Statistics/Data Analysis

```
1 .
2 . * import data
3 . import excel "${data_dir}/overconfidence_measure.xlsx", ///
  >         sheet("overconfidence_measure") firstrow

4 .
5 . * count overconfident and not overconfident households in the learning set
6 . count if overconfidence == 1
    858

7 . count if overconfidence == 0
    7,506

8 .
9 . * generate key variables
10. *** age
11. gen age2 = age^2

12. *** income
13. gen logincome = log(income)

14. gen logincome2 = logincome^2

15. *** financial literacy measure (measured by factor analysis score and normalized)
16. ***** factor analysis
17. gen interest_q_c = interest_q == 1

18. gen inflation_q_c = inflation_q == 1

19. gen bond_q_c = bond_q == 1

20. gen mortgage_q_c = mortgage_q == 1

21. gen mutual_q_c = mutual_q == 1

22. factor *q_c, pcf
  (obs=80,164)

  Factor analysis/correlation                      Number of obs    =     80,164
      Method: principal-component factors          Retained factors =          1
      Rotation: (unrotated)                        Number of params =          5

      --------------------------------------------------------------------------
           Factor  |   Eigenvalue   Difference        Proportion   Cumulative
      -------------+------------------------------------------------------------
          Factor1  |      2.08551      1.15877            0.4171       0.4171
          Factor2  |      0.92674      0.22666            0.1853       0.6025
          Factor3  |      0.70008      0.00584            0.1400       0.7425
          Factor4  |      0.69424      0.10083            0.1388       0.8813
          Factor5  |      0.59341            .            0.1187       1.0000
      --------------------------------------------------------------------------
      LR test: independent vs. saturated:  chi2(10) = 4.7e+04 Prob>chi2 = 0.0000

  Factor loadings (pattern matrix) and unique variances

      -----------------------------------------
          Variable |  Factor1 |   Uniqueness
      -------------+----------+--------------
      interest_q_c |   0.6435 |      0.5859
      inflation_~c |   0.7315 |      0.4649
          bond_q_c |   0.4972 |      0.7528
      mortgage_q_c |   0.6508 |      0.5765
        mutual_q_c |   0.6824 |      0.5344
      -----------------------------------------
```

```
23. predict score
  (regression scoring assumed)

  Scoring coefficients (method = regression)

      ------------------------
          Variable |  Factor1
      -------------+----------
      interest_q_c |  0.30857
      inflation_~c |  0.35075
          bond_q_c |  0.23839
      mortgage_q_c |  0.31204
        mutual_q_c |  0.32719
      ------------------------


24. ***** normalization
25. summ score

      Variable |        Obs        Mean    Std. Dev.       Min        Max
  -------------+---------------------------------------------------------
         score |     80,164   -1.84e-09           1  -2.030406   1.336009

26. gen fin_lit = (score - r(min)) / (r(max) - r(min))

27.
28. * summary statistics
29. estpost tabstat retire_dummy precaution_dummy fin_par_dummy female_dummy ///
  >         age nonwhite_dummy marital_dummy income high_school_dummy college_dummy ///
  >         fin_lit overconfidence_* //,
  >         [aw=weights], statistics(p10 p50 p90 mean sd N) columns(statistics)

  Summary statistics: p10 p50 p90 mean sd count
       for variables: retire_dummy precaution_dummy fin_par_dummy female_dummy age nonwh
  > ite_dummy ma
  > rital_dummy income high_school_dummy college_dummy fin_lit overconfidence_bnb overco
  > nfidence_for
  > est overconfidence_knn overconfidence_logit overconfidence_mlp overconfidence_svm

               |    e(p10)     e(p50)     e(p90)    e(mean)      e(sd)   e(count)
  -------------+--------------------------------------------------------------------
  retire_dummy |         0          0          1   .3089863   .4620784      80164
  precaution~y |         0          0          1   .4490168    .497397      80164
  fin_par_du~y |         0          0          1    .313935   .4640932      80164
  female_dummy |         0          1          1   .5136688   .4998162      80164
           age |        20         50         70   46.34164   16.52453      80164
  nonwhite_d~y |         0          0          1   .3500791   .4769974      80164
  marital_du~y |         0          1          1   .5226527   .4994897      80164
        income |      7500      42500     125000   62054.31   49231.67      80164
  high_schoo~y |         1          1          1   .9537342   .2100614      80164
  college_du~y |         0          0          1   .3553699   .4786282      80164
       fin_lit |  .2138178   .6296108          1   .5800545   .2993637      80164
  overconfid~b |  .0097383    .187493    .590684   .2468887   .2308618      80164
  overconfi~st |  .0286683   .2029464   .4551141   .2335589   .1703746      80164
  overconfid~n |         0   .1546392   .4639175   .2026388   .1999288      80164
  overconfi~it |  .0018099   .1132302   .7885393   .2639741   .3010764      80164
  overconfid~p |  .0108795   .1687191   .3531788   .1894704   .1537241      80164
  overconfid~m |  .0000437   .1333883   .9999974   .3923306   .4262681      80164

30.
```

```
31. estout using "${tables_dir}/sum_stat.tex", ///
  >         cells("p10 p50 p90 mean(fmt(a3)) sd(fmt(a3)) count(label(#Obs.))") ///
  >         varlabels(`e(var)') sty(tex) replace
  (output written to ../outputs/tables/sum_stat.tex)

32.
33. local household_X "age age2 logincome logincome2 female_dummy nonwhite_dummy marital
  > _dummy high_
  > school_dummy college_dummy"

34.
35. * baseline regressions with svm
36. *** retirement readiness
37. ***** without state dummies
38. logit retire_dummy overconfidence_svm fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43077.119
  Iteration 2:   log pseudolikelihood = -42834.139
  Iteration 3:   log pseudolikelihood = -42832.904
  Iteration 4:   log pseudolikelihood = -42832.904

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(13)     =    7573.09
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -42832.904               Pseudo R2         =     0.1358

  ------------------------------------------------------------------------------
                       |               Robust
            retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_svm |    .816695   .0361885    22.57   0.000     .7457669    .8876231
             fin_lit |   1.903958   .0576561    33.02   0.000     1.790955    2.016962
                 age |   .1289217    .004202    30.68   0.000     .1206859    .1371575
                age2 |  -.0017136   .0000445   -38.52   0.000    -.0018008   -.0016264
           logincome |  -1.721525   .2383722    -7.22   0.000    -2.188726   -1.254324
          logincome2 |    .109213   .0112258     9.73   0.000     .0872109    .1312152
       female_dummy |  -.1376402   .0200817    -6.85   0.000    -.1769996   -.0982808
     nonwhite_dummy |   .0914407   .0226265     4.04   0.000     .0470935    .1357879
      marital_dummy |   -.000152   .0229813    -0.01   0.995    -.0451945    .0448904
  high_school_dummy |   .3283497   .0662079     4.96   0.000     .1985846    .4581148
      college_dummy |   .2834624   .0210729    13.45   0.000     .2421603    .3247645
                    |
                year |
                2015 |   .0212984   .0246373     0.86   0.387    -.0269899    .0695866
                2018 |   .0735256    .025168     2.92   0.003     .0241971     .122854
                    |
               _cons |   1.193582   1.258919     0.95   0.343    -1.273855    3.661018
  ------------------------------------------------------------------------------

39. scalar r2 = e(r2_p)

40. margins, dydx(overconfidence_svm fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_svm fin_lit

  ------------------------------------------------------------------------------
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_svm |   .1462839   .0063667    22.98   0.000     .1338055    .1587624
             fin_lit |   .3410313   .0099262    34.36   0.000     .3215764    .3604862
  ------------------------------------------------------------------------------
```

```
41. outreg2 using "${tables_dir}/SVM.tex", tex replace addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Readiness")
  ../outputs/tables/SVM.tex
  dir : seeout

42.
43. ***** with state dummies
44. logit retire_dummy overconfidence_svm fin_lit `household_X' i.year i.state_cate [pw=
  > weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43021.121
  Iteration 2:   log pseudolikelihood = -42774.304
  Iteration 3:   log pseudolikelihood = -42773.022
  Iteration 4:   log pseudolikelihood = -42773.022

  Logistic regression                               Number of obs     =     80,164
                                                    Wald chi2(63)     =    7665.16
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -42773.022                 Pseudo R2         =     0.1370

  ------------------------------------------------------------------------------
                       |               Robust
               retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_svm |     .82241   .0362728    22.67   0.000     .7513166    .8935033
             fin_lit |   1.893639   .0577569    32.79   0.000     1.780437     2.00684
                 age |    .128823   .0042064    30.63   0.000     .1205785    .1370674
                age2 |  -.0017108   .0000445   -38.41   0.000    -.0017981   -.0016235
           logincome |  -1.775951   .2388341    -7.44   0.000    -2.244058   -1.307845
          logincome2 |     .11196   .0112559     9.95   0.000     .0898988    .1340212
         female_dummy |  -.1456801   .0201476    -7.23   0.000    -.1851687   -.1061916
      nonwhite_dummy |   .1141488   .0242696     4.70   0.000     .0665812    .1617164
       marital_dummy |  -.0022549   .0232207    -0.10   0.923    -.0477666    .0432569
   high_school_dummy |   .3212634   .0662886     4.85   0.000     .1913402    .4511866
       college_dummy |   .2776716   .0211887    13.10   0.000     .2361424    .3192007
                     |
                year |
                2015 |   .0210039   .0246237     0.85   0.394    -.0272576    .0692655
                2018 |   .0721174   .0251832     2.86   0.004     .0227593    .1214756
                     |
           state_cate |
                   2 |    .156949   .0851227     1.84   0.065    -.0098885    .3237865
                   3 |  -.0878468   .0897561    -0.98   0.328    -.2637655     .088072
                   4 |  -.1424664   .0902189    -1.58   0.114    -.3192922    .0343593
                   5 |   -.134816    .085408    -1.58   0.114    -.3022127    .0325807
                   6 |  -.1029941   .0861838    -1.20   0.232    -.2719112    .0659231
                   7 |  -.0666407   .0874753    -0.76   0.446    -.2380892    .1048079
                   8 |  -.1575095   .0869825    -1.81   0.070    -.3279921    .0129731
                   9 |   .0272461   .0874748     0.31   0.755    -.1442013    .1986935
                  10 |  -.1155964   .0911484    -1.27   0.205     -.294244    .0630512
                  11 |    .026699   .0859033     0.31   0.756    -.1416683    .1950663
                  12 |   -.024613   .0886361    -0.28   0.781    -.1983367    .1491106
                  13 |  -.0787176   .0866547    -0.91   0.364    -.2485577    .0911225
                  14 |  -.0748481   .0845539    -0.89   0.376    -.2405708    .0908746
                  15 |  -.1040199   .0866736    -1.20   0.230    -.2738969    .0658572
                  16 |  -.0523651   .0866898    -0.60   0.546     -.222274    .1175437
                  17 |  -.0121392   .0880243    -0.14   0.890    -.1846636    .1603852
                  18 |   -.103553   .0872747    -1.19   0.235    -.2746083    .0675023
                  19 |  -.0389663   .0865241    -0.45   0.652    -.2085505    .1306179
                  20 |  -.0211924   .0860164    -0.25   0.805    -.1897814    .1473966
                  21 |  -.0964227   .0871644    -1.11   0.269    -.2672618    .0744164
                  22 |  -.1874438   .0893267    -2.10   0.036    -.3625209   -.0123667
                  23 |  -.0635689   .0875257    -0.73   0.468    -.2351161    .1079783
                  24 |  -.0846434   .0866836    -0.98   0.329    -.2545402    .0852534
                  25 |   .0274988   .0851488     0.32   0.747    -.1393897    .1943874
                  26 |  -.0853995   .0862991    -0.99   0.322    -.2545427    .0837437
                  27 |   .1783344   .0854067     2.09   0.037     .0109403    .3457286
                  28 |   .0053102   .0865281     0.06   0.951    -.1642817    .1749022
                  29 |  -.1870042   .0894238    -2.09   0.037    -.3622716   -.0117369
                  30 |   -.046742   .0869063    -0.54   0.591    -.2170752    .1235912
```

```
              31  |  -.2013005   .0885968    -2.27   0.023     -.374947   -.0276541
              32  |  -.0710909   .0895931    -0.79   0.427    -.2466902    .1045083
              33  |  -.0447972   .0849574    -0.53   0.598    -.2113105    .1217162
              34  |   -.094691    .088448    -1.07   0.284    -.2680459    .0786639
              35  |   .0909865   .0865056     1.05   0.293    -.0785613    .2605343
              36  |  -.0827426   .0868348    -0.95   0.341    -.2529356    .0874505
              37  |  -.0465641   .0875417    -0.53   0.595    -.2181427    .1250145
              38  |   .0379698   .0817916     0.46   0.642    -.1223387    .1982784
              39  |  -.1797342   .0898637    -2.00   0.045    -.3558638   -.0036046
              40  |  -.1196466   .0866319    -1.38   0.167     -.289442    .0501489
              41  |   .0085563   .0866255     0.10   0.921    -.1612265    .1783391
              42  |   .1260378   .0854689     1.47   0.140    -.0414782    .2935538
              43  |   -.034103   .0875429    -0.39   0.697     -.205684     .137478
              44  |  -.2439445   .0848134    -2.88   0.004    -.4101758   -.0777133
              45  |   .2095448   .0854546     2.45   0.014     .0420569    .3770328
              46  |  -.0697115   .0848765    -0.82   0.411    -.2360663    .0966434
              47  |   .0068165   .0872336     0.08   0.938    -.1641583    .1777912
              48  |  -.0624036   .0822023    -0.76   0.448    -.2235171    .0987099
              49  |  -.0997526   .0876187    -1.14   0.255    -.2714821     .071977
              50  |  -.0066817   .0862621    -0.08   0.938    -.1757524     .162389
              51  |    .116259   .0848083     1.37   0.170    -.0499622    .2824801
                  |
           _cons  |   1.528607   1.261835     1.21   0.226    -.9445441    4.001758
------------------------------------------------------------------------------
```

45. scalar r2 = e(r2_p)

46. margins, dydx(overconfidence_svm fin_lit) post

```
Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_svm fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .1470628   .0063708    23.08   0.000     .1345763    .1595493
           fin_lit |   .3386193   .0099472    34.04   0.000     .3191231    .3581155
------------------------------------------------------------------------------
```

47. outreg2 using "${tables_dir}/SVM.tex", tex append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Readiness")
../outputs/tables/SVM.tex
dir : seeout

48.
49. *** precautionary saving
50. ***** without state dummies
51. logit precaution_dummy overconfidence_svm fin_lit `household_X' i.year [pw=weights]

```
Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47021.181
Iteration 2:   log pseudolikelihood = -46959.508
Iteration 3:   log pseudolikelihood = -46959.305
Iteration 4:   log pseudolikelihood = -46959.305

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    8585.62
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -46959.305               Pseudo R2         =     0.1485
```

```
------------------------------------------------------------------------------
             |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .8158523   .0334389    24.40   0.000     .7503133    .8813913
           fin_lit |   1.581582   .0520168    30.41   0.000     1.479631    1.683533
               age |  -.1187597   .0039239   -30.27   0.000    -.1264504    -.111069
              age2 |   .0014338   .0000414    34.64   0.000     .0013526    .0015149
         logincome |  -2.254087   .2359597    -9.55   0.000    -2.716559   -1.791614
        logincome2 |   .1422843   .0111919    12.71   0.000     .1203487      .16422
      female_dummy |  -.1706091   .0191462    -8.91   0.000     -.208135   -.1330832
   nonwhite_dummy |   .0035496   .0220125     0.16   0.872    -.0395942    .0466933
    marital_dummy |   .0333558   .0213744     1.56   0.119    -.0085372    .0752488
 high_school_dummy |   .4094395   .0604101     6.78   0.000      .291038    .5278411
     college_dummy |    .351746    .020296    17.33   0.000     .3119666    .3915255
                   |
              year |
             2015  |   .1896199   .0233708     8.11   0.000     .1438141    .2354258
             2018  |   .2911229   .0238445    12.21   0.000     .2443886    .3378573
                   |
             _cons |   7.653026    1.23882     6.18   0.000     5.224983    10.08107
------------------------------------------------------------------------------
```

52. `scalar r2 = e(r2_p)`

53. `margins, dydx(overconfidence_svm fin_lit) post`

```
Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_svm fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .1636849   .0065689    24.92   0.000     .1508101    .1765597
           fin_lit |   .3173136   .0100917    31.44   0.000     .2975342     .337093
------------------------------------------------------------------------------
```

54. `outreg2 using "${tables_dir}/SVM.tex", tex append addstat(Pseudo R-squared, r2) ///`
`>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///`
`>         ctitle("Precaution")`
`../outputs/tables/SVM.tex`
`dir : seeout`

55.

56. `***** with state dummies`

57. `logit precaution_dummy overconfidence_svm fin_lit `household_X' i.year i.state_cate`
`> [pw=weights]`

```
Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -46927.598
Iteration 2:   log pseudolikelihood = -46863.052
Iteration 3:   log pseudolikelihood = -46862.848
Iteration 4:   log pseudolikelihood = -46862.848

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(63)     =    8744.55
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -46862.848               Pseudo R2         =     0.1502
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_svm	.8204493	.0335034	24.49	0.000	.7547838	.8861148
fin_lit	1.592828	.0521592	30.54	0.000	1.490598	1.695058
age	-.1188102	.0039306	-30.23	0.000	-.126514	-.1111065
age2	.0014321	.0000415	34.54	0.000	.0013508	.0015133
logincome	-2.190928	.2365888	-9.26	0.000	-2.654634	-1.727223
logincome2	.1391215	.0112298	12.39	0.000	.1171115	.1611315
female_dummy	-.1684747	.0191923	-8.78	0.000	-.2060908	-.1308585
nonwhite_dummy	-.0388094	.0234545	-1.65	0.098	-.0847794	.0071607
marital_dummy	.0412159	.0215893	1.91	0.056	-.0010984	.0835302
high_school_dummy	.4127042	.0604319	6.83	0.000	.2942598	.5311486
college_dummy	.3503194	.0204337	17.14	0.000	.3102701	.3903688
year						
2015	.1917823	.0233906	8.20	0.000	.1459376	.237627
2018	.2946631	.0238865	12.34	0.000	.2478464	.3414797
state_cate						
2	-.0542752	.085052	-0.64	0.523	-.2209741	.1124237
3	-.1584485	.0850565	-1.86	0.062	-.3251563	.0082593
4	-.0787413	.0844035	-0.93	0.351	-.244169	.0866865
5	.0470674	.0834127	0.56	0.573	-.1164185	.2105533
6	-.1152955	.0848398	-1.36	0.174	-.2815784	.0509875
7	-.1647177	.0849588	-1.94	0.053	-.3312339	.0017985
8	-.1888637	.0833001	-2.27	0.023	-.3521288	-.0255985
9	-.0688258	.0861307	-0.80	0.424	-.2376388	.0999871
10	.0675345	.08624	0.78	0.434	-.1014928	.2365618
11	-.0231699	.0852755	-0.27	0.786	-.1903068	.143967
12	.1372239	.085751	1.60	0.110	-.0308448	.3052927
13	-.1787774	.0838507	-2.13	0.033	-.3431217	-.0144331
14	.084568	.0819573	1.03	0.302	-.0760653	.2452013
15	-.2281524	.0840975	-2.71	0.007	-.3929805	-.0633244
16	-.1018504	.08392	-1.21	0.225	-.2663305	.0626297
17	-.1874326	.0839039	-2.23	0.025	-.3518812	-.0229841
18	-.0493449	.0838516	-0.59	0.556	-.2136911	.1150013
19	-.0342746	.0838264	-0.41	0.683	-.1985713	.130022
20	-.2241441	.0843715	-2.66	0.008	-.3895091	-.058779
21	-.2703906	.0846516	-3.19	0.001	-.4363047	-.1044764
22	-.0580348	.0862147	-0.67	0.501	-.2270125	.1109429
23	-.1073062	.0830457	-1.29	0.196	-.2700727	.0554603
24	.0153983	.0837036	0.18	0.854	-.1486578	.1794544
25	-.0763013	.0833543	-0.92	0.360	-.2396727	.0870701
26	-.2329599	.0843042	-2.76	0.006	-.3981932	-.0677266
27	-.1713912	.0817603	-2.10	0.036	-.3316385	-.011144
28	-.1021796	.0840928	-1.22	0.224	-.2669985	.0626392
29	-.0310566	.0849364	-0.37	0.715	-.1975288	.1354156
30	-.113491	.0838554	-1.35	0.176	-.2778445	.0508626
31	-.1572798	.0849826	-1.85	0.064	-.3238426	.009283
32	-.1189419	.0854278	-1.39	0.164	-.2863773	.0484935
33	.1466962	.0825624	1.78	0.076	-.0151231	.3085156
34	-.0144191	.0849271	-0.17	0.865	-.1808731	.1520349
35	.0925907	.0838458	1.10	0.269	-.071744	.2569254
36	-.1279897	.0840941	-1.52	0.128	-.2928111	.0368317
37	-.2633723	.0848594	-3.10	0.002	-.4296937	-.097051
38	-.1409223	.0796245	-1.77	0.077	-.2969834	.0151388
39	-.0327184	.0839622	-0.39	0.697	-.1972812	.1318445
40	-.0882776	.0835731	-1.06	0.291	-.2520778	.0755226
41	-.0496768	.0842392	-0.59	0.555	-.2147827	.1154291
42	-.0686695	.083162	-0.83	0.409	-.2316641	.0943251
43	-.2055727	.0844267	-2.43	0.015	-.3710459	-.0400994
44	-.1179136	.0823303	-1.43	0.152	-.279278	.0434508
45	-.101688	.0846582	-1.20	0.230	-.267615	.064239
46	-.2828079	.0831057	-3.40	0.001	-.445692	-.1199237
47	-.2336958	.0852602	-2.74	0.006	-.4008028	-.0665889
48	-.0317701	.0803351	-0.40	0.692	-.189224	.1256838
49	-.2110969	.0828904	-2.55	0.011	-.3735591	-.0486347
50	-.1837703	.0838418	-2.19	0.028	-.3480972	-.0194434
51	-.1167262	.0831548	-1.40	0.160	-.2797065	.0462542

```
             _cons |   7.424866    1.24284     5.97   0.000     4.988943    9.860788
------------------------------------------------------------------------------

58. scalar r2 = e(r2_p)

59. margins, dydx(overconfidence_svm fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_svm fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .1641869   .0065632    25.02   0.000     .1513233    .1770505
           fin_lit |    .318754   .0100938    31.58   0.000     .2989705    .3385375
------------------------------------------------------------------------------

60. outreg2 using "${tables_dir}/SVM.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Precaution")
../outputs/tables/SVM.tex
dir : seeout

61.
62. *** financial market participation
63. ***** without state dummies
64. logit fin_par_dummy overconfidence_svm fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -49879.082
Iteration 1:   log pseudolikelihood = -41045.732
Iteration 2:   log pseudolikelihood = -40561.136
Iteration 3:   log pseudolikelihood = -40553.349
Iteration 4:   log pseudolikelihood = -40553.341
Iteration 5:   log pseudolikelihood = -40553.341

