ_diff_1 TQ_diff_2), fe vce(cluster FirmID)

Fixed-effects (within) IV regression — Number of obs = **3,509**
Group variable: **FirmID** — Number of groups = **319**

R-sq: — Obs per group:
within = **0.1756** — min = **11**
between = **0.1150** — avg = **11.0**
overall = **0.1377** — max = **11**

Wald chi2(**7**) = **144101.35**
corr(u_i, Xb) = **-0.1309** — Prob > chi2 = **0.0000**

(Std. Err. adjusted for **319** clusters in FirmID)

LTITA_2	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
TQ	**.0090227**	**.0067819**	**1.33**	**0.183**	**-.0042696**	**.022315**
Amihud	**.0076399**	**.0073736**	**1.04**	**0.300**	**-.0068121**	**.0220918**
AmihudXHigh_KZ	**.0025856**	**.0225311**	**0.11**	**0.909**	**-.0415746**	**.0467459**
LTFCF_2	**-3.416508**	**.3499918**	**-9.76**	**0.000**	**-4.102479**	**-2.730536**
LTLeverage	**.3627454**	**.1983096**	**1.83**	**0.067**	**-.0259342**	**.751425**
LTRevenue	**2.280291**	**.2428035**	**9.39**	**0.000**	**1.804405**	**2.756177**
LTCash	**-1.274196**	**.5249642**	**-2.43**	**0.015**	**-2.303107**	**-.2452855**
TQ	**0**	(omitted)				
_cons	**-4.70549**	**.1772111**	**-26.55**	**0.000**	**-5.052817**	**-4.358163**

sigma_u	**1.0807957**	
sigma_e	**.99376447**	
rho	**.54187796**	(fraction of variance due to u_i)

Instrumented: TQ
Instruments: Amihud AmihudXHigh_KZ LTFCF_2 LTLeverage LTRevenue LTCash TQ TQ_diff_1 TQ_diff_2

(**est2** stored)

```
16 . eststo: xtivreg LTITA_1 Turnover TurnoverXHigh_KZ LTFCF_1 LTLeverage LTRevenue LTCash
>  TQ (TQ = TQ_diff_1 TQ_diff_2), fe vce(cluster FirmID)

Fixed-effects (within) IV regression           Number of obs     =      3,828
Group variable: FirmID                         Number of groups  =        319

R-sq:                                          Obs per group:
     within  = 0.1872                                         min =         12
     between = 0.1086                                         avg =       12.0
     overall = 0.1388                                         max =         12

                                               Wald chi2(7)      =   71214.97
corr(u_i, Xb)  = -0.1506                       Prob > chi2       =     0.0000

                                 (Std. Err. adjusted for 319 clusters in FirmID)
------------------------------------------------------------------------------
             |               Robust
      LTITA_1 |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
          TQ |   .0201646   .0083047     2.43   0.015     .0038877    .0364415
    Turnover |    12.5818   10.86808     1.16   0.247    -8.719248    33.88284
TurnoverXHi~Z |  -7.625636   9.006011    -0.85   0.397    -25.27709    10.02582
     LTFCF_1 |  -4.044237   .3285782   -12.31   0.000    -4.688238   -3.400236
  LTLeverage |   .2806343   .1868642     1.50   0.133    -.0856129    .6468814
   LTRevenue |   2.254872   .2043684    11.03   0.000     1.854317    2.655426
      LTCash |  -.2704484   .3906873    -0.69   0.489    -1.036181    .4952847
          TQ |           0  (omitted)
       _cons |  -4.804418   .1469927   -32.68   0.000    -5.092518   -4.516318
-------------+----------------------------------------------------------------
     sigma_u |  1.0195978
     sigma_e |   .94596237
         rho |   .53741033   (fraction of variance due to u_i)
------------------------------------------------------------------------------
Instrumented:   TQ
Instruments:    Turnover TurnoverXHigh_KZ LTFCF_1 LTLeverage LTRevenue LTCash TQ
                TQ_diff_1 TQ_diff_2
------------------------------------------------------------------------------
(est3 stored)

17 . eststo: xtivreg LTITA_2 Turnover TurnoverXHigh_KZ LTFCF_2 LTLeverage LTRevenue LTCash
>  TQ (TQ = TQ_diff_1 TQ_diff_2), fe vce(cluster FirmID)

Fixed-effects (within) IV regression           Number of obs     =      3,509
Group variable: FirmID                         Number of groups  =        319

R-sq:                                          Obs per group:
     within  = 0.1807                                         min =         11
     between = 0.1136                                         avg =       11.0
     overall = 0.1394                                         max =         11

                                               Wald chi2(7)      =  105684.29
corr(u_i, Xb)  = -0.1263                       Prob > chi2       =     0.0000
```