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    9325.48
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -40553.341               Pseudo R2         =     0.1870

------------------------------------------------------------------------------
                   |               Robust
     fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .8641729   .0390878    22.11   0.000     .7875623    .9407835
           fin_lit |   2.225225   .0631436    35.24   0.000     2.101466    2.348985
               age |  -.0801258   .0043014   -18.63   0.000    -.0885564   -.0716953
              age2 |   .0009857   .0000446    22.12   0.000     .0008984    .001073
         logincome |  -1.917609   .2807807    -6.83   0.000    -2.46793   -1.367289
        logincome2 |   .1331199   .0130661    10.19   0.000     .1075108    .158729
      female_dummy |  -.2542509   .0203663   -12.48   0.000    -.2941681   -.2143337
    nonwhite_dummy |  -.0853154   .0240117    -3.55   0.000    -.1323775   -.0382533
     marital_dummy |  -.0346387   .0231963    -1.49   0.135    -.0801025    .0108251
 high_school_dummy |   .6715422   .0816789     8.22   0.000     .5114546    .8316299
     college_dummy |   .4327827   .0215278    20.10   0.000      .390589    .4749764
                   |
              year |
              2015 |  -.2501064   .0248714   -10.06   0.000    -.2988535   -.2013593
              2018 |  -.1829404    .025593    -7.15   0.000    -.2331017   -.1327791
                   |
             _cons |   3.371651   1.510611     2.23   0.026     .4109075    6.332395
------------------------------------------------------------------------------
```

```
65. scalar r2 = e(r2_p)

66. margins, dydx(overconfidence_svm fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_svm fin_lit

  ------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_svm |   .1453818   .0064814    22.43   0.000     .1326785    .1580851
             fin_lit |   .3743549   .0102025    36.69   0.000     .3543584    .3943513
  ------------------------------------------------------------------------------

67. outreg2 using "${tables_dir}/SVM.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Participation")
  ../outputs/tables/SVM.tex
  dir : seeout

68.
69. ***** with state dummies
70. logit fin_par_dummy overconfidence_svm fin_lit `household_X' i.year i.state_cate [pw
  > =weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood = -40928.154
  Iteration 2:   log pseudolikelihood = -40433.726
  Iteration 3:   log pseudolikelihood = -40425.741
  Iteration 4:   log pseudolikelihood = -40425.733
  Iteration 5:   log pseudolikelihood = -40425.733

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    9525.92
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40425.733               Pseudo R2         =     0.1895

  ------------------------------------------------------------------------------
                     |               Robust
          fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_svm |   .8844377    .039202    22.56   0.000     .8076032    .9612722
             fin_lit |   2.239268   .0634159    35.31   0.000     2.114975    2.363561
                 age |   -.080471   .0043117   -18.66   0.000    -.0889218   -.0720202
                age2 |   .0009859   .0000447    22.07   0.000     .0008983    .0010735
           logincome |  -1.801009   .2810975    -6.41   0.000    -2.351949   -1.250068
          logincome2 |   .1269699   .0130895     9.70   0.000     .1013149    .1526249
       female_dummy |  -.2605941   .0204411   -12.75   0.000    -.3006579   -.2205303
    nonwhite_dummy |  -.1421794   .0258226    -5.51   0.000    -.1927908   -.0915681
     marital_dummy |  -.0202375   .0234805    -0.86   0.389    -.0662585    .0257835
 high_school_dummy |    .666131   .0820513     8.12   0.000     .5053133    .8269487
     college_dummy |   .4215178   .0216705    19.45   0.000     .3790443    .4639913
                   |
                year |
                2015  |  -.2467334    .024898    -9.91   0.000    -.2955327   -.1979342
                2018  |  -.1788977   .0256589    -6.97   0.000    -.2291881   -.1286072
                   |
           state_cate |
                   2  |   .2090832   .0916312     2.28   0.023     .0294894    .3886771
                   3  |   .0185529   .0936498     0.20   0.843    -.1649973    .2021032
                   4  |   .0570024   .0948774     0.60   0.548    -.1289539    .2429587
                   5  |   .2980283   .0915758     3.25   0.001      .118543    .4775135
                   6  |   .1416425   .0946387     1.50   0.134    -.0438459    .3271309
                   7  |   .2497414   .0919219     2.72   0.007     .0695777    .4299051
                   8  |   .1605386    .092268     1.74   0.082    -.0203034    .3413805
                   9  |   .3409827   .0932237     3.66   0.000     .1582675    .5236978
                  10  |   .2110412   .0953513     2.21   0.027      .024156    .3979264
                  11  |   .1514504   .0943059     1.61   0.108    -.0333858    .3362865
```

```
------------------------------------------------------------------------------
          12 |   .6444628   .0929305     6.93   0.000     .4623224    .8266032
          13 |   .0998976   .0912758     1.09   0.274    -.0789998    .2787949
          14 |   .0999543   .0881979     1.13   0.257    -.0729104    .2728191
          15 |  -.0607039    .094142    -0.64   0.519    -.2452188     .123811
          16 |   .2057484    .091451     2.25   0.024     .0265077    .3849892
          17 |    .160525   .0931117     1.72   0.085    -.0219705    .3430206
          18 |   .0115383   .0939004     0.12   0.902    -.1725032    .1955797
          19 |   .1096258   .0942158     1.16   0.245    -.0750338    .2942855
          20 |     .13977    .093623     1.49   0.135    -.0437276    .3232676
          21 |   .0747308     .09382     0.80   0.426     -.109153    .2586145
          22 |   .1384066   .0934455     1.48   0.139    -.0447433    .3215565
          23 |   .0371959   .0946514     0.39   0.694    -.1483176    .2227093
          24 |   .1963038   .0930615     2.11   0.035     .0139066     .378701
          25 |    .060738   .0954221     0.64   0.524    -.1262858    .2477619
          26 |      .0875   .0934734     0.94   0.349    -.0957046    .2707046
          27 |   .2820159   .0921927     3.06   0.002     .1013216    .4627103
          28 |   .1490966   .0921387     1.62   0.106    -.0314919    .3296852
          29 |    .010499   .0950174     0.11   0.912    -.1757316    .1967297
          30 |   .0067701   .0920522     0.07   0.941    -.1736488    .1871891
          31 |   .1936386   .0919221     2.11   0.035     .0134746    .3738025
          32 |   .1298963   .0944519     1.38   0.169    -.0552261    .3150186
          33 |   .3432957   .0897536     3.82   0.000     .1673819    .5192096
          34 |  -.0001654   .0935235    -0.00   0.999    -.1834681    .1831372
          35 |   .2056553   .0907685     2.27   0.023     .0277524    .3835582
          36 |    .165876   .0936002     1.77   0.076    -.0175769    .3493289
          37 |   .0374211   .0954697     0.39   0.695     -.149696    .2245382
          38 |   .1568772   .0883749     1.78   0.076    -.0163345    .3300888
          39 |   .1304685   .0938054     1.39   0.164    -.0533867    .3143237
          40 |   .0958179   .0914345     1.05   0.295    -.0833905    .2750263
          41 |    .058208   .0952867     0.61   0.541    -.1285506    .2449665
          42 |   .2429181   .0907676     2.68   0.007     .0650168    .4208194
          43 |  -.0593955   .0952026    -0.62   0.533    -.2459893    .1271982
          44 |  -.0128892    .091897    -0.14   0.888     -.193004    .1672257
          45 |   .0426999    .094073     0.45   0.650    -.1416798    .2270797
          46 |   .1998548   .0931123     2.15   0.032      .017358    .3823517
          47 |    .176447   .0942666     1.87   0.061    -.0083121    .3612061
          48 |   .2498825   .0882412     2.83   0.005      .076933     .422832
          49 |  -.0421549   .0937844    -0.45   0.653     -.225969    .1416592
          50 |   .2298824   .0925706     2.48   0.013     .0484474    .4113173
          51 |   .1788317   .0922549     1.94   0.053    -.0019846     .359648
             |
       _cons |    2.70012   1.512109     1.79   0.074    -.2635603      5.6638
------------------------------------------------------------------------------
```

71. `scalar r2 = e(r2_p)`

72. `margins, dydx(overconfidence_svm fin_lit) post`

```
Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_svm fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .1482386    .006472    22.90   0.000     .1355537    .1609235
           fin_lit |   .3753185    .010216    36.74   0.000     .3552954    .3953416
------------------------------------------------------------------------------
```

```
. outreg2 using "${tables_dir}/SVM.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Participation")
../outputs/tables/SVM.tex
dir : seeout

.
. * baseline regressions with forest
. *** retirement readiness
. ***** without state dummies
. logit retire_dummy overconfidence_forest fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -49564.375
Iteration 1:   log pseudolikelihood = -43215.127
Iteration 2:   log pseudolikelihood = -42980.814
Iteration 3:   log pseudolikelihood = -42979.726
Iteration 4:   log pseudolikelihood = -42979.726

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    7435.70
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -42979.726               Pseudo R2         =     0.1329

------------------------------------------------------------------------------
> -
                     |               Robust
         retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |   2.513298   .1380537    18.21   0.000     2.242718    2.78387
> 8
              fin_lit |   2.345917    .083484    28.10   0.000     2.182291    2.50954
> 3
                  age |   .1311476   .0041967    31.25   0.000     .1229223    .139372
> 9
                 age2 |  -.0017358   .0000445   -39.04   0.000     -.001823   -.001648
> 7
            logincome |  -1.603136   .2391316    -6.70   0.000    -2.071825   -1.13444
> 7
           logincome2 |   .1040166   .0112558     9.24   0.000     .0819557    .126077
> 5
         female_dummy |  -.1444433   .0200204    -7.21   0.000    -.1836826   -.105204
> 1
       nonwhite_dummy |    .111174    .022577     4.92   0.000     .0669239     .15542
> 4
        marital_dummy |   .0260629   .0229093     1.14   0.255    -.0188384    .070964
> 3
    high_school_dummy |   .3538971   .0660484     5.36   0.000     .2244447    .483349
> 5
        college_dummy |   .2749477   .0210347    13.07   0.000     .2337204    .316174
> 9
                      |
                 year |
                 2015 |   .0317486    .024593     1.29   0.197    -.0164527    .079949
> 9
                 2018 |   .0834438   .0251434     3.32   0.001     .0341636     .13272
> 4
                      |
                _cons |  -.0862883   1.265031    -0.07   0.946    -2.565704    2.39312
> 7
------------------------------------------------------------------------------
> -
```

```
79. scalar r2 = e(r2_p)

80. margins, dydx(overconfidence_forest fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_forest fin_lit

  ------------------------------------------------------------------------------
  > -
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   .4519643   .0245658    18.40   0.000     .4038163    .500112
  > 4
               fin_lit |   .4218643   .0146306    28.83   0.000     .3931889    .450539
  > 7
  ------------------------------------------------------------------------------
  > -

81. outreg2 using "${tables_dir}/Forest.tex", tex replace addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Readiness")
  ../outputs/tables/Forest.tex
  dir : seeout

82.
83. ***** with state dummies
84. logit retire_dummy overconfidence_forest fin_lit `household_X' i.year i.state_cate [
  > pw=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43160.623
  Iteration 2:   log pseudolikelihood = -42922.761
  Iteration 3:   log pseudolikelihood = -42921.634
  Iteration 4:   log pseudolikelihood = -42921.634

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    7523.53
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -42921.634               Pseudo R2         =     0.1340

  ------------------------------------------------------------------------------
  > -
                       |               Robust
              retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   2.534455   .1386142    18.28   0.000     2.262776    2.80613
  > 4
               fin_lit |   2.340297    .083715    27.96   0.000     2.176219    2.50437
  > 6
                   age |   .1310412    .004201    31.19   0.000     .1228075    .139274
  > 9
                  age2 |  -.0017329   .0000445   -38.93   0.000    -.0018202   -.001645
  > 7
             logincome |  -1.667528   .2396889    -6.96   0.000     -2.13731   -1.19774
  > 6
            logincome2 |   .1072781   .0112906     9.50   0.000     .0851489    .129407
  > 4
           female_dummy |  -.1525271    .020093    -7.59   0.000    -.1919087   -.113145
  > 5
         nonwhite_dummy |   .1373511   .0242121     5.67   0.000     .0898963    .184805
  > 8
          marital_dummy |   .0229803   .0231478     0.99   0.321    -.0223885    .068349
  > 1
```

```
  high_school_dummy |   .3474194   .0661138     5.25   0.000     .2178388        .47
> 7
      college_dummy |   .2698535   .0211577    12.75   0.000     .2283852    .311321
> 8
                    |
               year |
                2015 |   .0310212    .024581     1.26   0.207    -.0171567    .079199
> 1
                2018 |   .0817319   .0251619     3.25   0.001     .0324154    .131048
> 4
                    |
         state_cate |
                   2 |   .1749989   .0844309     2.07   0.038     .0095174    .340480
> 4
                   3 |  -.0506874   .0893105    -0.57   0.570    -.2257327    .124357
> 9
                   4 |  -.1067934   .0896775    -1.19   0.234     -.282558    .068971
> 3
                   5 |  -.1139909   .0851956    -1.34   0.181    -.2809711    .052989
> 4
                   6 |  -.0644309   .0860801    -0.75   0.454    -.2331448     .10428
> 3
                   7 |  -.0144404   .0876027    -0.16   0.869    -.1861387    .157257
> 8
                   8 |  -.1242861   .0866302    -1.43   0.151    -.2940781     .04550
> 6
                   9 |    .038988   .0874337     0.45   0.656    -.1323789    .210354
> 9
                  10 |  -.1030485    .091009    -1.13   0.258    -.2814228    .075325
> 7
                  11 |    .088458   .0858807     1.03   0.303    -.0798651    .256781
> 2
                  12 |   -.002983   .0884924    -0.03   0.973    -.1764248    .170458
> 9
                  13 |  -.0686094    .086528    -0.79   0.428    -.2382012    .100982
> 3
                  14 |  -.0472084   .0841899    -0.56   0.575    -.2122176    .117800
> 7
                  15 |  -.0535197   .0864576    -0.62   0.536    -.2229735    .115934
> 2
                  16 |  -.0241798   .0863726    -0.28   0.780    -.1934669    .145107
> 4
                  17 |   .0079952   .0876797     0.09   0.927    -.1638538    .179844
> 3
                  18 |  -.0503052   .0870307    -0.58   0.563    -.2208821    .120271
> 8
                  19 |  -.0040492   .0866074    -0.05   0.963    -.1737965    .165698
> 1
                  20 |   .0111071   .0856789     0.13   0.897    -.1568206    .179034
> 7
                  21 |  -.0571143   .0869148    -0.66   0.511    -.2274641    .113235
> 5
                  22 |  -.1570969   .0891409    -1.76   0.078    -.3318099    .017616
> 1
                  23 |  -.0275578   .0870315    -0.32   0.752    -.1981365    .143020
> 8
                  24 |  -.0541979   .0864135    -0.63   0.531    -.2235653    .115169
> 5
                  25 |   .0723861   .0852858     0.85   0.396    -.0947711    .239543
> 2
                  26 |  -.0458729   .0857987    -0.53   0.593    -.2140353    .122289
> 5
                  27 |   .2200713   .0850805     2.59   0.010     .0533166    .386825
> 9
                  28 |   .0409141    .086018     0.48   0.634    -.1276781    .209506
> 3
                  29 |  -.1472769   .0888464    -1.66   0.097    -.3214126    .026858
> 7
                  30 |  -.0173094   .0863472    -0.20   0.841    -.1865469    .151928
> 1
                  31 |  -.1569559   .0885283    -1.77   0.076    -.3304683    .016556
> 4
```

```
                  32  |  -.0298899   .0889998    -0.34   0.737    -.2043263    .144546
> 5
                  33  |  -.0562447   .0847276    -0.66   0.507    -.2223078    .109818
> 3
                  34  |  -.0656188   .0876199    -0.75   0.454    -.2373507    .106113
> 1
                  35  |   .1051965   .0860096     1.22   0.221    -.0633792    .273772
> 2
                  36  |   -.052403   .0865994    -0.61   0.545    -.2221348    .117328
> 7
                  37  |   .0067692   .0877697     0.08   0.939    -.1652562    .178794
> 5
                  38  |   .0534743   .0816768     0.65   0.513    -.1066093    .213557
> 9
                  39  |  -.1567953   .0894405    -1.75   0.080    -.3320956     .01850
> 5
                  40  |  -.0648148   .0866813    -0.75   0.455    -.2347069    .105077
> 4
                  41  |   .0589106   .0863741     0.68   0.495    -.1103794    .228200
> 7
                  42  |   .1554934   .0853218     1.82   0.068    -.0117342     .32272
> 1
                  43  |  -.0064975   .0871927    -0.07   0.941    -.1773921    .164397
> 1
                  44  |  -.2275315   .0844459    -2.69   0.007    -.3930425   -.062020
> 4
                  45  |   .2226191   .0852635     2.61   0.009     .0555057    .389732
> 5
                  46  |  -.0150417   .0848248    -0.18   0.859    -.1812954    .151211
> 9
                  47  |   .0097155    .086791     0.11   0.911    -.1603917    .179822
> 8
                  48  |  -.0404426   .0819404    -0.49   0.622    -.2010427    .120157
> 6
                  49  |   -.036219   .0872858    -0.41   0.678     -.207296     .13485
> 8
                  50  |   .0160538   .0864002     0.19   0.853    -.1532875    .185395
> 2
                  51  |   .1358341   .0843964     1.61   0.108    -.0295798    .301247
> 9
                      |
                _cons |   .2605829   1.268498     0.21   0.837    -2.225628    2.74679
> 4
------------------------------------------------------------------------------
> -
```

85. `scalar r2 = e(r2_p)`

86. `margins, dydx(overconfidence_forest fin_lit) post`

```
Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_forest fin_lit

------------------------------------------------------------------------------
> -
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |   .4550312   .0246143    18.49   0.000     .4067881    .503274
> 3
            fin_lit |   .4201725   .0146548    28.67   0.000     .3914496    .448895
> 4
------------------------------------------------------------------------------
> -
```

```
87. outreg2 using "${tables_dir}/Forest.tex", tex append addstat(Pseudo R-squared, r2) /
  > //
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/Forest.tex
  dir : seeout

88.
89. *** precautionary saving
90. ***** without state dummies
91. logit precaution_dummy overconfidence_forest fin_lit `household_X' i.year [pw=weight
  > s]

  Iteration 0:   log pseudolikelihood = -55147.986
  Iteration 1:   log pseudolikelihood = -47229.322
  Iteration 2:   log pseudolikelihood = -47177.807
  Iteration 3:   log pseudolikelihood = -47177.613
  Iteration 4:   log pseudolikelihood = -47177.613

  Logistic regression                                     Number of obs     =     80,164
                                                          Wald chi2(13)     =    8523.28
                                                          Prob > chi2       =     0.0000
  Log pseudolikelihood = -47177.613                       Pseudo R2         =     0.1445

  ------------------------------------------------------------------------------
  > -
                       |               Robust
       precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------------
  > -
  overconfidence_forest |   2.343607   .1341338    17.47   0.000      2.08071    2.60650
  > 4
                fin_lit |   1.934716   .0785121    24.64   0.000     1.780835    2.08859
  > 7
                    age |  -.1162048   .0039052   -29.76   0.000    -.1238589   -.108550
  > 7
                   age2 |   .0014082   .0000412    34.18   0.000     .0013275    .001488
  > 9
              logincome |    -2.1534   .2362137    -9.12   0.000     -2.61637   -1.69042
  > 9
             logincome2 |    .137887    .011206    12.30   0.000     .1159236    .159850
  > 4
           female_dummy |  -.1779134   .0191071    -9.31   0.000    -.2153626   -.140464
  > 2
         nonwhite_dummy |   .0249162   .0219686     1.13   0.257    -.0181415    .067973
  > 8
          marital_dummy |   .0577233   .0212866     2.71   0.007     .0160024    .099444
  > 2
     high_school_dummy |    .440866    .060151     7.33   0.000     .3229723    .558759
  > 7
          college_dummy |    .342259   .0202919    16.87   0.000     .3024876    .382030
  > 3
                       |
                    year |
                    2015  |   .1999625   .0233471     8.56   0.000     .1542031     .24572
  > 2
                    2018  |   .2996423   .0238416    12.57   0.000     .2529136     .34637
  > 1
                       |
                   _cons |    6.55009   1.240861     5.28   0.000     4.118046    8.98213
  > 3
  ------------------------------------------------------------------------------
  > -
```

```
92. scalar r2 = e(r2_p)

93. margins, dydx(overconfidence_forest fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(precaution_dummy), predict()
  dy/dx w.r.t. : overconfidence_forest fin_lit

  ------------------------------------------------------------------------------
  > -
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   .4728167   .0267893    17.65   0.000     .4203105    .525322
  > 8
               fin_lit |    .390324     .01552    25.15   0.000     .3599054    .420742
  > 5
  ------------------------------------------------------------------------------
  > -

94. outreg2 using "${tables_dir}/Forest.tex", tex append addstat(Pseudo R-squared, r2) /
  > //
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Precaution")
  ../outputs/tables/Forest.tex
  dir : seeout

95.
96. ***** with state dummies
97. logit precaution_dummy overconfidence_forest fin_lit `household_X' i.year i.state_ca
  > te [pw=weigh
  > ts]

  Iteration 0:   log pseudolikelihood = -55147.986
  Iteration 1:   log pseudolikelihood = -47146.567
  Iteration 2:   log pseudolikelihood = -47093.111
  Iteration 3:   log pseudolikelihood = -47092.914
  Iteration 4:   log pseudolikelihood = -47092.914

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    8673.93
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -47092.914               Pseudo R2         =     0.1461

  ------------------------------------------------------------------------------
  > -
                       |               Robust
           precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   2.314882   .1345342    17.21   0.000       2.0512    2.57856
  > 4
               fin_lit |    1.92505   .0785985    24.49   0.000        1.771    2.07910
  > 1
                   age |  -.1163228   .0039113   -29.74   0.000    -.1239888   -.108656
  > 9
                  age2 |   .0014073   .0000413    34.10   0.000     .0013264    .001488
  > 1
             logincome |  -2.098385   .2368483    -8.86   0.000    -2.562599   -1.63417
  > 1
            logincome2 |   .1351617   .0112448    12.02   0.000     .1131222    .157201
  > 2
          female_dummy |  -.1764312   .0191517    -9.21   0.000    -.2139679   -.138894
  > 4
        nonwhite_dummy |  -.0136752   .0233935    -0.58   0.559    -.0595257    .032175
  > 3
         marital_dummy |   .0643355   .0214934     2.99   0.003     .0222093    .106461
```

high_school_dummy	.4452626	.060162	7.40	0.000	.3273472	.56317
college_dummy	.3415947	.0204335	16.72	0.000	.3015458	.381643
year						
2015	.2019923	.0233676	8.64	0.000	.1561926	.24779
2018	.3027281	.0238837	12.68	0.000	.2559169	.349539
state_cate						
2	-.0395779	.0850978	-0.47	0.642	-.2063666	.127210
3	-.1267204	.0850663	-1.49	0.136	-.2934473	.040006
4	-.0440982	.0839881	-0.53	0.600	-.2087119	.120515
5	.0664975	.0831393	0.80	0.424	-.0964525	.229447
6	-.0803476	.0845352	-0.95	0.342	-.2460336	.085338
7	-.114596	.0851418	-1.35	0.178	-.2814709	.052278
8	-.1582367	.0831353	-1.90	0.057	-.3211789	.004705
9	-.0596563	.0860834	-0.69	0.488	-.2283767	.109064
10	.0841225	.0859206	0.98	0.328	-.0842787	.252523
11	.0355004	.0854428	0.42	0.678	-.1319644	.202965
12	.1530999	.0855359	1.79	0.073	-.0145474	.320747
13	-.169998	.0836934	-2.03	0.042	-.3340342	-.005961
14	.1058036	.0815202	1.30	0.194	-.053973	.265580
15	-.1804461	.0840702	-2.15	0.032	-.3452207	-.015671
16	-.0769581	.0836889	-0.92	0.358	-.2409853	.087069
17	-.1669683	.0833109	-2.00	0.045	-.3302547	-.003681
18	.0013024	.0838156	0.02	0.988	-.1629732	.16557
19	-.0026014	.0835352	-0.03	0.975	-.1663274	.161124
20	-.1920886	.0840486	-2.29	0.022	-.3568209	-.027356
21	-.233543	.0845735	-2.76	0.006	-.399304	-.06778
22	-.0317546	.0858763	-0.37	0.712	-.2000691	.136559
23	-.0752897	.0827203	-0.91	0.363	-.2374184	.08683
24	.0383073	.0836609	0.46	0.647	-.1256651	.202279
25	-.0336672	.0834249	-0.40	0.687	-.1971769	.129842
26	-.1955237	.0839589	-2.33	0.020	-.3600801	-.030967
27	-.1352159	.0815898	-1.66	0.097	-.295129	.024697
28	-.06946	.0838474	-0.83	0.407	-.2337978	.094877
29	.0046463	.0848611	0.05	0.956	-.1616784	.17097
30	-.0897341	.0833652	-1.08	0.282	-.2531269	.073658
31	-.1172518	.0850213	-1.38	0.168	-.2838905	.04938

```
> 7
                32  |  -.0824219   .0853918    -0.97   0.334    -.2497867    .084942
> 9
                33  |   .1367393   .0826014     1.66   0.098    -.0251565    .298635
> 1
                34  |   .0081351     .08443     0.10   0.923    -.1573446    .173614
> 8
                35  |   .1048357   .0835215     1.26   0.209    -.0588634    .268534
> 8
                36  |  -.1013072   .0837449    -1.21   0.226    -.2654442    .062829
> 8
                37  |   -.212813   .0846588    -2.51   0.012    -.3787412   -.046884
> 7
                38  |  -.1248055   .0794294    -1.57   0.116    -.2804843    .030873
> 2
                39  |  -.0134055   .0837005    -0.16   0.873    -.1774554    .150644
> 4
                40  |  -.0415937   .0837569    -0.50   0.619    -.2057542    .122566
> 8
                41  |  -.0066109   .0837163    -0.08   0.937    -.1706918    .157469
> 9
                42  |  -.0458596   .0830948    -0.55   0.581    -.2087225    .117003
> 2
                43  |  -.1804593   .0835865    -2.16   0.031    -.3442859   -.016632
> 7
                44  |  -.1038328   .0820967    -1.26   0.206    -.2647395    .057073
> 8
                45  |  -.0896378    .084407    -1.06   0.288    -.2550724    .075796
> 8
                46  |  -.2307035   .0829705    -2.78   0.005    -.3933227   -.068084
> 2
                47  |  -.2300293   .0845364    -2.72   0.007    -.3957175   -.064341
> 1
                48  |  -.0111845   .0797353    -0.14   0.888    -.1674628    .145093
> 9
                49  |  -.1508309    .082578    -1.83   0.068    -.3126808    .011019
> 1
                50  |  -.1611484   .0834269    -1.93   0.053    -.3246621    .002365
> 4
                51  |  -.0952803   .0827116    -1.15   0.249    -.2573921    .066831
> 5
                    |
              _cons |   6.353047   1.244823     5.10   0.000     3.913239    8.79285
> 4
------------------------------------------------------------------------------
> -
```

98. scalar r2 = e(r2_p)

99. margins, dydx(overconfidence_forest fin_lit) post

```
Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_forest fin_lit

------------------------------------------------------------------------------
> -
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |   .4659719   .0268111    17.38   0.000     .4134232    .518520
> 6
            fin_lit |   .3875011   .0155052    24.99   0.000     .3571115    .417890
> 7
------------------------------------------------------------------------------
> -
```

```
100 outreg2 using "${tables_dir}/Forest.tex", tex append addstat(Pseudo R-squared, r2) /
  > //
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/Forest.tex
  dir : seeout

101
102 *** financial market participation
103 ***** without state dummies
104 logit fin_par_dummy overconfidence_forest fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood =  -41146.33
  Iteration 2:   log pseudolikelihood = -40683.933
  Iteration 3:   log pseudolikelihood = -40676.094
  Iteration 4:   log pseudolikelihood = -40676.088
  Iteration 5:   log pseudolikelihood = -40676.088

  Logistic regression                               Number of obs     =     80,164
                                                    Wald chi2(13)     =    9423.23
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -40676.088                 Pseudo R2         =     0.1845

  ------------------------------------------------------------------------------
  > -
                       |               Robust
              fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------------------
  > -
  overconfidence_forest |   2.761251   .1434357    19.25   0.000     2.480122    3.04237
  > 9
                fin_lit |   2.722952   .0892971    30.49   0.000     2.547933    2.89797
  > 1
                    age |  -.0766216   .0042805   -17.90   0.000    -.0850113    -.06823
  > 2
                   age2 |   .0009515   .0000444    21.45   0.000     .0008646    .001038
  > 4
              logincome |  -1.706463   .2828075    -6.03   0.000    -2.260755    -1.1521
  > 7
             logincome2 |   .1235255   .0131456     9.40   0.000     .0977606    .149290
  > 4
           female_dummy |  -.2626843   .0203219   -12.93   0.000    -.3025145    -.22285
  > 4
         nonwhite_dummy |  -.0637016   .0239848    -2.66   0.008    -.1107109   -.016692
  > 2
          marital_dummy |  -.0094062   .0231455    -0.41   0.684    -.0547705    .035958
  > 2
      high_school_dummy |     .70187   .0823012     8.53   0.000     .5405626    .863177
  > 4
          college_dummy |   .4244826   .0215361    19.71   0.000     .3822726    .466692
  > 5
                       |
                    year |
                    2015  |  -.2362005   .0248599    -9.50   0.000    -.2849251   -.187475
  > 9
                    2018  |   -.168032   .0256006    -6.56   0.000    -.2182083   -.117855
  > 8
                       |
                   _cons |   1.499968   1.526559     0.98   0.326    -1.492032    4.49196
  > 8
  ------------------------------------------------------------------------------
  > -
```

```
105 scalar r2 = e(r2_p)

106 margins, dydx(overconfidence_forest fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_forest fin_lit

  ------------------------------------------------------------------------------
  > -
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   .4658792   .0239905    19.42   0.000     .4188586    .512899
  > 7
               fin_lit |   .4594174   .0146881    31.28   0.000     .4306293    .488205
  > 5
  ------------------------------------------------------------------------------
  > -

107 outreg2 using "${tables_dir}/Forest.tex", tex append addstat(Pseudo R-squared, r2) /
  > //
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Participation")
  ../outputs/tables/Forest.tex
  dir : seeout

108
109 ***** with state dummies
110 logit fin_par_dummy overconfidence_forest fin_lit `household_X' i.year i.state_cate
  > [pw=weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood = -41037.585
  Iteration 2:   log pseudolikelihood = -40568.624
  Iteration 3:   log pseudolikelihood = -40560.677
  Iteration 4:   log pseudolikelihood = -40560.669
  Iteration 5:   log pseudolikelihood = -40560.669

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    9620.41
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40560.669               Pseudo R2         =     0.1868

  ------------------------------------------------------------------------------
  > -
                       |               Robust
              fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   2.794253   .1440588    19.40   0.000     2.511903    3.07660
  > 3
               fin_lit |   2.730436   .0895357    30.50   0.000     2.554949    2.90592
  > 3
                   age |  -.0769716   .0042904   -17.94   0.000    -.0853805   -.068562
  > 7
                  age2 |   .0009518   .0000445    21.40   0.000     .0008646    .001038
  > 9
             logincome |  -1.597484   .2832194    -5.64   0.000    -2.152584   -1.04238
  > 5
            logincome2 |   .1177919   .0131745     8.94   0.000     .0919703    .143613
  > 4
           female_dummy |   -.269546   .0203971   -13.21   0.000    -.3095236   -.229568
  > 4
         nonwhite_dummy |  -.1158022   .0257979    -4.49   0.000    -.1663653   -.065239
  > 2
          marital_dummy |   .0039938   .0234181     0.17   0.865    -.0419048    .049892
```

high_school_dummy	.6965179	.082645	8.43	0.000	.5345366	.858499
college_dummy	.4135579	.0216814	19.07	0.000	.3710632	.456052
year						
2015	-.2327339	.0248904	-9.35	0.000	-.2815182	-.183949
2018	-.1640055	.0256676	-6.39	0.000	-.2143132	-.113697
state_cate						
2	.2211765	.0917328	2.41	0.016	.0413836	.400969
3	.0505469	.0935862	0.54	0.589	-.1328787	.233972
4	.0931431	.0947674	0.98	0.326	-.0925975	.278883
5	.3148693	.0915676	3.44	0.001	.1354001	.494338
6	.1788415	.0943536	1.90	0.058	-.0060882	.363771
7	.3006704	.0916635	3.28	0.001	.1210133	.480327
8	.1972877	.0918392	2.15	0.032	.0172861	.377289
9	.3477256	.0928401	3.75	0.000	.1657623	.529688
10	.2256682	.0949127	2.38	0.017	.0396428	.411693
11	.2064106	.0946739	2.18	0.029	.020853	.391968
12	.6632853	.0925791	7.16	0.000	.4818336	.844737
13	.1115343	.0910248	1.23	0.220	-.066871	.289939
14	.1222824	.0877594	1.39	0.164	-.049723	.294287
15	-.0112904	.0943565	-0.12	0.905	-.1962257	.173644
16	.2316242	.0910393	2.54	0.011	.0531905	.410057
17	.1830609	.0924659	1.98	0.048	.0018311	.364290
18	.0591989	.0939723	0.63	0.529	-.1249835	.243381
19	.1403549	.094257	1.49	0.136	-.0443854	.325095
20	.1774304	.0934029	1.90	0.057	-.005636	.360496
21	.1142553	.0935514	1.22	0.222	-.069102	.297612
22	.1662866	.0931587	1.78	0.074	-.016301	.348874
23	.0744529	.0942046	0.79	0.429	-.1101846	.259090
24	.2205101	.0928314	2.38	0.018	.038564	.402456
25	.1031372	.095777	1.08	0.282	-.0845824	.290856
26	.123446	.0931912	1.32	0.185	-.0592055	.306097
27	.322414	.0918028	3.51	0.000	.1424838	.502344
28	.1844246	.0916923	2.01	0.044	.0047111	.364138
29	.0455499	.0950568	0.48	0.632	-.1407581	.231857
30	.0345174	.091713	0.38	0.707	-.1452368	.214271
31	.2375317	.0918596	2.59	0.010	.0574901	.417573

```
> 2
                32  |   .1664897   .0942466     1.77   0.077    -.0182302    .351209
> 6
                33  |   .3216513   .0897237     3.58   0.000     .1457961    .497506
> 6
                34  |   .0304371   .0929482     0.33   0.743     -.151738    .212612
> 2
                35  |    .216434   .0904802     2.39   0.017      .039096     .39377
> 2
                36  |   .1937158   .0930862     2.08   0.037     .0112701    .376161
> 4
                37  |   .0907415   .0950189     0.95   0.340    -.0954921    .276975
> 1
                38  |   .1715765   .0881664     1.95   0.052    -.0012264    .344379
> 4
                39  |   .1560035      .0933     1.67   0.095    -.0268611     .33886
> 8
                40  |   .1446564   .0915253     1.58   0.114      -.03473    .324042
> 7
                41  |   .1060773   .0949133     1.12   0.264    -.0799494     .29210
> 4
                42  |   .2702388   .0902751     2.99   0.003     .0933029    .447174
> 7
                43  |  -.0309551   .0949792    -0.33   0.744    -.2171108    .155200
> 6
                44  |   .0026372   .0915947     0.03   0.977    -.1768852    .182159
> 6
                45  |   .0564018    .093682     0.60   0.547    -.1272115    .240015
> 2
                46  |   .2581874   .0928494     2.78   0.005     .0762059    .440168
> 8
                47  |   .1822026   .0935446     1.95   0.051    -.0011415    .365546
> 7
                48  |   .2744499   .0877805     3.13   0.002     .1024033    .446496
> 5
                49  |   .0233157   .0935835     0.25   0.803    -.1601046    .206736
> 1
                50  |   .2540488   .0921083     2.76   0.006     .0735199    .434577
> 8
                51  |   .1989135   .0917751     2.17   0.030     .0190377    .378789
> 3
                    |
              _cons |   .8384644   1.528815     0.55   0.583    -2.157957    3.83488
> 6
------------------------------------------------------------------------------
> -

111 scalar r2 = e(r2_p)

112 margins, dydx(overconfidence_forest fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_forest fin_lit

------------------------------------------------------------------------------
> -
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |   .4698338   .0239992    19.58   0.000     .4227962    .516871
> 4
             fin_lit |   .4591034    .014678    31.28   0.000     .4303351    .487871
> 7
------------------------------------------------------------------------------
> -
```

```
113 outreg2 using "${tables_dir}/Forest.tex", tex append addstat(Pseudo R-squared, r2) /
  > //
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/Forest.tex
  dir : seeout

114
115 * baseline regressions with logistic
116 *** retirement readiness
117 ***** without state dummies
118 logit retire_dummy overconfidence_logit fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood =  -43121.69
  Iteration 2:   log pseudolikelihood = -42835.392
  Iteration 3:   log pseudolikelihood = -42833.818
  Iteration 4:   log pseudolikelihood = -42833.818

  Logistic regression                                     Number of obs     =     80,164
                                                          Wald chi2(13)     =    7181.99
                                                          Prob > chi2       =     0.0000
  Log pseudolikelihood = -42833.818                       Pseudo R2         =     0.1358

  ------------------------------------------------------------------------------
                       |               Robust
               retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_logit |   1.732632   .0783989    22.10   0.000     1.578972    1.886291
               fin_lit |   1.381391   .0427634    32.30   0.000     1.297576    1.465205
                   age |   .1961711   .0052821    37.14   0.000     .1858183     .206524
                  age2 |  -.0022391   .0000515   -43.50   0.000      -.00234   -.0021382
             logincome |  -1.903789   .2409877    -7.90   0.000    -2.376116   -1.431462
            logincome2 |   .1273735   .0113651    11.21   0.000     .1050983    .1496488
          female_dummy |  -.1345171    .019989    -6.73   0.000    -.1736949   -.0953393
       nonwhite_dummy |   .0906372   .0225596     4.02   0.000     .0464212    .1348533
         marital_dummy |  -.0118273   .0229419    -0.52   0.606    -.0567925     .033138
    high_school_dummy |   .3318961   .0659134     5.04   0.000     .2027083    .4610839
        college_dummy |   .2782845   .0210117    13.24   0.000     .2371024    .3194666
                      |
                 year |
                 2015 |   .0272257   .0245598     1.11   0.268    -.0209106     .075362
                 2018 |   .0769086   .0250839     3.07   0.002      .027745    .1260722
                      |
                _cons |   -.636983   1.277494    -0.50   0.618    -3.140825    1.866859
  ------------------------------------------------------------------------------

119 scalar r2 = e(r2_p)

120 margins, dydx(overconfidence_logit fin_lit) post

  Average marginal effects                          Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_logit fin_lit

  ------------------------------------------------------------------------------
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_logit |   .3110365   .0138558    22.45   0.000     .2838796    .3381934
               fin_lit |   .2479829   .0074147    33.44   0.000     .2334503    .2625154
  ------------------------------------------------------------------------------
```

```
121 outreg2 using "${tables_dir}/Logit.tex", tex replace addstat(Pseudo R-squared, r2) /
  > //
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Readiness")
  ../outputs/tables/Logit.tex
  dir : seeout

122
123 ***** with state dummies
124 logit retire_dummy overconfidence_logit fin_lit `household_X' i.year i.state_cate [p
  > w=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43073.143
  Iteration 2:   log pseudolikelihood = -42784.004
  Iteration 3:   log pseudolikelihood = -42782.416
  Iteration 4:   log pseudolikelihood = -42782.416

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    7270.78
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -42782.416               Pseudo R2         =     0.1368

  ------------------------------------------------------------------------------
                       |               Robust
               retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_logit |   1.725498   .0786109    21.95   0.000     1.571424    1.879573
                fin_lit |   1.365199   .0429013    31.82   0.000     1.281114    1.449284
                    age |   .1957658   .0052894    37.01   0.000     .1853987    .2061329
                   age2 |  -.0022338   .0000515   -43.35   0.000    -.0023348   -.0021328
              logincome |  -1.954296   .2414259    -8.09   0.000    -2.427482    -1.48111
             logincome2 |   .1299021   .0113942    11.40   0.000     .1075698    .1522344
           female_dummy |  -.1417161   .0200577    -7.07   0.000    -.1810284   -.1024038
        nonwhite_dummy |   .1147134   .0241766     4.74   0.000      .067328    .1620987
          marital_dummy |  -.0133468   .0231797    -0.58   0.565    -.0587781    .0320846
      high_school_dummy |   .3274136   .0659818     4.96   0.000     .1980916    .4567356
           college_dummy |   .2732351   .0211367    12.93   0.000     .2318078    .3146623
                         |
                    year |
                    2015 |   .0269561   .0245452     1.10   0.272    -.0211516    .0750639
                    2018 |   .0755545   .0251024     3.01   0.003     .0263548    .1247543
                         |
              state_cate |
                       2 |   .1340858   .0847201     1.58   0.113    -.0319626    .3001341
                       3 |  -.0738411   .0894391    -0.83   0.409    -.2491385    .1014563
                       4 |  -.1408742    .090367    -1.56   0.119    -.3179903    .0362418
                       5 |  -.1412489   .0853699    -1.65   0.098    -.3085709     .026073
                       6 |  -.0824124   .0860837    -0.96   0.338    -.2511334    .0863086
                       7 |  -.0457849   .0874161    -0.52   0.600    -.2171173    .1255476
                       8 |   -.159989   .0866827    -1.85   0.065    -.3298839    .0099059
                       9 |    .018509   .0873979     0.21   0.832    -.1527878    .1898058
                      10 |  -.1109199   .0912043    -1.22   0.224     -.289677    .0678372
                      11 |   .0407137   .0859467     0.47   0.636    -.1277386     .209166
                      12 |   -.039709   .0887545    -0.45   0.655    -.2136647    .1342466
                      13 |  -.1010895   .0869029    -1.16   0.245    -.2714161    .0692371
                      14 |  -.0721365   .0842447    -0.86   0.392     -.237253      .09298
                      15 |   -.077298   .0870599    -0.89   0.375    -.2479323    .0933362
                      16 |  -.0546412   .0867365    -0.63   0.529    -.2246415    .1153592
                      17 |  -.0097546   .0879706    -0.11   0.912    -.1821738    .1626647
                      18 |  -.0908833   .0874327    -1.04   0.299    -.2622482    .0804817
                      19 |  -.0409736   .0866906    -0.47   0.636    -.2108841     .128937
                      20 |  -.0325703    .086058    -0.38   0.705    -.2012408    .1361002
                      21 |   -.076729   .0866338    -0.89   0.376    -.2465282    .0930702
                      22 |  -.1874991   .0889243    -2.11   0.035    -.3617875   -.0132107
                      23 |  -.0534519   .0873788    -0.61   0.541    -.2247111    .1178073
                      24 |  -.0690733   .0866207    -0.80   0.425    -.2388467    .1007001
                      25 |   .0124312   .0856487     0.15   0.885    -.1554371    .1802995
                      26 |  -.0781064   .0863319    -0.90   0.366    -.2473138     .091101
                      27 |   .1629744   .0857145     1.90   0.057     -.005023    .3309718
                      28 |   .0028887   .0865912     0.03   0.973    -.1668269    .1726043
                      29 |  -.1759878   .0890946    -1.98   0.048    -.3506099   -.0013657
```

```
                  30  |  -.0488337    .086913    -0.56   0.574      -.21918    .1215126
                  31  |  -.1828542   .0884151    -2.07   0.039    -.3561445   -.0095638
                  32  |  -.0718896   .0894651    -0.80   0.422     -.247238    .1034588
                  33  |   -.044995   .0846517    -0.53   0.595    -.2109093    .1209193
                  34  |  -.0829751   .0879526    -0.94   0.345     -.255359    .0894088
                  35  |   .0672303   .0864065     0.78   0.437    -.1021233     .236584
                  36  |  -.0648494   .0869608    -0.75   0.456    -.2352895    .1055906
                  37  |  -.0601035   .0879531    -0.68   0.494    -.2324884    .1122814
                  38  |   .0409087   .0819329     0.50   0.618    -.1196769    .2014942
                  39  |  -.1562914   .0902433    -1.73   0.083     -.333165    .0205822
                  40  |  -.1120783   .0868546    -1.29   0.197    -.2823101    .0581535
                  41  |   .0113337   .0866577     0.13   0.896    -.1585122    .1811796
                  42  |    .123177   .0857826     1.44   0.151    -.0449539    .2913079
                  43  |  -.0178715   .0875885    -0.20   0.838    -.1895419    .1537989
                  44  |  -.2406006   .0848703    -2.83   0.005    -.4069434   -.0742578
                  45  |   .1960962   .0851946     2.30   0.021     .0291178    .3630745
                  46  |  -.0885447   .0850126    -1.04   0.298    -.2551664    .0780769
                  47  |  -.0060738   .0872701    -0.07   0.945    -.1771201    .1649725
                  48  |  -.0574747   .0823569    -0.70   0.485    -.2188913    .1039419
                  49  |  -.0829518   .0876868    -0.95   0.344    -.2548148    .0889112
                  50  |  -.0044558   .0863471    -0.05   0.959     -.173693    .1647814
                  51  |   .0914695   .0849787     1.08   0.282    -.0750856    .2580246
                      |
                _cons |  -.3097018   1.280505    -0.24   0.809    -2.819445    2.200041
------------------------------------------------------------------------------

125 scalar r2 = e(r2_p)

126 margins, dydx(overconfidence_logit fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_logit fin_lit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   .3092988   .0138783    22.29   0.000     .2820979    .3364997
             fin_lit |   .2447145   .0074497    32.85   0.000     .2301134    .2593156
------------------------------------------------------------------------------