(Std. Err. adjusted for **319** clusters in FirmID)

LTITA_2	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
TQ	**.0094439**	**.0067814**	**1.39**	**0.164**	**-.0038473**	**.0227351**
Turnover	**26.82646**	**13.57226**	**1.98**	**0.048**	**.2253114**	**53.4276**
TurnoverXHigh_KZ	**-36.51152**	**12.86163**	**-2.84**	**0.005**	**-61.71986**	**-11.30319**
LTFCF_2	**-3.381732**	**.3447776**	**-9.81**	**0.000**	**-4.057484**	**-2.705981**
LTLeverage	**.3376117**	**.1956206**	**1.73**	**0.084**	**-.0457976**	**.7210211**
LTRevenue	**2.261663**	**.2418245**	**9.35**	**0.000**	**1.787696**	**2.735631**
LTCash	**-1.247351**	**.524318**	**-2.38**	**0.017**	**-2.274995**	**-.2197063**
TQ	**0**	(omitted)				
_cons	**-4.733392**	**.1789827**	**-26.45**	**0.000**	**-5.084192**	**-4.382593**
sigma_u	**1.0808811**					
sigma_e	**.99072523**					
rho	**.5434375**	(fraction of variance due to u_i)				

Instrumented: TQ
Instruments: Turnover TurnoverXHigh_KZ LTFCF_2 LTLeverage LTRevenue LTCash TQ TQ_diff_1 TQ_diff_2

(**est4** stored)

```
18 . esttab using sec23.csv, r2 label
(output written to sec23.csv)

19 . eststo clear

20 . xtreg ITA_1 FCF_1, fe
```

Fixed-effects (within) regression — Number of obs = **4,785**
Group variable: **FirmID** — Number of groups = **319**

R-sq:
within = **0.2662**
between = **0.0518**
overall = **0.1985**

Obs per group:
min = **15**
avg = **15.0**
max = **15**

F(**1,4465**) = **1619.83**
corr(u_i, Xb) = **-0.1111** — Prob > F = **0.0000**

ITA_1	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
FCF_1	**-.325697**	**.0080924**	**-40.25**	**0.000**	**-.3415622**	**-.3098318**
_cons	**.0749583**	**.0008544**	**87.74**	**0.000**	**.0732834**	**.0766333**
sigma_u	**.03944456**					
sigma_e	**.05835602**					
rho	**.31360202**	(fraction of variance due to u_i)				