127 outreg2 using "${tables_dir}/Logit.tex", tex append addstat(Pseudo R-squared, r2) //
  > /
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/Logit.tex
  dir : seeout

128
129 *** precautionary saving
130 ***** without state dummies
131 logit precaution_dummy overconfidence_logit fin_lit `household_X' i.year [pw=weights
  > ]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -46830.467
Iteration 2:   log pseudolikelihood = -46761.155
Iteration 3:   log pseudolikelihood = -46760.915
Iteration 4:   log pseudolikelihood = -46760.915

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    8461.95
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -46760.915               Pseudo R2         =     0.1521
```

```
------------------------------------------------------------------------------
             |               Robust
precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----------------+------------------------------------------------------------------
overconfidence_logit |   2.182546   .0813525    26.83   0.000     2.023098    2.341994
             fin_lit |   1.116981   .0390151    28.63   0.000     1.040513    1.193449
                 age |  -.0398145   .0048755    -8.17   0.000    -.0493704   -.0302587
                age2 |   .0008709   .0000461    18.88   0.000     .0007805    .0009614
           logincome |  -3.028154   .2439819   -12.41   0.000    -3.50635   -2.549958
          logincome2 |   .1903718   .0116798    16.30   0.000     .1674799    .2132637
       female_dummy |  -.1604056   .0191561    -8.37   0.000    -.1979508   -.1228604
     nonwhite_dummy |  -.0013918   .0218914    -0.06   0.949    -.0442982    .0415147
      marital_dummy |   .0113625   .0213126     0.53   0.594    -.0304095    .0531345
  high_school_dummy |    .395877   .0593864     6.67   0.000     .2794819    .5122721
      college_dummy |   .3528755   .0203718    17.32   0.000     .3129476    .3928034
                    |
                year |
                2015 |   .1958747   .0234928     8.34   0.000     .1498295    .2419198
                2018 |   .2961322   .0239272    12.38   0.000     .2492358    .3430286
                    |
               _cons |   8.146058   1.259114     6.47   0.000      5.67824    10.61388
------------------------------------------------------------------------------
```

```
. scalar r2 = e(r2_p)
```

```
. margins, dydx(overconfidence_logit fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_logit fin_lit

------------------------------------------------------------------------------
                    |            Delta-method
                    |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
--------------------+---------------------------------------------------------------
overconfidence_logit |   .4358422   .0158326    27.53   0.000     .4048109    .4668735
             fin_lit |   .2230548   .0075865    29.40   0.000     .2081856    .2379241
------------------------------------------------------------------------------
```

```
. outreg2 using "${tables_dir}/Logit.tex", tex append addstat(Pseudo R-squared, r2) //
> /
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
>         ctitle("Precaution")
../outputs/tables/Logit.tex
dir : seeout
```

```
.
. ***** with state dummies
. logit precaution_dummy overconfidence_logit fin_lit `household_X' i.year i.state_cat
> e [pw=weight
> s]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -46741.262
Iteration 2:   log pseudolikelihood = -46668.963
Iteration 3:   log pseudolikelihood = -46668.704
Iteration 4:   log pseudolikelihood = -46668.704

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(63)     =    8603.73
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -46668.704               Pseudo R2         =     0.1538
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_logit	2.185893	.08165	26.77	0.000	2.025862	2.345924
fin_lit	1.125453	.0392212	28.70	0.000	1.048581	1.202325
age	-.0397724	.0048874	-8.14	0.000	-.0493516	-.0301932
age2	.0008686	.0000462	18.79	0.000	.0007779	.0009592
logincome	-2.966183	.2445281	-12.13	0.000	-3.445449	-2.486917
logincome2	.1872949	.0117133	15.99	0.000	.1643372	.2102526
female_dummy	-.1573347	.0192023	-8.19	0.000	-.1949705	-.1196989
nonwhite_dummy	-.0422377	.0233175	-1.81	0.070	-.0879392	.0034637
marital_dummy	.019281	.0215126	0.90	0.370	-.0228828	.0614449
high_school_dummy	.40089	.0593955	6.75	0.000	.284477	.517303
college_dummy	.3517221	.0205157	17.14	0.000	.311512	.3919322
year						
2015	.1980151	.0235141	8.42	0.000	.1519284	.2441018
2018	.2994421	.0239718	12.49	0.000	.2524582	.3464259
state_cate						
2	-.0741765	.0855991	-0.87	0.386	-.2419476	.0935946
3	-.1417293	.0852203	-1.66	0.096	-.308758	.0252994
4	-.0683333	.08439	-0.81	0.418	-.2337346	.097068
5	.0478115	.0832787	0.57	0.566	-.1154118	.2110347
6	-.0831893	.0845335	-0.98	0.325	-.248872	.0824934
7	-.1385605	.0854465	-1.62	0.105	-.3060327	.0289116
8	-.193248	.0835033	-2.31	0.021	-.3569114	-.0295845
9	-.0646935	.0863754	-0.75	0.454	-.2339862	.1045993
10	.0807446	.086084	0.94	0.348	-.0879769	.2494662
11	-.0089343	.0851796	-0.10	0.916	-.1758834	.1580147
12	.1309746	.0859214	1.52	0.127	-.0374284	.2993775
13	-.1926282	.0841492	-2.29	0.022	-.3575577	-.0276988
14	.0847246	.0814714	1.04	0.298	-.0749565	.2444056
15	-.1967412	.0845492	-2.33	0.020	-.3624546	-.0310278
16	-.0987112	.0839023	-1.18	0.239	-.2631567	.0657343
17	-.1745016	.0835738	-2.09	0.037	-.3383033	-.0107
18	-.0331172	.0837425	-0.40	0.693	-.1972494	.1310151
19	-.0326751	.0835251	-0.39	0.696	-.1963813	.1310311
20	-.23353	.0844569	-2.77	0.006	-.3990625	-.0679976
21	-.2458347	.0846539	-2.90	0.004	-.4117533	-.079916
22	-.054449	.0861675	-0.63	0.527	-.2233341	.1144362
23	-.0926733	.0828188	-1.12	0.263	-.2549951	.0696486
24	.0329473	.0841887	0.39	0.696	-.1320595	.1979542
25	-.0929247	.0832096	-1.12	0.264	-.2560126	.0701632
26	-.2196856	.0843032	-2.61	0.009	-.3849167	-.0544544
27	-.1871167	.0820734	-2.28	0.023	-.3479777	-.0262557
28	-.0988366	.0841075	-1.18	0.240	-.2636842	.0660111
29	-.0142771	.0847797	-0.17	0.866	-.1804423	.1518881
30	-.1130271	.0841352	-1.34	0.179	-.2779291	.0518748
31	-.1377784	.0851213	-1.62	0.106	-.3046131	.0290563
32	-.1161503	.0858517	-1.35	0.176	-.2844165	.0521159
33	.1448583	.0825076	1.76	0.079	-.0168537	.3065702
34	-.007373	.084776	-0.09	0.931	-.1735309	.1587849
35	.0718362	.0836908	0.86	0.391	-.0921947	.2358672
36	-.1065407	.0838395	-1.27	0.204	-.2708631	.0577818
37	-.2719468	.0852391	-3.19	0.001	-.4390124	-.1048813
38	-.1293733	.0799778	-1.62	0.106	-.2861269	.0273802
39	-.0013483	.0841962	-0.02	0.987	-.1663699	.1636732
40	-.0758347	.083764	-0.91	0.365	-.2400091	.0883396
41	-.0527206	.0836207	-0.63	0.528	-.2166142	.111173
42	-.0703971	.0834373	-0.84	0.399	-.2339312	.093137
43	-.1880984	.0842278	-2.23	0.026	-.3531819	-.0230149
44	-.112866	.0820933	-1.37	0.169	-.2737659	.0480338
45	-.1071472	.0848506	-1.26	0.207	-.2734512	.0591569
46	-.3007286	.0835327	-3.60	0.000	-.4644497	-.1370074
47	-.245852	.0852137	-2.89	0.004	-.4128677	-.0788363
48	-.0164093	.0804514	-0.20	0.838	-.1740912	.1412726
49	-.1893285	.0830057	-2.28	0.023	-.3520167	-.0266404
50	-.1706782	.0835613	-2.04	0.041	-.3344553	-.006901
51	-.1324462	.0834379	-1.59	0.112	-.2959816	.0310891

```
               _cons |   7.910875   1.262738     6.26   0.000     5.435955     10.3858
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_logit fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_logit fin_lit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   .4354363   .0158474    27.48   0.000     .4043759    .4664966
             fin_lit |   .2241935   .0076098    29.46   0.000     .2092785    .2391084
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/Logit.tex", tex append addstat(Pseudo R-squared, r2) //
> /
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Precaution")
../outputs/tables/Logit.tex
dir : seeout

.
. *** financial market participation
. ***** without state dummies
. logit fin_par_dummy overconfidence_logit fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -49879.082
Iteration 1:   log pseudolikelihood = -40939.209
Iteration 2:   log pseudolikelihood = -40528.389
Iteration 3:   log pseudolikelihood = -40522.191
Iteration 4:   log pseudolikelihood = -40522.186
Iteration 5:   log pseudolikelihood = -40522.186

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    9529.44
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -40522.186               Pseudo R2         =     0.1876

------------------------------------------------------------------------------
                     |               Robust
       fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   1.911523   .0849451    22.50   0.000     1.745034    2.078012
             fin_lit |   1.629716   .0446733    36.48   0.000     1.542158    1.717274
                 age |  -.0101015   .0052732    -1.92   0.055    -.0204368    .0002338
                age2 |   .0004635     .00005     9.26   0.000     .0003654    .0005615
          logincome |  -2.239663   .2881881    -7.77   0.000    -2.804502   -1.674825
         logincome2 |   .1579518   .0134697    11.73   0.000     .1315516    .1843519
       female_dummy |  -.2531105   .0203487   -12.44   0.000    -.2929933   -.2132277
     nonwhite_dummy |  -.0839876   .0239238    -3.51   0.000    -.1308775   -.0370977
      marital_dummy |  -.0494227   .0231737    -2.13   0.033    -.0948424   -.0040031
  high_school_dummy |   .6684093   .0816368     8.19   0.000      .508404    .8284146
      college_dummy |   .4328773   .0215904    20.05   0.000      .390561    .4751936
                    |
               year |
               2015  |  -.2434295   .0249726    -9.75   0.000    -.2923749   -.1944842
               2018  |  -.1774217   .0256771    -6.91   0.000     -.227748   -.1270955
                    |
              _cons |    2.18397   1.543037     1.42   0.157    -.8403257    5.208266
------------------------------------------------------------------------------
```

```
145 scalar r2 = e(r2_p)

146 margins, dydx(overconfidence_logit fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_logit fin_lit

  ------------------------------------------------------------------------------
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------
  overconfidence_logit |   .3204791   .0140428    22.82   0.000     .2929558    .3480024
               fin_lit |   .2732324   .0072135    37.88   0.000     .2590943    .2873705
  ------------------------------------------------------------------------------

147 outreg2 using "${tables_dir}/Logit.tex", tex append addstat(Pseudo R-squared, r2) //
  > /
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Participation")
  ../outputs/tables/Logit.tex
  dir : seeout

148
149 ***** with state dummies
150 logit fin_par_dummy overconfidence_logit fin_lit `household_X' i.year i.state_cate [
  > pw=weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood = -40828.527
  Iteration 2:   log pseudolikelihood =  -40410.78
  Iteration 3:   log pseudolikelihood = -40404.472
  Iteration 4:   log pseudolikelihood = -40404.466
  Iteration 5:   log pseudolikelihood = -40404.466

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    9725.53
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40404.466               Pseudo R2         =     0.1900

  ------------------------------------------------------------------------------
                       |               Robust
              fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------
  overconfidence_logit |   1.930738   .0855775    22.56   0.000     1.763009    2.098467
               fin_lit |   1.626159   .0449575    36.17   0.000     1.538044    1.714274
                   age |  -.0096953   .0053027    -1.83   0.067    -.0200883    .0006977
                  age2 |   .0004578   .0000503     9.11   0.000     .0003593    .0005563
             logincome |  -2.123619   .2886372    -7.36   0.000    -2.689337     -1.5579
            logincome2 |   .1519442   .0135007    11.25   0.000     .1254834     .178405
          female_dummy |  -.2588235   .0204246   -12.67   0.000     -.298855    -.218792
       nonwhite_dummy |  -.1379197   .0257406    -5.36   0.000    -.1883705    -.087469
        marital_dummy |  -.0348451   .0234475    -1.49   0.137    -.0808014    .0111111
    high_school_dummy |    .664598   .0819876     8.11   0.000     .5039053    .8252906
         college_dummy |   .4221904   .0217455    19.42   0.000       .37957    .4648109
                       |
                  year |
                  2015 |  -.2396286   .0250043    -9.58   0.000    -.2886362    -.190621
                  2018 |  -.1730896   .0257457    -6.72   0.000    -.2235502   -.1226291
                       |
             state_cate |
                     2 |   .1791937   .0922435     1.94   0.052    -.0016003    .3599876
                     3 |   .0318155   .0938704     0.34   0.735    -.1521672    .2157981
                     4 |   .0626985    .095254     0.66   0.510     -.123996     .249393
                     5 |   .2885954   .0915747     3.15   0.002     .1091124    .4680784
                     6 |   .1668512    .094679     1.76   0.078    -.0187163    .3524187
                     7 |   .2709419   .0923199     2.93   0.003     .0899982    .4518857
                     8 |   .1591414   .0925447     1.72   0.086    -.0222429    .3405256
                     9 |   .3342978   .0933745     3.58   0.000     .1512872    .5173085
                    10 |   .2160986   .0956469     2.26   0.024     .0286341     .403563
```

```
          11 |   .1602028   .0943721     1.70   0.090    -.0247631    .3451687
          12 |   .6289565   .0930651     6.76   0.000     .4465523    .8113607
          13 |   .0777879   .0917354     0.85   0.396    -.1020101     .257586
          14 |   .0958377   .0881515     1.09   0.277     -.076936    .2686115
          15 |  -.0323237   .0947685    -0.34   0.733    -.2180665    .1534191
          16 |   .2025899   .0916531     2.21   0.027     .0229532    .3822266
          17 |   .1672044   .0931886     1.79   0.073     -.015442    .3498508
          18 |   .0209636   .0942446     0.22   0.824    -.1637525    .2056797
          19 |   .1070784   .0942738     1.14   0.256    -.0776948    .2918517
          20 |   .1334149   .0936023     1.43   0.154    -.0500423    .3168721
          21 |   .0954016   .0941487     1.01   0.311    -.0891265    .2799297
          22 |   .1346549   .0938747     1.43   0.151    -.0493361    .3186458
          23 |   .0493264   .0945263     0.52   0.602    -.1359416    .2345945
          24 |   .2071587   .0931448     2.22   0.026     .0245982    .3897191
          25 |   .0408463   .0954552     0.43   0.669    -.1462424     .227935
          26 |   .0953376    .093766     1.02   0.309    -.0884404    .2791157
          27 |   .2637546    .092446     2.85   0.004     .0825637    .4449454
          28 |   .1492178   .0924783     1.61   0.107    -.0320362    .3304719
          29 |    .017528   .0953773     0.18   0.854     -.169408     .204464
          30 |  -.0006478   .0927815    -0.01   0.994    -.1824963    .1812006
          31 |   .2070221   .0922865     2.24   0.025     .0261439    .3879004
          32 |   .1248852   .0950878     1.31   0.189    -.0614835    .3112538
          33 |   .3344386   .0901027     3.71   0.000     .1578405    .5110366
          34 |   .0101591   .0934454     0.11   0.913    -.1729906    .1933088
          35 |   .1770142    .091105     1.94   0.052    -.0015484    .3555767
          36 |   .1827133   .0936154     1.95   0.051    -.0007695    .3661961
          37 |   .0260876   .0957296     0.27   0.785    -.1615389    .2137141
          38 |    .157762   .0887462     1.78   0.075    -.0161775    .3317014
          39 |    .156675   .0942464     1.66   0.096    -.0280446    .3413946
          40 |   .1000377   .0922314     1.08   0.278    -.0807325    .2808078
          41 |   .0624254   .0948488     0.66   0.510    -.1234748    .2483255
          42 |   .2378293   .0908753     2.62   0.009     .059717     .4159416
          43 |  -.0395229   .0957428    -0.41   0.680    -.2271753    .1481295
          44 |  -.0132497   .0919473    -0.14   0.885     -.193463    .1669636
          45 |    .027419   .0941725     0.29   0.771    -.1571557    .2119937
          46 |   .1786833   .0936974     1.91   0.057    -.0049603    .3623269
          47 |   .1642247   .0944615     1.74   0.082    -.0209165    .3493659
          48 |   .2542746   .0886025     2.87   0.004     .0806168    .4279323
          49 |  -.0272762   .0939352    -0.29   0.772    -.2113857    .1568334
          50 |   .2389857   .0925202     2.58   0.010     .0576495    .4203219
          51 |    .151278   .0927131     1.63   0.103    -.0304363    .3329923
             |
       _cons |   1.489997   1.545258     0.96   0.335    -1.538654    4.518648
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_logit fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_logit fin_lit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   .3225725   .0140983    22.88   0.000     .2949404    .3502046
             fin_lit |   .2716858   .0072512    37.47   0.000     .2574739    .2858978
------------------------------------------------------------------------------
```

```
153 outreg2 using "${tables_dir}/Logit.tex", tex append addstat(Pseudo R-squared, r2) //
  > /
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/Logit.tex
  dir : seeout

154
155 * baseline regressions with Bernoulli NB
156 *** retirement readiness
157 ***** without state dummies
158 logit retire_dummy overconfidence_bnb fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43442.257
  Iteration 2:   log pseudolikelihood = -43231.037
  Iteration 3:   log pseudolikelihood =  -43230.28
  Iteration 4:   log pseudolikelihood =  -43230.28

  Logistic regression                                     Number of obs     =     80,164
                                                          Wald chi2(13)     =    7394.20
                                                          Prob > chi2       =     0.0000
  Log pseudolikelihood =  -43230.28                       Pseudo R2         =     0.1278

  ------------------------------------------------------------------------------
                     |               Robust
          retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_bnb |   .2302462   .0830801     2.77   0.006     .0674122    .3930802
             fin_lit |    1.04705    .039953    26.21   0.000     .9687436    1.125357
                 age |   .1288175   .0041721    30.88   0.000     .1206403    .1369946
                age2 |  -.0017158   .0000443   -38.77   0.000    -.0018025    -.001629
           logincome |  -1.422639    .237793    -5.98   0.000    -1.888704   -.9565731
          logincome2 |   .0956505   .0111932     8.55   0.000     .0737121    .1175888
         female_dummy |  -.1895596   .0213212    -8.89   0.000    -.2313485   -.1477707
       nonwhite_dummy |   .0764263   .0273375     2.80   0.005     .0228458    .1300068
        marital_dummy |   .0480697   .0242838     1.98   0.048     .0004742    .0956651
    high_school_dummy |   .4386485   .0688203     6.37   0.000     .3037631    .5735339
        college_dummy |   .3249139   .0249842    13.00   0.000     .2759457    .3738821
                      |
                 year |
                 2015 |    .030854   .0245513     1.26   0.209    -.0172656    .0789736
                 2018 |   .0739669   .0250563     2.95   0.003     .0248575    .1230762
                      |
                _cons |   .2298901   1.259799     0.18   0.855    -2.239271    2.699051
  ------------------------------------------------------------------------------

159 scalar r2 = e(r2_p)

160 margins, dydx(overconfidence_bnb fin_lit) post

  Average marginal effects                          Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_bnb fin_lit

  ------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_bnb |   .0416694    .015043     2.77   0.006     .0121856    .0711532
             fin_lit |   .1894924   .0070836    26.75   0.000     .1756088     .203376
  ------------------------------------------------------------------------------
```

```
161 outreg2 using "${tables_dir}/BNB.tex", tex replace addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Readiness")
  ../outputs/tables/BNB.tex
  dir : seeout

162
163 ***** with state dummies
164 logit retire_dummy overconfidence_bnb fin_lit `household_X' i.year i.state_cate [pw=
  > weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood =  -43385.34
  Iteration 2:   log pseudolikelihood = -43170.365
  Iteration 3:   log pseudolikelihood = -43169.572
  Iteration 4:   log pseudolikelihood = -43169.572

  Logistic regression                               Number of obs     =     80,164
                                                    Wald chi2(63)     =    7501.81
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -43169.572                 Pseudo R2         =     0.1290

  ------------------------------------------------------------------------------
                       |               Robust
         retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------
  overconfidence_bnb |   .3391891    .091009     3.73   0.000     .1608147    .5175635
             fin_lit |   1.043771    .040086    26.04   0.000     .9652042    1.122338
                 age |   .1288863   .0041767    30.86   0.000     .1207002    .1370724
                age2 |  -.0017148   .0000443   -38.70   0.000    -.0018017   -.001628
           logincome |  -1.469463   .2383072    -6.17   0.000    -1.936536   -1.002389
          logincome2 |   .0980823    .011226     8.74   0.000     .0760798    .1200847
         female_dummy |  -.2089583     .02169    -9.63   0.000      -.25147   -.1664466
      nonwhite_dummy |   .0829981   .0289757     2.86   0.004     .0262068    .1397894
       marital_dummy |   .0571705   .0247008     2.31   0.021     .0087578    .1055832
   high_school_dummy |   .4576127   .0692669     6.61   0.000     .3218521    .5933733
       college_dummy |   .3377758   .0255087    13.24   0.000     .2877797    .3877719
                     |
                year |
                2015 |   .0299792   .0245361     1.22   0.222    -.0181107     .078069
                2018 |    .072206    .025077     2.88   0.004     .0230561    .1213559
                     |
           state_cate |
                   2 |   .1505137   .0851812     1.77   0.077    -.0164384    .3174657
                   3 |  -.0884375   .0895644    -0.99   0.323    -.2639805    .0871056
                   4 |  -.1509443   .0897495    -1.68   0.093    -.3268501    .0249616
                   5 |  -.1769101   .0850082    -2.08   0.037    -.3435232   -.0102971
                   6 |  -.0932906    .086761    -1.08   0.282    -.2633391    .0767579
                   7 |  -.0446552   .0879138    -0.51   0.611     -.216963    .1276526
                   8 |  -.1537437   .0870146    -1.77   0.077    -.3242892    .0168017
                   9 |   -.002409   .0872877    -0.03   0.978    -.1734897    .1686717
                  10 |  -.1518651   .0908559    -1.67   0.095    -.3299393    .0262092
                  11 |   .0337853   .0857929     0.39   0.694    -.1343656    .2019362
                  12 |  -.0244601   .0896246    -0.27   0.785    -.2001211    .1512009
                  13 |  -.1018248   .0868517    -1.17   0.241    -.2720511    .0684014
                  14 |  -.0830355   .0842512    -0.99   0.324    -.2481649    .0820939
                  15 |  -.0970689   .0865961    -1.12   0.262    -.2667941    .0726564
                  16 |  -.0481063   .0872529    -0.55   0.581    -.2191189    .1229062
                  17 |  -.0277537   .0877439    -0.32   0.752    -.1997285    .1442211
                  18 |   -.093314   .0872071    -1.07   0.285    -.2642366    .0776087
                  19 |  -.0668942   .0865606    -0.77   0.440    -.2365498    .1027615
                  20 |  -.0217222   .0861923    -0.25   0.801     -.190656    .1472115
                  21 |  -.0901459    .087071    -1.04   0.301    -.2608018    .0805101
                  22 |  -.1919906    .089437    -2.15   0.032    -.3672839   -.0166974
                  23 |  -.0840397   .0869704    -0.97   0.334    -.2544986    .0864192
                  24 |  -.0888146    .086887    -1.02   0.307      -.25911    .0814807
                  25 |   .0098004    .085034     0.12   0.908    -.1568632     .176464
                  26 |  -.0893171   .0858666    -1.04   0.298    -.2576125    .0789782
                  27 |   .1707574   .0855207     2.00   0.046     .0031398    .3383749
                  28 |   .0073248   .0865564     0.08   0.933    -.1623226    .1769723
                  29 |  -.1900035   .0889904    -2.14   0.033    -.3644215   -.0155856
                  30 |  -.0409847   .0872438    -0.47   0.639    -.2119794      .13001
```

```
              31  |  -.1783665     .08912    -2.00   0.045    -.3530384   -.0036946
              32  |  -.0571951   .0895978    -0.64   0.523    -.2328036    .1184135
              33  |  -.0904534   .0849192    -1.07   0.287    -.2568921    .0759852
              34  |  -.1007643   .0874847    -1.15   0.249    -.2722312    .0707025
              35  |   .0681468   .0863292     0.79   0.430    -.1010553    .2373489
              36  |   -.081326   .0867772    -0.94   0.349    -.2514061    .0887542
              37  |  -.0555173   .0875323    -0.63   0.526    -.2270775    .1160429
              38  |   .0146007   .0817301     0.18   0.858    -.1455873    .1747886
              39  |  -.1958841   .0894514    -2.19   0.029    -.3712057   -.0205625
              40  |  -.1055597   .0872567    -1.21   0.226    -.2765796    .0654602
              41  |   .0250911   .0867186     0.29   0.772    -.1448742    .1950565
              42  |   .1284572   .0859896     1.49   0.135    -.0400793    .2969937
              43  |  -.0396525     .08728    -0.45   0.650    -.2107181    .1314131
              44  |  -.2845849   .0843568    -3.37   0.001    -.4499211   -.1192487
              45  |   .1913568   .0856706     2.23   0.026     .0234454    .3592681
              46  |  -.0685791   .0855288    -0.80   0.423    -.2362125    .0990543
              47  |  -.0209484   .0869355    -0.24   0.810    -.1913389    .1494421
              48  |  -.0839188   .0822646    -1.02   0.308    -.2451545     .077317
              49  |  -.1014192   .0871667    -1.16   0.245    -.2722628    .0694244
              50  |  -.0222395   .0863432    -0.26   0.797    -.1914691    .1469902
              51  |   .1157215   .0853996     1.36   0.175    -.0516586    .2831017
                  |
            _cons |    .473209   1.263473     0.37   0.708    -2.003152     2.94957
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_bnb fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb fin_lit

------------------------------------------------------------------------------
                             |            Delta-method
                             |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----------------------------+------------------------------------------------------------------
overconfidence_bnb |   .0612824   .0164482     3.73   0.000     .0290446    .0935202
           fin_lit |   .1885816   .0071053    26.54   0.000     .1746554    .2025078
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/BNB.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Readiness")
../outputs/tables/BNB.tex
dir : seeout

. 
. *** precautionary saving
. ***** without state dummies
. logit precaution_dummy overconfidence_bnb fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47460.348
Iteration 2:   log pseudolikelihood = -47425.168
Iteration 3:   log pseudolikelihood = -47425.061
Iteration 4:   log pseudolikelihood = -47425.061

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    8480.14
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -47425.061               Pseudo R2         =     0.1400
```

```
------------------------------------------------------------------------------
                    |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
--------------------+---------------------------------------------------------------
overconfidence_bnb |   .2491381   .0761435     3.27   0.001     .0998997    .3983765
           fin_lit |   .7465016   .0371411    20.10   0.000     .6737064    .8192967
               age |  -.1174308    .003889   -30.20   0.000    -.1250532   -.1098085
              age2 |   .0014176   .0000411    34.53   0.000     .0013371     .001498
         logincome |  -1.951479   .2349652    -8.31   0.000    -2.412002   -1.490956
        logincome2 |   .1284339   .0111453    11.52   0.000     .1065896    .1502782
      female_dummy |  -.2232632   .0203759   -10.96   0.000    -.2631992   -.1833272
   nonwhite_dummy |  -.0151107   .0262397    -0.58   0.565    -.0665396    .0363182
    marital_dummy |   .0845685   .0227598     3.72   0.000     .0399602    .1291769
 high_school_dummy |   .5244841    .062424     8.40   0.000     .4021352    .6468329
     college_dummy |   .3954477    .023853    16.58   0.000     .3486968    .4421987
                   |
              year |
             2015  |   .1985404   .0233139     8.52   0.000     .1528459    .2442349
             2018  |   .2895756   .0237646    12.19   0.000     .2429979    .3361533
                   |
             _cons |   6.624745    1.23619     5.36   0.000     4.201857    9.047634
------------------------------------------------------------------------------

172 scalar r2 = e(r2_p)

173 margins, dydx(overconfidence_bnb fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb fin_lit

------------------------------------------------------------------------------
                    |            Delta-method
                    |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
--------------------+---------------------------------------------------------------
overconfidence_bnb |   .0505719    .015464     3.27   0.001      .020263    .0808807
           fin_lit |   .1515304   .0074489    20.34   0.000     .1369307      .16613
------------------------------------------------------------------------------

174 outreg2 using "${tables_dir}/BNB.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Precaution")
  ../outputs/tables/BNB.tex
  dir : seeout

175
176 ***** with state dummies
177 logit precaution_dummy overconfidence_bnb fin_lit `household_X' i.year i.state_cate
  > [pw=weights]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47374.546
Iteration 2:   log pseudolikelihood = -47337.646
Iteration 3:   log pseudolikelihood = -47337.531
Iteration 4:   log pseudolikelihood =  -47337.53

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(63)     =    8632.45
                                                Prob > chi2       =     0.0000
Log pseudolikelihood =  -47337.53               Pseudo R2         =     0.1416
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_bnb	.1505793	.0850133	1.77	0.077	-.0160438	.3172024
fin_lit	.7410953	.0372433	19.90	0.000	.6680998	.8140908
age	-.117656	.0038956	-30.20	0.000	-.1252912	-.1100208
age2	.0014178	.0000411	34.47	0.000	.0013372	.0014984
logincome	-1.899005	.2355516	-8.06	0.000	-2.360677	-1.437332
logincome2	.1257776	.0111816	11.25	0.000	.1038621	.1476932
female_dummy	-.2112606	.0208179	-10.15	0.000	-.252063	-.1704582
nonwhite_dummy	-.0347121	.0278354	-1.25	0.212	-.0892685	.0198442
marital_dummy	.0810686	.0231903	3.50	0.000	.0356164	.1265208
high_school_dummy	.5054013	.0629482	8.03	0.000	.3820252	.6287775
college_dummy	.3767209	.0245875	15.32	0.000	.3285302	.4249115
year						
2015	.2009886	.0233278	8.62	0.000	.1552669	.2467103
2018	.2931278	.0238092	12.31	0.000	.2464627	.339793
state_cate						
2	-.083648	.0854466	-0.98	0.328	-.2511203	.0838243
3	-.1752394	.084926	-2.06	0.039	-.3416913	-.0087874
4	-.092295	.0838919	-1.10	0.271	-.2567202	.0721301
5	.0054073	.0826184	0.07	0.948	-.1565218	.1673364
6	-.125207	.0849794	-1.47	0.141	-.2917635	.0413496
7	-.1590425	.0855068	-1.86	0.063	-.3266328	.0085479
8	-.1997237	.0835761	-2.39	0.017	-.3635299	-.0359176
9	-.0992819	.0859988	-1.15	0.248	-.2678364	.0692727
10	.0399587	.085829	0.47	0.642	-.128263	.2081804
11	-.0172486	.0851979	-0.20	0.840	-.1842333	.1497361
12	.0982341	.0868329	1.13	0.258	-.0719552	.2684234
13	-.2184013	.0839484	-2.60	0.009	-.3829372	-.0538655
14	.0604074	.0816145	0.74	0.459	-.0995541	.2203689
15	-.2304049	.0840142	-2.74	0.006	-.3950696	-.0657401
16	-.1210448	.0842761	-1.44	0.151	-.286223	.0441333
17	-.2107393	.0834428	-2.53	0.012	-.3742843	-.0471943
18	-.0464022	.0836406	-0.55	0.579	-.2103349	.1175304
19	-.0561506	.083697	-0.67	0.502	-.2201938	.1078926
20	-.2372782	.0843674	-2.81	0.005	-.4026354	-.0719211
21	-.2788816	.0845633	-3.30	0.001	-.4446227	-.1131405
22	-.0820735	.0860546	-0.95	0.340	-.2507375	.0865905
23	-.1269054	.0824394	-1.54	0.124	-.2884836	.0346728
24	-.0080374	.0837585	-0.10	0.924	-.172201	.1561261
25	-.0937478	.0830969	-1.13	0.259	-.2566147	.0691192
26	-.2400714	.0839207	-2.86	0.004	-.404553	-.0755899
27	-.1997754	.081859	-2.44	0.015	-.360216	-.0393348
28	-.1179643	.0841377	-1.40	0.161	-.2828711	.0469425
29	-.0476964	.0848371	-0.56	0.574	-.2139742	.1185813
30	-.1317882	.0842804	-1.56	0.118	-.2969747	.0333982
31	-.1626291	.0856679	-1.90	0.058	-.3305352	.005277
32	-.1255066	.0856068	-1.47	0.143	-.2932929	.0422797
33	.1134338	.082731	1.37	0.170	-.0487158	.2755835
34	-.027596	.08459	-0.33	0.744	-.1933894	.1381974
35	.0554003	.083393	0.66	0.506	-.1080469	.2188476
36	-.13888	.0838101	-1.66	0.098	-.3031447	.0253848
37	-.2784577	.084468	-3.30	0.001	-.4440119	-.1129035
38	-.1709225	.0792539	-2.16	0.031	-.3262573	-.0155877
39	-.0542214	.0835602	-0.65	0.516	-.2179964	.1095536
40	-.1002445	.0843186	-1.19	0.234	-.2655059	.0650168
41	-.0503601	.0838041	-0.60	0.548	-.2146131	.113893
42	-.0907123	.0835948	-1.09	0.278	-.2545551	.0731305
43	-.2146925	.0839526	-2.56	0.011	-.3792366	-.0501484
44	-.1518372	.0820351	-1.85	0.064	-.3126231	.0089487
45	-.1365569	.0845386	-1.62	0.106	-.3022495	.0291356
46	-.3020696	.0835226	-3.62	0.000	-.4657709	-.1383683
47	-.2556806	.0848627	-3.01	0.003	-.4220085	-.0893528
48	-.064388	.0797602	-0.81	0.420	-.220715	.0919391
49	-.2224693	.082343	-2.70	0.007	-.3838586	-.0610799
50	-.2099865	.0835169	-2.51	0.012	-.3736766	-.0462964
51	-.1384034	.0834569	-1.66	0.097	-.3019758	.025169

```
             _cons |   6.532046   1.240323     5.27   0.000     4.101058    8.963034
------------------------------------------------------------------------------

178 scalar r2 = e(r2_p)

179 margins, dydx(overconfidence_bnb fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(precaution_dummy), predict()
  dy/dx w.r.t. : overconfidence_bnb fin_lit

  ------------------------------------------------------------------------------
                    |            Delta-method
                    |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ------------------+-----------------------------------------------------------
  overconfidence_bnb |   .0304946   .0172222     1.77   0.077    -.0032602    .0642494
             fin_lit |   .1500831   .0074558    20.13   0.000     .1354701    .1646962
  ------------------------------------------------------------------------------

180 outreg2 using "${tables_dir}/BNB.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/BNB.tex
  dir : seeout

181
182 *** financial market participation
183 ***** without state dummies
184 logit fin_par_dummy overconfidence_bnb fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood = -41327.413
  Iteration 2:   log pseudolikelihood = -40932.942
  Iteration 3:   log pseudolikelihood = -40926.269
  Iteration 4:   log pseudolikelihood = -40926.266

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(13)     =    9443.80
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40926.266               Pseudo R2         =     0.1795

  ------------------------------------------------------------------------------
                    |               Robust
         fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ------------------+-----------------------------------------------------------
  overconfidence_bnb |  -.2989289   .0941265    -3.18   0.001    -.4834135   -.1144443
             fin_lit |   1.200872   .0416762    28.81   0.000     1.119189    1.282556
                 age |  -.0798302   .0042604   -18.74   0.000    -.0881805   -.0714799
                age2 |   .0009799   .0000442    22.18   0.000     .0008933    .0010665
           logincome |  -1.579352   .2812412    -5.62   0.000    -2.130575    -1.02813
          logincome2 |   .1173799   .0130748     8.98   0.000     .0917538    .1430059
         female_dummy |  -.2560624   .0220394   -11.62   0.000    -.2992588    -.212866
       nonwhite_dummy |  -.0035675   .0292749    -0.12   0.903    -.0609453    .0538103
        marital_dummy |  -.0435942   .0249292    -1.75   0.080    -.0924546    .0052662
    high_school_dummy |   .6489838   .0842101     7.71   0.000     .4839351    .8140325
        college_dummy |   .3823383   .0262672    14.56   0.000     .3308555     .433821
                      |
                 year |
                 2015 |  -.2353391   .0248167    -9.48   0.000     -.283979   -.1866991
                 2018 |  -.1755437    .025512    -6.88   0.000    -.2255462   -.1255412
                      |
                _cons |   2.609686   1.518599     1.72   0.086    -.3667124    5.586085
  ------------------------------------------------------------------------------
```

```
185 scalar r2 = e(r2_p)

186 margins, dydx(overconfidence_bnb fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_bnb fin_lit

  ------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_bnb |  -.0507325   .0159473    -3.18   0.001    -.0819886   -.0194763
             fin_lit |   .2038051    .006921    29.45   0.000     .1902401    .2173701
  ------------------------------------------------------------------------------

187 outreg2 using "${tables_dir}/BNB.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Participation")
  ../outputs/tables/BNB.tex
  dir : seeout

188
189 ***** with state dummies
190 logit fin_par_dummy overconfidence_bnb fin_lit `household_X' i.year i.state_cate [pw
  > =weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood = -41224.975
  Iteration 2:   log pseudolikelihood = -40824.275
  Iteration 3:   log pseudolikelihood = -40817.531
  Iteration 4:   log pseudolikelihood = -40817.527

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    9654.63
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40817.527               Pseudo R2         =     0.1817

  ------------------------------------------------------------------------------
                     |               Robust
          fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_bnb |   -.267417   .1044781    -2.56   0.010    -.4721903   -.0626437
             fin_lit |   1.202328   .0418711    28.71   0.000     1.120262    1.284393
                 age |  -.0799608   .0042699   -18.73   0.000    -.0883296    -.071592
                age2 |   .0009777   .0000443    22.07   0.000     .0008909    .0010645
           logincome |  -1.451072   .2815239    -5.15   0.000    -2.002848   -.8992947
          logincome2 |   .1107485   .0130965     8.46   0.000     .0850798    .1364171
       female_dummy |  -.2633512   .0225135   -11.70   0.000    -.3074768   -.2192256
      nonwhite_dummy |  -.0655849   .0311751    -2.10   0.035    -.1266871   -.0044828
       marital_dummy |  -.0250787   .0254586    -0.99   0.325    -.0749767    .0248193
   high_school_dummy |   .6556448   .0851072     7.70   0.000     .4888377    .8224519
       college_dummy |   .3783267   .0270495    13.99   0.000     .3253106    .4313427
                     |
                year |
                2015 |  -.2319397   .0248355    -9.34   0.000    -.2806163   -.1832631
                2018 |  -.1714866   .0255689    -6.71   0.000    -.2216007   -.1213726
                     |
          state_cate |
                   2 |   .1241755   .0925616     1.34   0.180     -.057242     .305593
                   3 |  -.0289542   .0940673    -0.31   0.758    -.2133226    .1554143
                   4 |   .0266128   .0951606     0.28   0.780    -.1598985    .2131241
                   5 |   .2636286   .0917211     2.87   0.004     .0838586    .4433986
                   6 |   .0880227   .0948111     0.93   0.353    -.0978036    .2738491
                   7 |   .2101563   .0924461     2.27   0.023     .0289652    .3913474
                   8 |   .1120792   .0925121     1.21   0.226    -.0692412    .2933996
                   9 |   .2972345   .0936908     3.17   0.002     .1136039    .4808651
                  10 |   .1978983   .0957522     2.07   0.039     .0102274    .3855692
                  11 |   .1480102   .0949162     1.56   0.119    -.0380221    .3340426
                  12 |   .5275439   .0939154     5.62   0.000      .343473    .7116148
```

```
              13 |   .0246711   .0914507     0.27   0.787    -.1545689    .2039111
              14 |   .0526965   .0882085     0.60   0.550    -.1201889    .2255819
              15 |  -.0875297   .0946608    -0.92   0.355    -.2730615     .098002
              16 |   .1337821   .0918376     1.46   0.145    -.0462164    .3137806
              17 |   .1152204   .0929868     1.24   0.215    -.0670305    .2974712
              18 |  -.0033122   .0943961    -0.04   0.972     -.188325    .1817007
              19 |   .0961956   .0946996     1.02   0.310    -.0894121    .2818034
              20 |   .0902186   .0935182     0.96   0.335    -.0930738     .273511
              21 |   .0326477   .0942371     0.35   0.729    -.1520536     .217349
              22 |   .0755144   .0935332     0.81   0.419    -.1078073    .2588361
              23 |   .0241814   .0946161     0.26   0.798    -.1612628    .2096257
              24 |   .1344727   .0935794     1.44   0.151    -.0489396    .3178849
              25 |   .0349595   .0958001     0.36   0.715    -.1528052    .2227243
              26 |   .0619956   .0937459     0.66   0.508    -.1217429    .2457341
              27 |     .21253    .092386     2.30   0.021     .0314567    .3936033
              28 |   .0887262   .0922035     0.96   0.336    -.0919893    .2694417
              29 |  -.0293811   .0951284    -0.31   0.757    -.2158294    .1570672
              30 |  -.0648906   .0927159    -0.70   0.484    -.2466105    .1168293
              31 |    .125689   .0927132     1.36   0.175    -.0560256    .3074035
              32 |   .0771307    .094846     0.81   0.416     -.108764    .2630254
              33 |    .345171   .0908434     3.80   0.000     .1671212    .5232208
              34 |   -.013771   .0937442    -0.15   0.883    -.1975063    .1699643
              35 |   .1366722   .0907915     1.51   0.132    -.0412759    .3146203
              36 |   .1318743   .0939024     1.40   0.160    -.0521711    .3159196
              37 |   .0036128   .0953706     0.04   0.970    -.1833102    .1905357
              38 |   .1066583   .0882552     1.21   0.227    -.0663188    .2796353
              39 |   .1036779   .0937006     1.11   0.269    -.0799719    .2873277
              40 |   .0317218   .0922585     0.34   0.731    -.1491015    .2125452
              41 |     .03354   .0955816     0.35   0.726    -.1537965    .2208764
              42 |   .1753312   .0909751     1.93   0.054    -.0029768    .3536392
              43 |  -.0734294    .095519    -0.77   0.442    -.2606431    .1137844
              44 |   -.029359   .0923003    -0.32   0.750    -.2102642    .1515462
              45 |  -.0320823   .0941686    -0.34   0.733    -.2166495    .1524848
              46 |   .1266219   .0934807     1.35   0.176    -.0565968    .3098406
              47 |   .1579199   .0945193     1.67   0.095    -.0273345    .3431743
              48 |   .1901664   .0884345     2.15   0.032     .0168381    .3634948
              49 |  -.0771187   .0936435    -0.82   0.410    -.2606565    .1064192
              50 |   .1742611   .0925902     1.88   0.060    -.0072125    .3557346
              51 |   .1005196   .0926353     1.09   0.278    -.0810422    .2820814
                 |
           _cons |   1.898995   1.520892     1.25   0.212    -1.081899    4.879889
------------------------------------------------------------------------------

191 scalar r2 = e(r2_p)

192 margins, dydx(overconfidence_bnb fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_bnb |  -.0452397   .0176551    -2.56   0.010    -.0798431   -.0106363
           fin_lit |   .2034012   .0069373    29.32   0.000     .1898043    .2169982
------------------------------------------------------------------------------
```

```
193 outreg2 using "${tables_dir}/BNB.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/BNB.tex
  dir : seeout

194
195 * baseline regressions with KNN
196 *** retirement readiness
197 ***** without state dummies
198 logit retire_dummy overconfidence_knn fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43366.773
  Iteration 2:   log pseudolikelihood =     -43141
  Iteration 3:   log pseudolikelihood = -43139.993
  Iteration 4:   log pseudolikelihood = -43139.993

  Logistic regression                                     Number of obs     =     80,164
                                                          Wald chi2(13)     =    7235.59
                                                          Prob > chi2       =     0.0000
  Log pseudolikelihood = -43139.993                       Pseudo R2         =     0.1296

  ------------------------------------------------------------------------------
                       |               Robust
             retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_knn |   .9928558   .0891075    11.14   0.000     .8182082    1.167503
             fin_lit |   1.296216   .0462344    28.04   0.000     1.205599    1.386834
                 age |    .143576   .0045016    31.89   0.000      .134753    .1523991
                age2 |  -.0018209   .0000463   -39.34   0.000    -.0019116   -.0017302
           logincome |  -1.804875   .2403074    -7.51   0.000    -2.275868   -1.333881
          logincome2 |   .1170476   .0113338    10.33   0.000     .0948337    .1392615
         female_dummy |   -.158188   .0199546    -7.93   0.000    -.1972984   -.1190776
       nonwhite_dummy |   .1097644   .0224747     4.88   0.000     .0657149    .1538139
        marital_dummy |   .0204483   .0228332     0.90   0.370    -.0243038    .0652005
    high_school_dummy |   .3723729   .0657369     5.66   0.000      .243531    .5012147
        college_dummy |   .2804008   .0209594    13.38   0.000     .2393211    .3214805
                       |
                  year |
                 2015  |   .0311056   .0245108     1.27   0.204    -.0169346    .0791457
                 2018  |   .0761112     .02504     3.04   0.002     .0270337    .1251886
                       |
                 _cons |   1.193025    1.27327     0.94   0.349    -1.302538    3.688588
  ------------------------------------------------------------------------------

199 scalar r2 = e(r2_p)

200 margins, dydx(overconfidence_knn fin_lit) post

  Average marginal effects                          Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_knn fin_lit