F test that all u_i=0: F(**318, 4465**) = **6.77** — Prob > F = **0.0000**

```
21 . xtreg ITA_2 FCF_1, fe

Fixed-effects (within) regression               Number of obs      =       4,466
Group variable: FirmID                          Number of groups   =         319

R-sq:                                           Obs per group:
     within  = 0.0490                                         min =          14
     between = 0.0457                                         avg =        14.0
     overall = 0.0481                                         max =          14

                                                F(1,4146)          =      213.76
corr(u_i, Xb)  = 0.0057                         Prob > F           =      0.0000

------------------------------------------------------------------------------
       ITA_2 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
       FCF_1 |  -.1651807   .0112977   -14.62   0.000    -.1873303   -.1430311
       _cons |   .0800165   .0011917    67.14   0.000       .07768    .082353
-------------+----------------------------------------------------------------
     sigma_u |   .04559665
     sigma_e |   .07903622
         rho |   .24971293   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0: F(318, 4146) = 4.66                     Prob > F = 0.0000

22 . xtreg ITA_1 Cash, fe

Fixed-effects (within) regression               Number of obs      =       4,785
Group variable: FirmID                          Number of groups   =         319

R-sq:                                           Obs per group:
     within  = 0.0013                                         min =          15
     between = 0.0437                                         avg =        15.0
     overall = 0.0082                                         max =          15

                                                F(1,4465)          =        5.63
corr(u_i, Xb)  = 0.1015                         Prob > F           =      0.0177

------------------------------------------------------------------------------
       ITA_1 |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
        Cash |  -.0298725   .0125911    -2.37   0.018    -.0545574   -.0051877
       _cons |   .0709507   .0011535    61.51   0.000     .0686893    .073212
-------------+----------------------------------------------------------------
     sigma_u |   .03902652
     sigma_e |   .06808092
         rho |   .24732854   (fraction of variance due to u_i)
------------------------------------------------------------------------------
F test that all u_i=0: F(318, 4465) = 4.88                     Prob > F = 0.0000

23 . xtreg ITA_2 Cash, fe

Fixed-effects (within) regression               Number of obs      =       4,466
Group variable: FirmID                          Number of groups   =         319

R-sq:                                           Obs per group:
     within  = 0.0024                                         min =          14
     between = 0.0373                                         avg =        14.0
     overall = 0.0090                                         max =          14

                                                F(1,4146)          =        9.85
corr(u_i, Xb)  = 0.0809                         Prob > F           =      0.0017
```

ITA_2	Coef.	Std. Err.	t	P>|t|	[95% Conf.	Interval]
Cash	-.0485182	.0154593	-3.14	0.002	-.0788266	-.0182098
_cons	.0801347	.0014099	56.84	0.000	.0773706	.0828987
sigma_u	.04617388					
sigma_e	.08095203					
rho	.24547654	(fraction of variance due to u_i)				

F test that all u_i=0: F(318, 4146) = 4.52 Prob > F = 0.0000

```
24 . xtreg ITA_2 Cash, re
```

Random-effects GLS regression — Number of obs = 4,466
Group variable: FirmID — Number of groups = 319

R-sq:
within = 0.0024
between = 0.0373
overall = 0.0090

Obs per group:
min = 14
avg = 14.0
max = 14

Wald chi2(1) = 17.50
corr(u_i, X) = 0 (assumed) — Prob > chi2 = 0.0000

ITA_2	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
Cash	-.060413	.014443	-4.18	0.000	-.0887208	-.0321053
_cons	.0806897	.0026559	30.38	0.000	.0754843	.0858951
sigma_u	.04044053					
sigma_e	.08095203					
rho	.19971949	(fraction of variance due to u_i)				

```
25 . xtreg ITA_1 Cash, re
```

Random-effects GLS regression — Number of obs = 4,785
Group variable: FirmID — Number of groups = 319