  ------------------------------------------------------------------------------
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_knn |   .1794221   .0160224    11.20   0.000     .1480189    .2108254
             fin_lit |   .2342434   .0081296    28.81   0.000     .2183098    .2501771
  ------------------------------------------------------------------------------
```

```
201 outreg2 using "${tables_dir}/KNN.tex", tex replace addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Readiness")
  ../outputs/tables/KNN.tex
  dir : seeout

202
203 ***** with state dummies
204 logit retire_dummy overconfidence_knn fin_lit `household_X' i.year i.state_cate [pw=
  > weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43314.697
  Iteration 2:   log pseudolikelihood =  -43085.77
  Iteration 3:   log pseudolikelihood = -43084.731
  Iteration 4:   log pseudolikelihood = -43084.731

  Logistic regression                               Number of obs     =     80,164
                                                    Wald chi2(63)     =    7324.86
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -43084.731                 Pseudo R2         =     0.1307

  ------------------------------------------------------------------------------
                       |               Robust
         retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------
  overconfidence_knn |   .9881344   .0891872    11.08   0.000     .8133307    1.162938
             fin_lit |   1.281002   .0463547    27.63   0.000     1.190148    1.371855
                 age |   .1433971   .0045057    31.83   0.000     .1345661    .1522281
                age2 |  -.0018176   .0000463   -39.23   0.000    -.0019084   -.0017268
           logincome |  -1.857958   .2407019    -7.72   0.000    -2.329725   -1.386191
          logincome2 |   .1197502   .0113612    10.54   0.000     .0974826    .1420178
         female_dummy |  -.1652758   .0200231    -8.25   0.000    -.2045203   -.1260312
      nonwhite_dummy |   .1338107   .0241021     5.55   0.000     .0865714     .18105
       marital_dummy |   .0182824   .0230765     0.79   0.428    -.0269468    .0635116
   high_school_dummy |   .3680946   .0657991     5.59   0.000     .2391308    .4970584
       college_dummy |   .2755972   .0210818    13.07   0.000     .2342777    .3169168
                     |
                year |
                2015 |   .0305185   .0244992     1.25   0.213    -.0174991    .0785361
                2018 |   .0745994   .0250572     2.98   0.003     .0254882    .1237107
                     |
           state_cate |
                   2 |   .1132104   .0842435     1.34   0.179    -.0519038    .2783247
                   3 |  -.0990652   .0893416    -1.11   0.268    -.2741715    .0760412
                   4 |  -.1654906   .0897194    -1.84   0.065    -.3413375    .0103562
                   5 |  -.1679242    .085122    -1.97   0.049    -.3347603   -.0010881
                   6 |  -.1227519    .086017    -1.43   0.154    -.2913421    .0458382
                   7 |  -.0726139   .0872869    -0.83   0.405    -.2436932    .0984653
                   8 |  -.1765732   .0865889    -2.04   0.041    -.3462843   -.0068621
                   9 |  -.0098813    .087382    -0.11   0.910    -.1811469    .1613843
                  10 |  -.1340561   .0907157    -1.48   0.139    -.3118556    .0437434
                  11 |   .0355328    .085788     0.41   0.679    -.1326085    .2036741
                  12 |  -.0732164   .0881899    -0.83   0.406    -.2460656    .0996327
                  13 |  -.1216074   .0863626    -1.41   0.159    -.2908749    .0476601
                  14 |  -.0942653   .0841431    -1.12   0.263    -.2591827    .0706522
                  15 |  -.1084238   .0864574    -1.25   0.210    -.2778772    .0610296
                  16 |  -.0833266   .0864325    -0.96   0.335    -.2527312    .0860779
                  17 |   -.041773    .087542    -0.48   0.633    -.2133521     .129806
                  18 |  -.1017863   .0870844    -1.17   0.242    -.2724685    .0688959
                  19 |  -.0492561   .0864674    -0.57   0.569    -.2187292     .120217
                  20 |  -.0439206   .0856652    -0.51   0.608    -.2118213    .1239801
                  21 |  -.1078653    .086665    -1.24   0.213    -.2777256     .061995
                  22 |  -.2136162   .0888949    -2.40   0.016     -.387847   -.0393854
                  23 |  -.0778592    .087017    -0.89   0.371    -.2484093    .0926909
                  24 |   -.103769   .0864357    -1.20   0.230    -.2731799    .0656419
                  25 |   .0112893   .0851195     0.13   0.894    -.1555419    .1781204
                  26 |  -.0956833   .0858686    -1.11   0.265    -.2639828    .0726161
                  27 |   .1418795   .0849994     1.67   0.095    -.0247161    .3084752
                  28 |  -.0201861   .0859788    -0.23   0.814    -.1887015    .1483293
                  29 |   -.207016   .0888024    -2.33   0.020    -.3810655   -.0329664
                  30 |  -.0744861   .0863134    -0.86   0.388    -.2436572     .094685
```

```
                31  |  -.2138915   .0882345    -2.42   0.015    -.3868279   -.0409551
                32  |   -.084583   .0891435    -0.95   0.343    -.2593011    .0901351
                33  |  -.0652085   .0846116    -0.77   0.441    -.2310442    .1006271
                34  |  -.0989124   .0875638    -1.13   0.259    -.2705343    .0727094
                35  |   .0497565   .0859022     0.58   0.562    -.1186088    .2181218
                36  |  -.0925676   .0866088    -1.07   0.285    -.2623177    .0771824
                37  |  -.0706753   .0875852    -0.81   0.420    -.2423391    .1009885
                38  |   .0051183   .0815238     0.06   0.950    -.1546653     .164902
                39  |  -.1932659   .0895604    -2.16   0.031    -.3688011   -.0177307
                40  |  -.1391013   .0864436    -1.61   0.108    -.3085277    .0303252
                41  |    .004571   .0864541     0.05   0.958     -.164876     .174018
                42  |   .0969706   .0852777     1.14   0.255    -.0701706    .2641118
                43  |  -.0383545   .0871569    -0.44   0.660    -.2091789      .13247
                44  |  -.2670304   .0844052    -3.16   0.002    -.4324615   -.1015992
                45  |    .164233    .085212     1.93   0.054    -.0027793    .3312454
                46  |  -.1040395   .0845699    -1.23   0.219    -.2697935    .0617145
                47  |  -.0223019   .0870368    -0.26   0.798    -.1928909    .1482872
                48  |  -.0984068   .0820126    -1.20   0.230    -.2591486     .062335
                49  |  -.1122228   .0870042    -1.29   0.197    -.2827479    .0583023
                50  |  -.0365512   .0860057    -0.42   0.671    -.2051193     .132017
                51  |    .076193   .0845306     0.90   0.367    -.0894839    .2418698
                    |
              _cons |   1.544486    1.27572     1.21   0.226    -.9558792    4.044851
------------------------------------------------------------------------------

205 scalar r2 = e(r2_p)

206 margins, dydx(overconfidence_knn fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_knn fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_knn |   .1782908   .0160103    11.14   0.000     .1469112    .2096704
           fin_lit |   .2311333   .0081544    28.34   0.000     .2151511    .2471156
------------------------------------------------------------------------------

207 outreg2 using "${tables_dir}/KNN.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Readiness")
../outputs/tables/KNN.tex
dir : seeout

208
209 *** precautionary saving
210 ***** without state dummies
211 logit precaution_dummy overconfidence_knn fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47379.921
Iteration 2:   log pseudolikelihood = -47336.892
Iteration 3:   log pseudolikelihood = -47336.748
Iteration 4:   log pseudolikelihood = -47336.748

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    8310.70
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -47336.748               Pseudo R2         =     0.1416
```

```
------------------------------------------------------------------------------
                    |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_knn |   .9324851   .0841138    11.09   0.000      .767625    1.097345
           fin_lit |   .9654583   .0422695    22.84   0.000     .8826117    1.048305
               age |  -.1058846   .0040966   -25.85   0.000    -.1139138   -.0978554
              age2 |   .0013463   .0000421    32.01   0.000     .0012638    .0014287
         logincome |  -2.346891    .238215    -9.85   0.000    -2.813783   -1.879998
        logincome2 |   .1503986   .0113264    13.28   0.000     .1281994    .1725979
      female_dummy |  -.1904735   .0190587    -9.99   0.000    -.2278279    -.153119
   nonwhite_dummy |   .0251586   .0218711     1.15   0.250    -.0177078    .0680251
    marital_dummy |   .0563068   .0211813     2.66   0.008     .0147922    .0978215
 high_school_dummy |   .4521757    .059885     7.55   0.000     .3348032    .5695481
     college_dummy |    .347593   .0202339    17.18   0.000     .3079352    .3872507
                   |
              year |
             2015  |   .1986784   .0233222     8.52   0.000     .1529678     .244389
             2018  |   .2921048   .0237796    12.28   0.000     .2454977    .3387119
                   |
             _cons |   7.776652    1.25168     6.21   0.000     5.323405     10.2299
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_knn fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_knn fin_lit

------------------------------------------------------------------------------
                    |            Delta-method
                    |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
--------------------+---------------------------------------------------------------
overconfidence_knn |   .1889386   .0169722    11.13   0.000     .1556737    .2222035
           fin_lit |   .1956196   .0084162    23.24   0.000     .1791241     .212115
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/KNN.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
>         ctitle("Precaution")
../outputs/tables/KNN.tex
dir : seeout

. 
. ***** with state dummies
. logit precaution_dummy overconfidence_knn fin_lit `household_X' i.year i.state_cate
> [pw=weights]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47289.147
Iteration 2:   log pseudolikelihood = -47244.111
Iteration 3:   log pseudolikelihood = -47243.956
Iteration 4:   log pseudolikelihood = -47243.956

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(63)     =    8472.57
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -47243.956               Pseudo R2         =     0.1433
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_knn	.9296792	.0843411	11.02	0.000	.7643736	1.094985
fin_lit	.9731724	.0424229	22.94	0.000	.8900251	1.05632
age	-.1060127	.0041032	-25.84	0.000	-.1140547	-.0979706
age2	.0013451	.0000421	31.93	0.000	.0012626	.0014277
logincome	-2.286481	.2388437	-9.57	0.000	-2.754606	-1.818356
logincome2	.1473942	.011366	12.97	0.000	.1251173	.1696711
female_dummy	-.1878561	.0191029	-9.83	0.000	-.2252972	-.1504151
nonwhite_dummy	-.0154711	.023288	-0.66	0.506	-.0611148	.0301726
marital_dummy	.0639332	.0213926	2.99	0.003	.0220045	.1058619
high_school_dummy	.4576897	.0598807	7.64	0.000	.3403257	.5750537
college_dummy	.3468908	.0203779	17.02	0.000	.3069508	.3868308
year						
2015	.2006809	.0233425	8.60	0.000	.1549304	.2464314
2018	.2954167	.0238233	12.40	0.000	.2487238	.3421096
state_cate						
2	-.0992744	.0848858	-1.17	0.242	-.2656476	.0670987
3	-.1754445	.0847696	-2.07	0.038	-.3415898	-.0092991
4	-.1003089	.0836448	-1.20	0.230	-.2642496	.0636318
5	.010843	.0828049	0.13	0.896	-.1514517	.1731377
6	-.1389924	.0843996	-1.65	0.100	-.3044127	.0264279
7	-.170272	.0851012	-2.00	0.045	-.3370672	-.0034768
8	-.2074234	.0831795	-2.49	0.013	-.3704522	-.0443946
9	-.1040088	.0860761	-1.21	0.227	-.2727148	.0646973
10	.0481936	.0858636	0.56	0.575	-.120096	.2164832
11	-.0158413	.0851103	-0.19	0.852	-.1826545	.1509719
12	.083493	.0854672	0.98	0.329	-.0840198	.2510057
13	-.2233887	.0835559	-2.67	0.008	-.3871554	-.0596221
14	.0580351	.0814294	0.71	0.476	-.1015635	.2176338
15	-.234191	.0838471	-2.79	0.005	-.3985282	-.0698537
16	-.1353902	.0834558	-1.62	0.105	-.2989605	.0281801
17	-.217992	.0831007	-2.62	0.009	-.3808663	-.0551176
18	-.0480088	.0834336	-0.58	0.565	-.2115356	.115518
19	-.0477244	.0835214	-0.57	0.568	-.2114234	.1159745
20	-.2440103	.0838824	-2.91	0.004	-.4084169	-.0796038
21	-.2844583	.0843553	-3.37	0.001	-.4497916	-.119125
22	-.0878257	.0857379	-1.02	0.306	-.2558689	.0802176
23	-.1247585	.0824931	-1.51	0.130	-.286442	.036925
24	-.0113894	.0833973	-0.14	0.891	-.1748451	.1520662
25	-.0923427	.0831171	-1.11	0.267	-.2552492	.0705638
26	-.2440951	.0838919	-2.91	0.004	-.4085201	-.0796701
27	-.2106656	.081353	-2.59	0.010	-.3701146	-.0512166
28	-.1286373	.0836693	-1.54	0.124	-.2926261	.0353514
29	-.0565002	.0845554	-0.67	0.504	-.2222258	.1092254
30	-.1427823	.0833452	-1.71	0.087	-.3061359	.0205713
31	-.1737135	.0849354	-2.05	0.041	-.3401839	-.0072432
32	-.1346223	.0852047	-1.58	0.114	-.3016204	.0323759
33	.122654	.0823627	1.49	0.136	-.038774	.2840819
34	-.0260266	.0846177	-0.31	0.758	-.1918743	.1398211
35	.0482442	.0831694	0.58	0.562	-.1147649	.2112533
36	-.1411934	.0835892	-1.69	0.091	-.3050253	.0226384
37	-.2865417	.0844195	-3.39	0.001	-.4520009	-.1210825
38	-.1748641	.0792317	-2.21	0.027	-.3301554	-.0195728
39	-.0506489	.0835561	-0.61	0.544	-.2144158	.1131181
40	-.1116673	.0834348	-1.34	0.181	-.2751965	.0518619
41	-.0581386	.0835384	-0.70	0.486	-.2218709	.1055937
42	-.1025132	.08286	-1.24	0.216	-.2649159	.0598895
43	-.2134585	.0838086	-2.55	0.011	-.3777204	-.0491966
44	-.1437171	.0820109	-1.75	0.080	-.3044556	.0170214
45	-.1474578	.084094	-1.75	0.080	-.312279	.0173634
46	-.3149338	.0827475	-3.81	0.000	-.4771159	-.1527517
47	-.2599085	.0848402	-3.06	0.002	-.4261923	-.0936248
48	-.0688311	.0795922	-0.86	0.387	-.2248289	.0871667
49	-.2248615	.0821776	-2.74	0.006	-.3859265	-.0637964
50	-.2155748	.0830934	-2.59	0.009	-.3784349	-.0527147
51	-.1538407	.0826109	-1.86	0.063	-.3157551	.0080736

```
             _cons |    7.58657   1.255214     6.04   0.000     5.126395    10.04674
------------------------------------------------------------------------------

218 scalar r2 = e(r2_p)

219 margins, dydx(overconfidence_knn fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_knn fin_lit

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   .1879053   .0169744    11.07   0.000     .1546361    .2211746
           fin_lit |   .1966961   .0084266    23.34   0.000     .1801804    .2132119
------------------------------------------------------------------------------

220 outreg2 using "${tables_dir}/KNN.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Precaution")
../outputs/tables/KNN.tex
dir : seeout

221
222 *** financial market participation
223 ***** without state dummies
224 logit fin_par_dummy overconfidence_knn fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -49879.082
Iteration 1:   log pseudolikelihood = -41226.463
Iteration 2:   log pseudolikelihood = -40806.914
Iteration 3:   log pseudolikelihood = -40799.615
Iteration 4:   log pseudolikelihood = -40799.609
Iteration 5:   log pseudolikelihood = -40799.609

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    9209.06
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -40799.609               Pseudo R2         =     0.1820

------------------------------------------------------------------------------
                  |               Robust
     fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   1.295709   .0969058    13.37   0.000     1.105777    1.485641
           fin_lit |   1.602989   .0490767    32.66   0.000       1.5068    1.699177
               age |  -.0590647   .0046274   -12.76   0.000    -.0681342   -.0499953
              age2 |    .000831   .0000463    17.94   0.000     .0007402    .0009218
         logincome |  -1.787947   .2874656    -6.22   0.000    -2.351369   -1.224524
        logincome2 |   .1320792   .0133318     9.91   0.000     .1059493    .1582091
      female_dummy |  -.2734561   .0202716   -13.49   0.000    -.3131877   -.2337246
    nonwhite_dummy |  -.0679766   .0238533    -2.85   0.004    -.1147281   -.0212251
     marital_dummy |   -.017178   .0230353    -0.75   0.456    -.0623263    .0279704
 high_school_dummy |   .7065413   .0814922     8.67   0.000     .5468194    .8662632
     college_dummy |   .4297535    .021482    20.01   0.000     .3876495    .4718575
                   |
              year |
              2015 |  -.2380084    .024814    -9.59   0.000     -.286643   -.1893739
              2018 |  -.1752209   .0255347    -6.86   0.000    -.2252679   -.1251739
                   |
             _cons |   1.919293   1.571448     1.22   0.222    -1.160687    4.999274
------------------------------------------------------------------------------
```

```
225 scalar r2 = e(r2_p)

226 margins, dydx(overconfidence_knn fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_knn fin_lit

  ------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_knn |   .2191838   .0162764    13.47   0.000     .1872826     .251085
             fin_lit |   .2711637   .0080203    33.81   0.000     .2554442    .2868832
  ------------------------------------------------------------------------------

227 outreg2 using "${tables_dir}/KNN.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Participation")
  ../outputs/tables/KNN.tex
  dir : seeout

228
229 ***** with state dummies
230 logit fin_par_dummy overconfidence_knn fin_lit `household_X' i.year i.state_cate [pw
  > =weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood = -41119.674
  Iteration 2:   log pseudolikelihood = -40694.531
  Iteration 3:   log pseudolikelihood = -40687.142
  Iteration 4:   log pseudolikelihood = -40687.135
  Iteration 5:   log pseudolikelihood = -40687.135

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    9405.30
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40687.135               Pseudo R2         =     0.1843

  ------------------------------------------------------------------------------
                     |               Robust
          fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_knn |    1.29985    .097153    13.38   0.000     1.109433    1.490266
             fin_lit |   1.597228   .0493081    32.39   0.000     1.500585     1.69387
                 age |  -.0593289   .0046388   -12.79   0.000    -.0684208   -.0502371
                age2 |   .0008304   .0000464    17.88   0.000     .0007394    .0009214
           logincome |  -1.673075   .2876776    -5.82   0.000    -2.236913   -1.109237
          logincome2 |   .1260622   .0133523     9.44   0.000     .0998921    .1522323
       female_dummy |  -.2794592    .020345   -13.74   0.000    -.3193346   -.2395838
    nonwhite_dummy |  -.1213169   .0256584    -4.73   0.000    -.1716064   -.0710274
     marital_dummy |  -.0027144   .0233174    -0.12   0.907    -.0484157     .042987
 high_school_dummy |   .7026113   .0818019     8.59   0.000     .5422826      .86294
     college_dummy |   .4192693   .0216291    19.38   0.000      .376877    .4616615
                   |
                year |
                2015  |  -.2344459   .0248436    -9.44   0.000    -.2831384   -.1857534
                2018  |  -.1710004   .0255987    -6.68   0.000    -.2211729   -.1208279
                   |
           state_cate |
                   2  |   .1601762    .091924     1.74   0.081    -.0199916     .340344
                   3  |   .0052037   .0937118     0.06   0.956     -.178468    .1888755
                   4  |   .0378312   .0948697     0.40   0.690    -.1481101    .2237724
                   5  |   .2593868    .091491     2.84   0.005     .0800677    .4387059
                   6  |   .1201831   .0944394     1.27   0.203    -.0649147    .3052809
                   7  |   .2404565    .091979     2.61   0.009     .0601809     .420732
                   8  |   .1439108   .0924133     1.56   0.119    -.0372159    .3250375
                   9  |   .2977597   .0934624     3.19   0.001     .1145767    .4809427
                  10  |   .1886773   .0953024     1.98   0.048     .0018879    .3754666
                  11  |   .1545148   .0945357     1.63   0.102    -.0307718    .3398015
```

```
          12  |   .5911036   .0926016     6.38   0.000     .4096078    .7725993
          13  |   .0574759   .0913784     0.63   0.529    -.1216225    .2365742
          14  |   .0742219   .0881346     0.84   0.400    -.0985186    .2469625
          15  |  -.0651057   .0943889    -0.69   0.490    -.2501046    .1198932
          16  |    .172731   .0912725     1.89   0.058    -.0061599    .3516219
          17  |   .1299742   .0927857     1.40   0.161    -.0518824    .3118309
          18  |   .0096688   .0941677     0.10   0.918    -.1748965    .1942341
          19  |   .0946894   .0942776     1.00   0.315    -.0900912    .2794701
          20  |   .1242311     .09351     1.33   0.184    -.0590452    .3075074
          21  |    .062687   .0938858     0.67   0.504    -.1213257    .2466997
          22  |   .1088745   .0935044     1.16   0.244    -.0743907    .2921398
          23  |   .0236889   .0944625     0.25   0.802    -.1614541     .208832
          24  |   .1722289   .0931628     1.85   0.065    -.0103668    .3548247
          25  |   .0409834   .0956962     0.43   0.668    -.1465776    .2285444
          26  |   .0751749   .0935798     0.80   0.422    -.1082382     .258588
          27  |   .2422964   .0919897     2.63   0.008     .0619999     .422593
          28  |   .1235827   .0919545     1.34   0.179    -.0566449    .3038103
          29  |  -.0146069   .0948182    -0.15   0.878    -.2004471    .1712333
          30  |  -.0208632   .0921763    -0.23   0.821    -.2015254     .159799
          31  |   .1784409   .0921059     1.94   0.053    -.0020833    .3589651
          32  |   .1137554   .0945069     1.20   0.229    -.0714747    .2989856
          33  |   .3124032   .0898276     3.48   0.001     .1363444     .488462
          34  |  -.0061416   .0933728    -0.07   0.948    -.1891489    .1768656
          35  |   .1615482   .0906368     1.78   0.075    -.0160967    .3391932
          36  |   .1543634   .0934321     1.65   0.099    -.0287601    .3374869
          37  |   .0130417   .0952627     0.14   0.891    -.1736697    .1997531
          38  |   .1227864   .0882563     1.39   0.164    -.0501928    .2957655
          39  |    .117294   .0936704     1.25   0.210    -.0662967    .3008847
          40  |   .0729439   .0917702     0.79   0.427    -.1069223    .2528102
          41  |   .0533671   .0951342     0.56   0.575    -.1330926    .2398268
          42  |   .2121535   .0905342     2.34   0.019     .0347097    .3895972
          43  |  -.0617935   .0952911    -0.65   0.517    -.2485606    .1249737
          44  |   -.038292   .0918766    -0.42   0.677    -.2183667    .1417828
          45  |  -.0002809   .0937754    -0.00   0.998    -.1840773    .1835154
          46  |   .1655328   .0930881     1.78   0.075    -.0169165    .3479821
          47  |   .1472179   .0943085     1.56   0.119    -.0376233    .3320591
          48  |   .2159114   .0881537     2.45   0.014     .0431334    .3886894
          49  |  -.0517344   .0935837    -0.55   0.580     -.235155    .1316863
          50  |   .2027746   .0923169     2.20   0.028     .0218368    .3837124
          51  |   .1382754   .0922347     1.50   0.134    -.0425012    .3190521
              |
        _cons |    1.28836   1.572115     0.82   0.412    -1.792929    4.369649
------------------------------------------------------------------------------

231 scalar r2 = e(r2_p)

232 margins, dydx(overconfidence_knn fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_knn fin_lit

------------------------------------------------------------------------------
                    |            Delta-method
                    |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
--------------------+---------------------------------------------------------------
overconfidence_knn |   .2191511   .0162631    13.48   0.000      .187276    .2510261
           fin_lit |   .2692882   .0080455    33.47   0.000     .2535193    .2850571
------------------------------------------------------------------------------
```

```
233 outreg2 using "${tables_dir}/KNN.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/KNN.tex
  dir : seeout

234
235 * baseline regressions with MLP
236 *** retirement readiness
237 ***** without state dummies
238 logit retire_dummy overconfidence_mlp fin_lit `household_X' i.year [pw=weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43328.437
  Iteration 2:   log pseudolikelihood = -43117.141
  Iteration 3:   log pseudolikelihood = -43116.377
  Iteration 4:   log pseudolikelihood = -43116.377

  Logistic regression                                     Number of obs     =     80,164
                                                          Wald chi2(13)     =    7459.30
                                                          Prob > chi2       =     0.0000
  Log pseudolikelihood = -43116.377                       Pseudo R2         =     0.1301

  ------------------------------------------------------------------------------
                       |               Robust
            retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_mlp |   1.368244   .1104145    12.39   0.000     1.151835    1.584652
             fin_lit |   1.282954   .0441667    29.05   0.000     1.196389    1.369519
                 age |   .1260768   .0041837    30.14   0.000     .1178769    .1342768
                age2 |  -.0017014   .0000443   -38.38   0.000    -.0017883   -.0016145
           logincome |  -1.495698    .239435    -6.25   0.000    -1.964982   -1.026414
          logincome2 |   .1057893   .0113029     9.36   0.000     .0836361    .1279425
        female_dummy |  -.1605401   .0199968    -8.03   0.000    -.1997331   -.1213471
      nonwhite_dummy |   .1122251   .0225187     4.98   0.000     .0680891     .156361
       marital_dummy |   .0213764   .0228866     0.93   0.350    -.0234804    .0662333
   high_school_dummy |   .3576595   .0657354     5.44   0.000     .2288205    .4864985
       college_dummy |   .2813072   .0210475    13.37   0.000     .2400548    .3225596
                     |
                year |
                2015 |   .0317957   .0245824     1.29   0.196    -.0163849    .0799763
                2018 |   .0803577   .0251124     3.20   0.001     .0311383    .1295772
                     |
               _cons |  -.3260928   1.267816    -0.26   0.797    -2.810966    2.158781
  ------------------------------------------------------------------------------

239 scalar r2 = e(r2_p)

240 margins, dydx(overconfidence_mlp fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_mlp fin_lit

  ------------------------------------------------------------------------------
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_mlp |   .2467683   .0198236    12.45   0.000     .2079147    .2856219
             fin_lit |    .231386   .0077587    29.82   0.000     .2161792    .2465928
  ------------------------------------------------------------------------------
```

```
241 outreg2 using "${tables_dir}/MLP.tex", tex replace addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Readiness")
  ../outputs/tables/MLP.tex
  dir : seeout

242
243 ***** with state dummies
244 logit retire_dummy overconfidence_mlp fin_lit `household_X' i.year i.state_cate [pw=
  > weights]

  Iteration 0:   log pseudolikelihood = -49564.375
  Iteration 1:   log pseudolikelihood = -43276.686
  Iteration 2:   log pseudolikelihood = -43062.125
  Iteration 3:   log pseudolikelihood = -43061.332
  Iteration 4:   log pseudolikelihood = -43061.332

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    7548.81
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -43061.332               Pseudo R2         =     0.1312

  ------------------------------------------------------------------------------
                       |               Robust
             retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_mlp |   1.362958   .1104679    12.34   0.000     1.146445    1.579471
             fin_lit |    1.26786   .0442993    28.62   0.000     1.181035    1.354685
                 age |    .125982    .004188    30.08   0.000     .1177736    .1341903
                age2 |  -.0016986   .0000444   -38.27   0.000    -.0017856   -.0016116
           logincome |  -1.549357   .2398775    -6.46   0.000    -2.019508   -1.079206
          logincome2 |   .1085062   .0113316     9.58   0.000     .0862967    .1307156
         female_dummy |   -.167755    .020065    -8.36   0.000    -.2070818   -.1284283
      nonwhite_dummy |   .1361431   .0241601     5.64   0.000     .0887901    .1834961
       marital_dummy |   .0189582   .0231263     0.82   0.412    -.0263684    .0642849
   high_school_dummy |   .3530581   .0657918     5.37   0.000     .2241086    .4820075
       college_dummy |   .2766053   .0211689    13.07   0.000     .2351149    .3180957
                     |
                year |
                2015 |   .0312069   .0245714     1.27   0.204    -.0169521    .0793659
                2018 |   .0788305   .0251311     3.14   0.002     .0295745    .1280866
                     |
           state_cate |
                   2 |   .1186143   .0844181     1.41   0.160    -.0468421    .2840706
                   3 |  -.1032233   .0893397    -1.16   0.248     -.278326    .0718794
                   4 |  -.1599203    .089674    -1.78   0.075     -.335678    .0158375
                   5 |   -.164743   .0852062    -1.93   0.053    -.3317441    .0022581
                   6 |  -.1187435   .0862692    -1.38   0.169    -.2878281    .0503411
                   7 |   -.068609    .087528    -0.78   0.433    -.2401608    .1029428
                   8 |  -.1759433   .0867283    -2.03   0.042    -.3459277   -.0059589
                   9 |  -.0129621    .087528    -0.15   0.882    -.1845139    .1585896
                  10 |  -.1351008   .0907986    -1.49   0.137    -.3130628    .0428613
                  11 |   .0350454   .0858908     0.41   0.683    -.1332975    .2033883
                  12 |  -.0713154    .088316    -0.81   0.419    -.2444115    .1017807
                  13 |  -.1207088   .0865072    -1.40   0.163    -.2902598    .0488422
                  14 |  -.0908188   .0842138    -1.08   0.281    -.2558748    .0742373
                  15 |  -.1100659   .0864445    -1.27   0.203     -.279494    .0593622
                  16 |  -.0792958   .0865066    -0.92   0.359    -.2488456    .0902539
                  17 |  -.0432479    .087746    -0.49   0.622     -.215227    .1287311
                  18 |  -.1027963   .0871301    -1.18   0.238    -.2735682    .0679755
                  19 |  -.0495016   .0865406    -0.57   0.567     -.219118    .1201149
                  20 |  -.0430096   .0857396    -0.50   0.616    -.2110562     .125037
                  21 |  -.1069969     .08696    -1.23   0.219    -.2774353    .0634416
                  22 |  -.2127105   .0892263    -2.38   0.017    -.3875908   -.0378302
                  23 |  -.0813997    .086974    -0.94   0.349    -.2518656    .0890662
                  24 |  -.1066109   .0865391    -1.23   0.218    -.2762244    .0630025
                  25 |   .0133721   .0851664     0.16   0.875     -.153551    .1802953
                  26 |  -.0975782   .0859325    -1.14   0.256    -.2660027    .0708464
                  27 |   .1454728   .0851354     1.71   0.088    -.0213895    .3123352
                  28 |  -.0201358    .086127    -0.23   0.815    -.1889416      .14867
                  29 |  -.2003365    .088773    -2.26   0.024    -.3743285   -.0263445
                  30 |  -.0753001   .0864615    -0.87   0.384    -.2447614    .0941613
```

```
              31  |  -.2074484   .0884805    -2.34   0.019     -.380867   -.0340298
              32  |  -.0840857   .0890884    -0.94   0.345    -.2586957    .0905243
              33  |  -.0691774   .0848674    -0.82   0.415    -.2355145    .0971597
              34  |  -.1015027   .0875709    -1.16   0.246    -.2731386    .0701332
              35  |   .0525803   .0860856     0.61   0.541    -.1161443    .2213049
              36  |  -.0885999   .0866707    -1.02   0.307    -.2584714    .0812716
              37  |  -.0652958   .0876306    -0.75   0.456    -.2370486     .106457
              38  |   .0063124   .0816554     0.08   0.938    -.1537292    .1663539
              39  |  -.1965763   .0897491    -2.19   0.029    -.3724814   -.0206712
              40  |  -.1349178   .0865988    -1.56   0.119    -.3046483    .0348127
              41  |   .0083155   .0863469     0.10   0.923    -.1609214    .1775524
              42  |   .0996049   .0853444     1.17   0.243     -.067667    .2668769
              43  |  -.0421441   .0872414    -0.48   0.629    -.2131341    .1288459
              44  |  -.2638859   .0845043    -3.12   0.002    -.4295114   -.0982605
              45  |   .1704389   .0852111     2.00   0.045     .0034283    .3374496
              46  |  -.0965003   .0847391    -1.14   0.255    -.2625859    .0695853
              47  |  -.0213905   .0871426    -0.25   0.806    -.1921869    .1494059
              48  |  -.0948515   .0821622    -1.15   0.248    -.2558865    .0661835
              49  |  -.1105556    .087063    -1.27   0.204     -.281196    .0600848
              50  |  -.0394629   .0861866    -0.46   0.647    -.2083855    .1294597
              51  |   .0817117   .0845598     0.97   0.334    -.0840225    .2474458
                  |
            _cons |   .0266003   1.270696     0.02   0.983    -2.463918    2.517118
------------------------------------------------------------------------------

245 scalar r2 = e(r2_p)

246 margins, dydx(overconfidence_mlp fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_mlp |   .2454381   .0198023    12.39   0.000     .2066263      .28425
           fin_lit |   .2283132   .0077877    29.32   0.000     .2130495    .2435769
------------------------------------------------------------------------------

247 outreg2 using "${tables_dir}/MLP.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Readiness")
../outputs/tables/MLP.tex
dir : seeout

248
249 *** precautionary saving
250 ***** without state dummies
251 logit precaution_dummy overconfidence_mlp fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47406.625
Iteration 2:   log pseudolikelihood = -47367.896
Iteration 3:   log pseudolikelihood = -47367.769
Iteration 4:   log pseudolikelihood = -47367.769

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    8432.91
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -47367.769               Pseudo R2         =     0.1411
```

```
------------------------------------------------------------------------------
                    |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_mlp |   .9562895   .1056467     9.05   0.000     .7492259    1.163353
           fin_lit |   .9003593   .0411129    21.90   0.000     .8197796    .9809391
               age |  -.1196864   .0039007   -30.68   0.000    -.1273317   -.1120411
              age2 |   .0014289   .0000411    34.78   0.000     .0013483    .0015094
         logincome |  -2.024902   .2366421    -8.56   0.000    -2.488712   -1.561092
        logincome2 |   .1367543   .0112534    12.15   0.000     .1146981    .1588105
      female_dummy |  -.1942353   .0190623   -10.19   0.000    -.2315968   -.1568739
   nonwhite_dummy |     .02833   .0219139     1.29   0.196    -.0146206    .0712805
    marital_dummy |   .0562979   .0212379     2.65   0.008     .0146724    .0979234
 high_school_dummy |   .4482495   .0598874     7.48   0.000     .3308723    .5656266
     college_dummy |   .3477726   .0202701    17.16   0.000      .308044    .3875012
                   |
              year |
             2015  |    .199527   .0233203     8.56   0.000       .15382     .245234
             2018  |   .2944466   .0237884    12.38   0.000     .2478222     .341071
                   |
             _cons |   6.391966   1.244496     5.14   0.000     3.952798    8.831134
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_mlp fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp fin_lit

------------------------------------------------------------------------------
                    |            Delta-method
                    |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
--------------------+---------------------------------------------------------------
overconfidence_mlp |   .1938544   .0213712     9.07   0.000     .1519676    .2357412
           fin_lit |   .1825165   .0082096    22.23   0.000      .166426     .198607
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/MLP.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
>         ctitle("Precaution")
../outputs/tables/MLP.tex
dir : seeout

. 
. ***** with state dummies
. logit precaution_dummy overconfidence_mlp fin_lit `household_X' i.year i.state_cate
> [pw=weights]

Iteration 0:   log pseudolikelihood = -55147.986
Iteration 1:   log pseudolikelihood = -47316.211
Iteration 2:   log pseudolikelihood =  -47275.43
Iteration 3:   log pseudolikelihood = -47275.294
Iteration 4:   log pseudolikelihood = -47275.294

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(63)     =    8596.28
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -47275.294               Pseudo R2         =     0.1428
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_mlp	.9502053	.1061808	8.95	0.000	.7420948	1.158316
fin_lit	.9076694	.041278	21.99	0.000	.826766	.9885728
age	-.1197598	.0039076	-30.65	0.000	-.1274185	-.1121011
age2	.0014275	.0000412	34.68	0.000	.0013468	.0015081
logincome	-1.96464	.2372349	-8.28	0.000	-2.429612	-1.499668
logincome2	.1337379	.0112917	11.84	0.000	.1116066	.1558693
female_dummy	-.1915978	.0191056	-10.03	0.000	-.2290441	-.1541516
nonwhite_dummy	-.0123948	.0233318	-0.53	0.595	-.0581243	.0333347
marital_dummy	.0637862	.0214481	2.97	0.003	.0217486	.1058238
high_school_dummy	.4537332	.0599004	7.57	0.000	.3363306	.5711358
college_dummy	.3472319	.0204142	17.01	0.000	.3072209	.3872429
year						
2015	.2014329	.0233412	8.63	0.000	.1556851	.2471808
2018	.2977038	.0238324	12.49	0.000	.2509931	.3444145
state_cate						
2	-.0955102	.0848815	-1.13	0.260	-.2618748	.0708544
3	-.1793932	.0848683	-2.11	0.035	-.3457321	-.0130544
4	-.0963294	.0838117	-1.15	0.250	-.2605974	.0679386
5	.013363	.0828809	0.16	0.872	-.1490806	.1758066
6	-.1356018	.084487	-1.61	0.108	-.3011933	.0299897
7	-.1685127	.0850865	-1.98	0.048	-.3352793	-.0017461
8	-.2074723	.0831603	-2.49	0.013	-.3704635	-.0444812
9	-.1056861	.08612	-1.23	0.220	-.2744782	.063106
10	.0483174	.0858431	0.56	0.574	-.1199319	.2165667
11	-.0160163	.0853189	-0.19	0.851	-.1832383	.1512058
12	.0821372	.085412	0.96	0.336	-.0852672	.2495416
13	-.2233745	.0836155	-2.67	0.008	-.3872579	-.0594912
14	.0600448	.0815235	0.74	0.461	-.0997382	.2198279
15	-.234339	.0838965	-2.79	0.005	-.398773	-.069905
16	-.1328738	.0835744	-1.59	0.112	-.2966766	.030929
17	-.2181295	.0833343	-2.62	0.009	-.3814618	-.0547972
18	-.0497362	.0836243	-0.59	0.552	-.2136368	.1141644
19	-.0472996	.0836647	-0.57	0.572	-.2112793	.1166802
20	-.2450557	.0839172	-2.92	0.003	-.4095304	-.0805809
21	-.2841633	.0844148	-3.37	0.001	-.4496132	-.1187134
22	-.0870795	.0858083	-1.01	0.310	-.2552606	.0811016
23	-.1271088	.0825715	-1.54	0.124	-.2889459	.0347283
24	-.0141043	.0835454	-0.17	0.866	-.1778503	.1496416
25	-.0896047	.0832223	-1.08	0.282	-.2527174	.0735081
26	-.2428726	.0838872	-2.90	0.004	-.4072884	-.0784568
27	-.2075566	.0815182	-2.55	0.011	-.3673294	-.0477838
28	-.1277427	.0836424	-1.53	0.127	-.2916788	.0361934
29	-.0499957	.0846902	-0.59	0.555	-.2159854	.1159941
30	-.1457022	.0833661	-1.75	0.081	-.3090967	.0176923
31	-.1709412	.0849592	-2.01	0.044	-.3374582	-.0044243
32	-.1358743	.0851637	-1.60	0.111	-.3027921	.0310436
33	.124333	.0825407	1.51	0.132	-.0374438	.2861098
34	-.0267701	.0846393	-0.32	0.752	-.1926601	.1391199
35	.0501238	.0832053	0.60	0.547	-.1129556	.2132033
36	-.1395578	.0837846	-1.67	0.096	-.3037725	.0246569
37	-.2809234	.0844443	-3.33	0.001	-.4464311	-.1154156
38	-.173214	.079294	-2.18	0.029	-.3286274	-.0178007
39	-.0523889	.0837134	-0.63	0.531	-.2164641	.1116864
40	-.1109947	.0835843	-1.33	0.184	-.2748168	.0528275
41	-.0554196	.083592	-0.66	0.507	-.2192569	.1084176
42	-.1015111	.0829853	-1.22	0.221	-.2641593	.061137
43	-.2152012	.0837776	-2.57	0.010	-.3794023	-.0510001
44	-.1399833	.0820632	-1.71	0.088	-.3008242	.0208577
45	-.1431451	.0842249	-1.70	0.089	-.3082229	.0219326
46	-.3104131	.0828294	-3.75	0.000	-.4727558	-.1480705
47	-.2574432	.0848565	-3.03	0.002	-.4237588	-.0911276
48	-.0669342	.0796533	-0.84	0.401	-.2230519	.0891834
49	-.2245735	.0822436	-2.73	0.006	-.385768	-.063379
50	-.2168823	.0833408	-2.60	0.009	-.3802273	-.0535373
51	-.1499919	.0826314	-1.82	0.069	-.3119464	.0119626

```
             _cons |   6.202866   1.248091     4.97   0.000     3.756653    8.649079
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_mlp fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp fin_lit

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_mlp |   .1921501    .021426     8.97   0.000     .1501559    .2341443
           fin_lit |   .1835485   .0082236    22.32   0.000     .1674305    .1996666
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/MLP.tex", tex append addstat(Pseudo R-squared, r2) ///
>         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>         ctitle("Precaution")
../outputs/tables/MLP.tex
dir : seeout

.
. *** financial market participation
. ***** without state dummies
. logit fin_par_dummy overconfidence_mlp fin_lit `household_X' i.year [pw=weights]

Iteration 0:   log pseudolikelihood = -49879.082
Iteration 1:   log pseudolikelihood = -41314.153
Iteration 2:   log pseudolikelihood = -40915.587
Iteration 3:   log pseudolikelihood = -40908.802
Iteration 4:   log pseudolikelihood = -40908.798

Logistic regression                             Number of obs     =     80,164
                                                Wald chi2(13)     =    9464.98
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -40908.798               Pseudo R2         =     0.1798

------------------------------------------------------------------------------
             |               Robust
fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
overconfidence_mlp |   .7087554   .1164607     6.09   0.000     .4804965    .9370143
           fin_lit |   1.377432    .046107    29.87   0.000     1.287064      1.4678
               age |  -.0803934   .0042631   -18.86   0.000    -.0887488    -.072038
              age2 |   .0009787   .0000442    22.16   0.000     .0008921    .0010653
         logincome |  -1.540884   .2832972    -5.44   0.000    -2.096137   -.9856319
        logincome2 |   .1192747   .0131539     9.07   0.000     .0934935    .1450559
       female_dummy |  -.2811898   .0202832   -13.86   0.000    -.3209441   -.2414355
    nonwhite_dummy |  -.0591623   .0239167    -2.47   0.013    -.1060382   -.0122864
     marital_dummy |  -.0131319   .0230988    -0.57   0.570    -.0584046    .0321409
 high_school_dummy |   .7095282   .0813289     8.72   0.000     .5501265      .86893
     college_dummy |   .4309111   .0215187    20.02   0.000     .3887351     .473087
                   |
              year |
              2015 |  -.2358358   .0248082    -9.51   0.000    -.2844591   -.1872125
              2018 |  -.1735901   .0255221    -6.80   0.000    -.2236124   -.1235677
                   |
             _cons |   1.639994     1.5347     1.07   0.285    -1.367962     4.64795
------------------------------------------------------------------------------
```

```
265 scalar r2 = e(r2_p)

266 margins, dydx(overconfidence_mlp fin_lit) post

  Average marginal effects                        Number of obs     =     80,164
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_mlp fin_lit

  ------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_mlp |   .1202316   .0197618     6.08   0.000     .0814991    .1589641
             fin_lit |   .2336643   .0076438    30.57   0.000     .2186827    .2486459
  ------------------------------------------------------------------------------

267 outreg2 using "${tables_dir}/MLP.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
  >         ctitle("Participation")
  ../outputs/tables/MLP.tex
  dir : seeout

268
269 ***** with state dummies
270 logit fin_par_dummy overconfidence_mlp fin_lit `household_X' i.year i.state_cate [pw
  > =weights]

  Iteration 0:   log pseudolikelihood = -49879.082
  Iteration 1:   log pseudolikelihood =  -41208.01
  Iteration 2:   log pseudolikelihood = -40803.512
  Iteration 3:   log pseudolikelihood = -40796.663
  Iteration 4:   log pseudolikelihood = -40796.659
  Iteration 5:   log pseudolikelihood = -40796.659

  Logistic regression                             Number of obs     =     80,164
                                                  Wald chi2(63)     =    9664.07
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -40796.659               Pseudo R2         =     0.1821

  ------------------------------------------------------------------------------
                     |               Robust
          fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_mlp |    .709135   .1167704     6.07   0.000     .4802693    .9380007
             fin_lit |   1.371151   .0463532    29.58   0.000     1.280301    1.462002
                 age |  -.0806954   .0042723   -18.89   0.000    -.0890689   -.0723219
                age2 |   .0009783   .0000443    22.10   0.000     .0008915    .0010651
          logincome |  -1.421828   .2835435    -5.01   0.000    -1.977563   -.8660933
         logincome2 |   .1130499   .0131757     8.58   0.000      .087226    .1388739
        female_dummy |  -.2871609   .0203533   -14.11   0.000    -.3270527   -.2472692
     nonwhite_dummy |  -.1129283   .0257314    -4.39   0.000     -.163361   -.0624956
      marital_dummy |    .001401    .023384     0.06   0.952    -.0444307    .0472327
  high_school_dummy |   .7059028   .0816355     8.65   0.000        .5459    .8659055
      college_dummy |   .4205245    .021664    19.41   0.000     .3780638    .4629852
                    |
                year |
                2015 |  -.2323634   .0248367    -9.36   0.000    -.2810426   -.1836843
                2018 |  -.1694494   .0255856    -6.62   0.000    -.2195964   -.1193025
                    |
           state_cate |
                   2 |   .1599581   .0918199     1.74   0.081    -.0200057    .3399218
                   3 |  -.0077202   .0937768    -0.08   0.934    -.1915194     .176079
                   4 |   .0382758   .0949647     0.40   0.687    -.1478517    .2244033
                   5 |   .2590211   .0915307     2.83   0.005     .0796242    .4384181
                   6 |   .1173584   .0944561     1.24   0.214    -.0677722     .302489
                   7 |   .2378936   .0919433     2.59   0.010      .057688    .4180991
                   8 |   .1392081   .0921643     1.51   0.131    -.0414306    .3198468
                   9 |   .2972259   .0933325     3.18   0.001     .1142977    .4801542
                  10 |   .1858535    .095302     1.95   0.051     -.000935     .372642
                  11 |   .1506633   .0946531     1.59   0.111    -.0348534      .33618
```