R-sq:
within = 0.0013
between = 0.0437
overall = 0.0082

Obs per group:
min = 15
avg = 15.0
max = 15

Wald chi2(1) = 12.42
corr(u_i, X) = 0 (assumed) — Prob > chi2 = 0.0004

ITA_1	Coef.	Std. Err.	z	P>|z|	[95% Conf.	Interval]
Cash	-.0417493	.0118461	-3.52	0.000	-.0649671	-.0185314
_cons	.071518	.0022336	32.02	0.000	.0671403	.0758957
sigma_u	.03432479					
sigma_e	.06808092					
rho	.202675	(fraction of variance due to u_i)				

```
26 . help underid

27 . help underid

28 . ssc install overid
   checking overid consistency and verifying not already installed...
   installing into D:\Academics\SEM6\AE\Stata\Ps\...
   installation complete.

29 . sysdir set PLUS D:\Academics\SEM6\AE\Stata\Ps

30 . ssc install overid
   checking overid consistency and verifying not already installed...
   all files already exist and are up to date.

31 . ssc install underid
   checking underid consistency and verifying not already installed...
   all files already exist and are up to date.

32 . help underid

33 . ivregress 2sls LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ (TQ = TQ_diff_1
   > TQ_diff_2), vce(cluster FirmID)
   TQ included in both exogenous and endogenous variable lists
   r(498);

34 . ivregress 2sls LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash (TQ = TQ_diff_1 TQ_
   > diff_2), vce(cluster FirmID)

   Instrumental variables (2SLS) regression          Number of obs   =      3,828
                                                     Wald chi2(6)    =     170.93
                                                     Prob > chi2     =     0.0000
                                                     R-squared       =     0.1658
                                                     Root MSE        =     1.3319

                                  (Std. Err. adjusted for 319 clusters in FirmID)
------------------------------------------------------------------------------
             |               Robust
    LTITA_1 |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------+-----------------------------------------------------------------
          TQ |   .0198666   .0075679     2.63   0.009     .0050339    .0346994
      Amihud |  -.0373058   .0212797    -1.75   0.080    -.0790133    .0044016
     LTFCF_1 |  -3.387642   .4212324    -8.04   0.000    -4.213242   -2.562041
  LTLeverage |   -.984943   .3319584    -2.97   0.003     -1.63557   -.3343164
   LTRevenue |   1.650444   .3162481     5.22   0.000     1.030609    2.270279
      LTCash |  -2.130074   .6929247    -3.07   0.002    -3.488181   -.7719661
       _cons |  -3.937231   .2669577   -14.75   0.000    -4.460459   -3.414004
------------------------------------------------------------------------------
   Instrumented:  TQ
   Instruments:   Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ_diff_1
                  TQ_diff_2
```

```
35 . underid , kp
   Error: must have ranktest version 02.0.03 or greater installed
   To install, from within Stata type ssc install ranktest
   r(601);

36 .
37 . ssc install ranktest
   checking ranktest consistency and verifying not already installed...
   installing into D:\Academics\SEM6\AE\Stata\Ps\...
   installation complete.

38 . underid , kp

   Underidentification test: Kleibergen-Paap robust LIML-based (LM version)
     Test statistic robust to heteroskedasticity and clustering on FirmID
   j=    7.00  Chi-sq(  2) p-value=0.0303

39 . help overid

40 . overid , j2l

   Overidentification test: Windmeijer robust J2L LIML-based (LM version)
     Test statistic robust to heteroskedasticity and clustering on FirmID
   j=    0.00  Chi-sq(  1) p-value=0.9638

41 . overid , j2lr

   Overidentification test: Windmeijer robust J2LR LIML-based (LM version)
     Test statistic robust to heteroskedasticity and clustering on FirmID
   j=    0.00  Chi-sq(  1) p-value=0.9638

42 . help overid

43 . overid , jgmm2s

   Overidentification test: 2-step-GMM-based (LM version)
     Test statistic robust to heteroskedasticity and clustering on FirmID
   j=    0.00  Chi-sq(  1) p-value=0.9638

44 . estat overid

     Test of overidentifying restrictions:


     robust tests of overidentifying restrictions after 2SLS
     estimation not available with cluster-robust standard errors
   r(498);

45 . ivregress 2sls LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ (TQ = TQ_diff_1
   > TQ_diff_2)
   TQ included in both exogenous and endogenous variable lists
   r(498);
```

```
46 . ivregress 2sls LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash (TQ = TQ_diff_1 TQ_
> diff_2), vce(cluster FirmID)

Instrumental variables (2SLS) regression          Number of obs   =      3,828
                                                  Wald chi2(6)    =     170.93
                                                  Prob > chi2     =     0.0000
                                                  R-squared       =     0.1658
                                                  Root MSE        =     1.3319

                                (Std. Err. adjusted for 319 clusters in FirmID)
------------------------------------------------------------------------------
             |               Robust
    LTITA_1  |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
          TQ |   .0198666   .0075679     2.63   0.009     .0050339    .0346994
      Amihud |  -.0373058   .0212797    -1.75   0.080    -.0790133    .0044016
     LTFCF_1 |  -3.387642   .4212324    -8.04   0.000    -4.213242   -2.562041
  LTLeverage |   -.984943   .3319584    -2.97   0.003     -1.63557   -.3343164
   LTRevenue |   1.650444   .3162481     5.22   0.000     1.030609    2.270279
      LTCash |  -2.130074   .6929247    -3.07   0.002    -3.488181   -.7719661
       _cons |  -3.937231   .2669577   -14.75   0.000    -4.460459   -3.414004
------------------------------------------------------------------------------
Instrumented:  TQ
Instruments:   Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ_diff_1
               TQ_diff_2

47 . estat overid

  Test of overidentifying restrictions:


  robust tests of overidentifying restrictions after 2SLS
  estimation not available with cluster-robust standard errors
r(498);

48 . ivregress 2sls LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash (TQ = TQ_diff_1 TQ_
> diff_2)

Instrumental variables (2SLS) regression          Number of obs   =      3,828
                                                  Wald chi2(6)    =     731.71
                                                  Prob > chi2     =     0.0000
                                                  R-squared       =     0.1658
                                                  Root MSE        =     1.3319

------------------------------------------------------------------------------
    LTITA_1  |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
          TQ |   .0198666   .0164614     1.21   0.227     -.012397    .0521303
      Amihud |  -.0373058    .013687    -2.73   0.006    -.0641318   -.0104798
     LTFCF_1 |  -3.387642   .2236063   -15.15   0.000    -3.825902   -2.949381
  LTLeverage |   -.984943   .1333086    -7.39   0.000    -1.246223   -.7236629
   LTRevenue |   1.650444   .0837815    19.70   0.000     1.486235    1.814653
      LTCash |  -2.130074   .3192627    -6.67   0.000    -2.755817    -1.50433
       _cons |  -3.937231   .0729574   -53.97   0.000    -4.080225   -3.794237
------------------------------------------------------------------------------
Instrumented:  TQ
Instruments:   Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ_diff_1
               TQ_diff_2
```

```
49 . estat overid

  Tests of overidentifying restrictions:

  Sargan (score) chi2(1) =  .000395  (p = 0.9841)
  Basmann chi2(1)        =  .000394  (p = 0.9842)

50 . ivregress 2sls LTITA_1 Amihud LTFCF_1 LTLeverage LTRevenue LTCash (TQ = TQ_diff_1 TQ_
> diff_2)

Instrumental variables (2SLS) regression          Number of obs   =      3,828
                                                  Wald chi2(6)    =     731.71
                                                  Prob > chi2     =     0.0000
                                                  R-squared       =     0.1658
                                                  Root MSE        =     1.3319

------------------------------------------------------------------------------
     LTITA_1 |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
          TQ |   .0198666   .0164614     1.21   0.227    -.012397    .0521303
      Amihud |  -.0373058    .013687    -2.73   0.006   -.0641318   -.0104798
     LTFCF_1 |  -3.387642   .2236063   -15.15   0.000   -3.825902   -2.949381
  LTLeverage |   -.984943   .1333086    -7.39   0.000   -1.246223   -.7236629
   LTRevenue |   1.650444   .0837815    19.70   0.000    1.486235    1.814653
      LTCash |  -2.130074   .3192627    -6.67   0.000   -2.755817    -1.50433
       _cons |  -3.937231   .0729574   -53.97   0.000   -4.080225   -3.794237
------------------------------------------------------------------------------
Instrumented:  TQ
Instruments:   Amihud LTFCF_1 LTLeverage LTRevenue LTCash TQ_diff_1
               TQ_diff_2

51 .
```