```
              12 |   .5806084   .0924239     6.28   0.000     .3994609     .761756
              13 |   .0508621   .0911806     0.56   0.577    -.1278485    .2295728
              14 |   .0700598   .0880422     0.80   0.426    -.1024997    .2426193
              15 |  -.0709938   .0944503    -0.75   0.452    -.2561129    .1141253
              16 |   .1684326   .0911997     1.85   0.065    -.0103156    .3471807
              17 |    .126713   .0927408     1.37   0.172    -.0550556    .3084816
              18 |   .0039784   .0942562     0.04   0.966    -.1807604    .1887171
              19 |   .0896395   .0943758     0.95   0.342    -.0953336    .2746126
              20 |   .1169729   .0932798     1.25   0.210    -.0658522    .2997981
              21 |   .0555965   .0938313     0.59   0.554    -.1283095    .2395026
              22 |   .1025781    .093257     1.10   0.271    -.0802022    .2853584
              23 |   .0192715   .0944323     0.20   0.838    -.1658123    .2043553
              24 |    .160335    .093163     1.72   0.085    -.0222612    .3429312
              25 |   .0405155   .0957182     0.42   0.672    -.1470887    .2281198
              26 |   .0714462   .0935243     0.76   0.445    -.1118579    .2547504
              27 |   .2394419   .0919871     2.60   0.009     .0591505    .4197332
              28 |   .1190539   .0917651     1.30   0.195    -.0608025    .2989102
              29 |   -.011836   .0949146    -0.12   0.901    -.1978651    .1741932
              30 |  -.0282662   .0919861    -0.31   0.759    -.2085557    .1520233
              31 |   .1710607   .0919496     1.86   0.063    -.0091572    .3512786
              32 |   .1072722   .0943278     1.14   0.255     -.077607    .2921513
              33 |   .3146724   .0900443     3.49   0.000     .1381888    .4911561
              34 |  -.0110498   .0935168    -0.12   0.906    -.1943394    .1722398
              35 |   .1586726   .0905007     1.75   0.080    -.0187054    .3360507
              36 |    .149453   .0935869     1.60   0.110     -.033974    .3328799
              37 |   .0161997   .0950784     0.17   0.865    -.1701505      .20255
              38 |   .1204663   .0881481     1.37   0.172    -.0523007    .2932333
              39 |   .1093542    .093623     1.17   0.243    -.0741435    .2928518
              40 |   .0674751   .0916282     0.74   0.461    -.1121129    .2470631
              41 |   .0528511   .0952425     0.55   0.579    -.1338207     .239523
              42 |   .2074749   .0904896     2.29   0.022     .0301187    .3848312
              43 |  -.0685632   .0953087    -0.72   0.472    -.2553649    .1182384
              44 |  -.0388444   .0919662    -0.42   0.673    -.2190948     .141406
              45 |  -.0020864   .0938228    -0.02   0.982    -.1859758     .181803
              46 |   .1635786   .0929612     1.76   0.078    -.0186219    .3457792
              47 |   .1510387   .0942254     1.60   0.109    -.0336396    .3357171
              48 |   .2106365   .0881481     2.39   0.017     .0378694    .3834035
              49 |  -.0583747   .0934838    -0.62   0.532    -.2415996    .1248501
              50 |    .193849   .0923674     2.10   0.036     .0128121    .3748858
              51 |   .1383246   .0919842     1.50   0.133     -.041961    .3186103
                 |
           _cons |   .9939862     1.5358     0.65   0.517    -2.016126    4.004099
------------------------------------------------------------------------------

271 scalar r2 = e(r2_p)

272 margins, dydx(overconfidence_mlp fin_lit) post

Average marginal effects                        Number of obs     =     80,164
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp fin_lit

------------------------------------------------------------------------------
                             |            Delta-method
                             |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----------------------------+------------------------------------------------------------------
overconfidence_mlp |   .1198982   .0197478     6.07   0.000     .0811933    .1586032
           fin_lit |   .2318298   .0076708    30.22   0.000     .2167952    .2468644
------------------------------------------------------------------------------
```

```
273 outreg2 using "${tables_dir}/MLP.tex", tex append addstat(Pseudo R-squared, r2) ///
  >         addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/MLP.tex
  dir : seeout

274
275 * generate financial literacy indicators and intersactions
276 summ fin_lit, d

                          fin_lit
  -------------------------------------------------------------
        Percentiles      Smallest
   1%           0              0
   5%           0              0
  10%     .2148639              0       Obs              80,164
  25%     .4286817              0       Sum of Wgt.      80,164

  50%     .6489536                      Mean            .603136
                         Largest       Std. Dev.      .2970519
  75%     .8434286              1
  90%            1              1       Variance       .0882398
  95%            1              1       Skewness      -.4414944
  99%            1              1       Kurtosis       2.215027

277 gen fin_low_dummy = fin_lit == 0

278 gen fin_high_dummy = fin_lit == 1

279
280 local household_X "age age2 logincome logincome2 female_dummy nonwhite_dummy marital
  > _dummy high_
  > school_dummy college_dummy"

281 * heterogeneous effects with SVM
282 *** retirement readiness
283 ***** without state dummies
284 logit retire_dummy overconfidence_svm `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood = -2789.9313
  Iteration 1:   log pseudolikelihood = -2523.4958
  Iteration 2:   log pseudolikelihood = -2490.6582
  Iteration 3:   log pseudolikelihood = -2490.4484
  Iteration 4:   log pseudolikelihood = -2490.4484

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     393.81
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -2490.4484               Pseudo R2         =     0.1073

  ------------------------------------------------------------------------------
                       |               Robust
            retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_svm |   .7739676   .1503303     5.15   0.000     .4793256     1.06861
                 age |   .0140874    .017959     0.78   0.433    -.0211117    .0492864
                age2 |  -.0003846   .0002076    -1.85   0.064    -.0007914    .0000222
           logincome |  -1.672999   1.003347    -1.67   0.095    -3.639522    .2935244
         logincome2 |   .0992095   .0483463     2.05   0.040     .0044526    .1939665
        female_dummy |  -.2238818   .0916092    -2.44   0.015    -.4034326    -.044331
      nonwhite_dummy |   .1503955   .0947468     1.59   0.112    -.0353048    .3360957
       marital_dummy |   .5225525     .10175     5.14   0.000     .3231263    .7219788
   high_school_dummy |    .595603   .1933353     3.08   0.002     .2166727    .9745333
       college_dummy |   .4814059   .0989662     4.86   0.000     .2874357    .6753762
                     |
                year |
                2015 |   .1170562   .1171383     1.00   0.318    -.1125307    .3466431
                2018 |   .0724877   .1162815     0.62   0.533    -.1554198    .3003952
                     |
          state_cate |
                   2 |    .145863   .3723517     0.39   0.695    -.5839329    .8756589
```

```
               3  |  -.5453679   .4013869    -1.36   0.174    -1.332072     .241336
               4  |  -.4420412    .373313    -1.18   0.236    -1.173721    .2896389
               5  |  -.2597584   .3052929    -0.85   0.395    -.8581215    .3386048
               6  |  -.5183322   .3762672    -1.38   0.168    -1.255802    .2191381
               7  |  -.3323804   .3656087    -0.91   0.363     -1.04896    .3841996
               8  |  -.2194603   .3863395    -0.57   0.570    -.9766718    .5377512
               9  |   .1146066   .3535738     0.32   0.746    -.5783854    .8075986
              10  |  -.0234205   .3383831    -0.07   0.945    -.6866393    .6397982
              11  |  -.5310593   .3337102    -1.59   0.112    -1.185119    .1230007
              12  |  -1.110257   .5120594    -2.17   0.030    -2.113875   -.1066394
              13  |  -1.154214   .6614067    -1.75   0.081    -2.450547    .1421192
              14  |  -.5396608    .333875    -1.62   0.106    -1.194044    .1147222
              15  |  -.5184133   .3929789    -1.32   0.187    -1.288638    .2518112
              16  |  -.5553717   .4149019    -1.34   0.181    -1.368564     .257821
              17  |   -.239818   .3932032    -0.61   0.542    -1.010482    .5308461
              18  |   .0214749   .3648424     0.06   0.953     -.693603    .7365528
              19  |  -.6226202   .3667435    -1.70   0.090    -1.341424    .0961839
              20  |   -.418799   .3958877    -1.06   0.290    -1.194725    .3571265
              21  |  -.5306773   .3712084    -1.43   0.153    -1.258232    .1968778
              22  |  -.0569725   .3623179    -0.16   0.875    -.7671025    .6531576
              23  |  -.1333938   .3324517    -0.40   0.688    -.7849872    .5181996
              24  |  -.6638552   .3851719    -1.72   0.085    -1.418778    .0910679
              25  |  -.6914424   .3498023    -1.98   0.048    -1.377042   -.0058425
              26  |  -.8491005   .3929139    -2.16   0.031    -1.619198   -.0790034
              27  |  -.1578985   .4050426    -0.39   0.697    -.9517673    .6359703
              28  |  -.7508538   .4439074    -1.69   0.091    -1.620896    .1191887
              29  |  -.1480375   .3621703    -0.41   0.683    -.8578781    .5618032
              30  |  -.1942793   .4136073    -0.47   0.639    -1.004935    .6163761
              31  |  -.5215421   .3378662    -1.54   0.123    -1.183748    .1406634
              32  |  -.1078117   .3937882    -0.27   0.784    -.8796225    .6639991
              33  |  -.2808776   .3064839    -0.92   0.359     -.881575    .3198197
              34  |  -.9552812   .3945167    -2.42   0.015     -1.72852   -.1820428
              35  |  -.0930161   .3715123    -0.25   0.802    -.8211668    .6351345
              36  |  -.7115414   .3954382    -1.80   0.072    -1.486586    .0635033
              37  |  -.4106119   .3666774    -1.12   0.263    -1.129286    .3080627
              38  |    -.55547   .3511891    -1.58   0.114    -1.243788     .132848
              39  |  -.6128855   .3515297    -1.74   0.081    -1.301871    .0761001
              40  |   -.947349   .4091988    -2.32   0.021    -1.749364   -.1453341
              41  |  -.4968628   .3625426    -1.37   0.171    -1.207433    .2137076
              42  |  -.2271335   .4223421    -0.54   0.591    -1.054909    .6006418
              43  |  -.1959383   .3719228    -0.53   0.598    -.9248935    .5330169
              44  |  -.5442095   .3234729    -1.68   0.092    -1.178205    .0897858
              45  |  -.7581171   .4382344    -1.73   0.084    -1.617041    .1008065
              46  |  -.4738922   .4180492    -1.13   0.257    -1.293254    .3454691
              47  |  -.0243301   .3372116    -0.07   0.942    -.6852527    .6365925
              48  |  -.3740306   .3231456    -1.16   0.247    -1.007384    .2593231
              49  |  -.2882712   .3819265    -0.75   0.450    -1.036833    .4602909
              50  |  -.5934886   .4104516    -1.45   0.148    -1.397959    .2109819
              51  |  -.1518541   .3999344    -0.38   0.704    -.9357111     .632003
                  |
           _cons  |   3.846737   5.180303     0.74   0.458     -6.30647    13.99994
------------------------------------------------------------------------------
```

285 scalar r2 = e(r2_p)

286 margins, dydx(overconfidence_svm) post

```
Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_svm

------------------------------------------------------------------------------
                             |            Delta-method
                             |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----------------------------+------------------------------------------------------------------
overconfidence_svm |   .0891389   .0173037     5.15   0.000     .0552242    .1230535
------------------------------------------------------------------------------
```

```
287 outreg2 using "${tables_dir}/SVM_het.tex", tex replace addstat(Pseudo R-squared, r2)
  >  ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/SVM_het.tex
  dir : seeout

288
289 ***** with state dummies
290 logit retire_dummy overconfidence_svm `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =   -7639.91
  Iteration 1:   log pseudolikelihood = -6385.0227
  Iteration 2:   log pseudolikelihood = -6374.7023
  Iteration 3:   log pseudolikelihood = -6374.6849
  Iteration 4:   log pseudolikelihood = -6374.6849

  Logistic regression                               Number of obs     =     12,539
                                                    Wald chi2(62)     =    1610.17
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -6374.6849                 Pseudo R2         =     0.1656

  ------------------------------------------------------------------------------
                       |               Robust
            retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_svm |   23.50829   44.69885     0.53   0.599    -64.09985    111.1164
                 age |   .2103864   .0128802    16.33   0.000     .1851417    .2356311
                age2 |  -.0026011   .0001267   -20.53   0.000    -.0028494   -.0023528
           logincome |  -1.656818    .713922    -2.32   0.020     -3.05608   -.2575566
          logincome2 |    .106338   .0326048     3.26   0.001     .0424338    .1702423
        female_dummy |  -.0246872   .0506076    -0.49   0.626    -.1238762    .0745018
     nonwhite_dummy |   .0997517    .070484     1.42   0.157    -.0383945    .2378978
      marital_dummy |  -.0350724   .0608763    -0.58   0.565    -.1543876    .0842429
  high_school_dummy |   .3073167    .394811     0.78   0.436    -.4664986    1.081132
      college_dummy |   .2923834   .0541788     5.40   0.000     .1861948    .3985719
                    |
                year |
                2015 |   .0246029    .058949     0.42   0.676     -.090935    .1401409
                2018 |   .0896111   .0622006     1.44   0.150    -.0322998    .2115221
                    |
           state_cate |
                   2 |  -.0323737   .2135637    -0.15   0.880    -.4509508    .3862034
                   3 |  -.1582828   .2259027    -0.70   0.484     -.601044    .2844784
                   4 |  -.5110383   .2309006    -2.21   0.027    -.9635951   -.0584815
                   5 |  -.3919976   .2216957    -1.77   0.077    -.8265131     .042518
                   6 |  -.0985468    .221926    -0.44   0.657    -.5335138    .3364202
                   7 |  -.0419608   .2167452    -0.19   0.846    -.4667736     .382852
                   8 |  -.2908806   .2168102    -1.34   0.180    -.7158207    .1340596
                   9 |  -.0939281   .2244949    -0.42   0.676      -.53393    .3460738
                  10 |  -.4466735   .2529976    -1.77   0.077    -.9425398    .0491927
                  11 |  -.3115312   .2326276    -1.34   0.181    -.7674729    .1444104
                  12 |  -.3266794   .2101846    -1.55   0.120    -.7386336    .0852748
                  13 |  -.2721757   .2194617    -1.24   0.215    -.7023127    .1579613
                  14 |  -.0629177   .2128742    -0.30   0.768    -.4801434     .354308
                  15 |   .2609201   .2258667     1.16   0.248    -.1817706    .7036108
                  16 |  -.1077481   .2197713    -0.49   0.624    -.5384918    .3229957
                  17 |  -.1888318   .2174206    -0.87   0.385    -.6149684    .2373048
                  18 |    .050718   .2312318     0.22   0.826     -.402488    .5039239
                  19 |  -.0501707   .2652049    -0.19   0.850    -.5699628    .4696214
                  20 |   .2196808   .2149662     1.02   0.307    -.2016452    .6410068
                  21 |  -.2170184   .2243985    -0.97   0.333    -.6568315    .2227946
                  22 |  -.1297485   .2166253    -0.60   0.549    -.5543262    .2948293
                  23 |  -.3254214   .2313477    -1.41   0.160    -.7788546    .1280119
                  24 |  -.3602146   .2116891    -1.70   0.089    -.7751177    .0546885
                  25 |  -.0107223   .2318257    -0.05   0.963    -.4650923    .4436477
                  26 |  -.3444153   .2252351    -1.53   0.126    -.7858679    .0970373
                  27 |   .1604813   .2100698     0.76   0.445     -.251248    .5722105
                  28 |  -.0011779    .216581    -0.01   0.996    -.4256689     .423313
                  29 |  -.3122474    .232291    -1.34   0.179    -.7675294    .1430345
```

```
               30  |  -.1856214   .2100246    -0.88   0.377    -.5972621    .2260193
               31  |  -.3332388   .2276522    -1.46   0.143     -.779429    .1129513
               32  |  -.5181139   .2267439    -2.29   0.022    -.9625238   -.0737039
               33  |  -.1040539    .222812    -0.47   0.640    -.5407575    .3326497
               34  |  -.0888807   .2241072    -0.40   0.692    -.5281227    .3503613
               35  |   .2386663    .216544     1.10   0.270    -.1857522    .6630849
               36  |  -.1751828   .2330965    -0.75   0.452    -.6320435    .2816779
               37  |  -.2036641   .2192717    -0.93   0.353    -.6334287    .2261006
               38  |  -.1067231   .2104908    -0.51   0.612    -.5192776    .3058313
               39  |  -.1912508   .2306326    -0.83   0.407    -.6432823    .2607807
               40  |   -.386785   .2183833    -1.77   0.077    -.8148084    .0412384
               41  |  -.3308056   .2306397    -1.43   0.151    -.7828511      .12124
               42  |   .0059793   .2105065     0.03   0.977    -.4066058    .4185645
               43  |  -.1543325   .2350879    -0.66   0.512    -.6150964    .3064315
               44  |   -.439959   .2292545    -1.92   0.055    -.8892896    .0093717
               45  |   .1561533   .2149169     0.73   0.467    -.2650761    .5773828
               46  |  -.2351487   .2104302    -1.12   0.264    -.6475844     .177287
               47  |  -.3357507   .2207562    -1.52   0.128    -.7684249    .0969235
               48  |  -.3351389   .2125064    -1.58   0.115    -.7516438    .0813661
               49  |   .1887294   .2306981     0.82   0.413    -.2634307    .6408894
               50  |  -.1897932   .2153226    -0.88   0.378    -.6118177    .2322313
               51  |   .2203659   .2110356     1.04   0.296    -.1932563     .633988
                   |
             _cons |   1.280345   3.937349     0.33   0.745    -6.436718    8.997407
------------------------------------------------------------------------------

291 scalar r2 = e(r2_p)

292 margins, dydx(overconfidence_svm) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_svm

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   4.571753    8.69171     0.53   0.599    -12.46369    21.60719
------------------------------------------------------------------------------

293 outreg2 using "${tables_dir}/SVM_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/SVM_het.tex
  dir : seeout

294
295 *** precautionary saving
296 ***** low true literacy subgroup
297 logit precaution_dummy overconfidence_svm `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -3717.9486
Iteration 1:   log pseudolikelihood = -3392.2648
Iteration 2:   log pseudolikelihood = -3378.3449
Iteration 3:   log pseudolikelihood = -3378.2828
Iteration 4:   log pseudolikelihood = -3378.2828

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     412.46
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -3378.2828               Pseudo R2         =     0.0914
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_svm	.8409267	.1158745	7.26	0.000	.6138169	1.068036
age	-.0962719	.0138303	-6.96	0.000	-.1233787	-.0691651
age2	.0010887	.0001557	6.99	0.000	.0007836	.0013938
logincome	-1.797202	.8337212	-2.16	0.031	-3.431265	-.1631379
logincome2	.1084284	.0405283	2.68	0.007	.0289943	.1878625
female_dummy	-.1274553	.0769039	-1.66	0.097	-.2781842	.0232736
nonwhite_dummy	-.0363413	.0813041	-0.45	0.655	-.1956945	.1230118
marital_dummy	.2107295	.0825989	2.55	0.011	.0488387	.3726204
high_school_dummy	.4069285	.1391718	2.92	0.003	.1341568	.6797002
college_dummy	.3840695	.086529	4.44	0.000	.2144759	.5536631
year						
2015	.0396936	.0960226	0.41	0.679	-.1485072	.2278945
2018	.071096	.0935965	0.76	0.447	-.1123498	.2545418
state_cate						
2	.1962623	.3404072	0.58	0.564	-.4709235	.8634481
3	-.2786184	.3193811	-0.87	0.383	-.9045938	.3473571
4	-.4986284	.3040652	-1.64	0.101	-1.094585	.0973285
5	-.2269	.2686454	-0.84	0.398	-.7534353	.2996353
6	-.4390563	.3241758	-1.35	0.176	-1.074429	.1963167
7	-.5894005	.3277518	-1.80	0.072	-1.231782	.0529812
8	-.4209808	.3399477	-1.24	0.216	-1.087266	.2453045
9	-.0555609	.3082654	-0.18	0.857	-.65975	.5486283
10	-.4301655	.2913101	-1.48	0.140	-1.001123	.1407918
11	-.3788219	.2871185	-1.32	0.187	-.9415637	.1839199
12	-.3478092	.3426916	-1.01	0.310	-1.019472	.3238539
13	-.229742	.341548	-0.67	0.501	-.8991638	.4396799
14	-.10587	.2827581	-0.37	0.708	-.6600658	.4483258
15	-.7889915	.3384171	-2.33	0.020	-1.452277	-.1257061
16	-.4756703	.3448013	-1.38	0.168	-1.151468	.2001277
17	-.1308186	.3107224	-0.42	0.674	-.7398232	.4781861
18	-.2767767	.3088771	-0.90	0.370	-.8821646	.3286112
19	-.3193746	.3026095	-1.06	0.291	-.9124784	.2737291
20	-.5810172	.3411237	-1.70	0.089	-1.249607	.087573
21	-.8435813	.313011	-2.70	0.007	-1.457072	-.230091
22	-.5855097	.3232493	-1.81	0.070	-1.219067	.0480472
23	-.372412	.2876185	-1.29	0.195	-.9361339	.1913099
24	-.3012543	.3015697	-1.00	0.318	-.8923201	.2898114
25	-.4042341	.2846747	-1.42	0.156	-.9621863	.1537181
26	-.550323	.3132521	-1.76	0.079	-1.164286	.0636399
27	-1.123535	.4220851	-2.66	0.008	-1.950807	-.2962635
28	-.1169387	.3316834	-0.35	0.724	-.7670261	.5331488
29	-.4841083	.3138347	-1.54	0.123	-1.099213	.1309963
30	.1749273	.327779	0.53	0.594	-.4675079	.8173624
31	-1.046307	.2986844	-3.50	0.000	-1.631718	-.4608965
32	-.1363803	.3399462	-0.40	0.688	-.8026627	.529902
33	-.2352018	.2588243	-0.91	0.363	-.7424881	.2720846
34	-.0712045	.278185	-0.26	0.798	-.6164371	.4740281
35	.3865355	.323988	1.19	0.233	-.2484693	1.02154
36	-.2091297	.2999124	-0.70	0.486	-.7969471	.3786878
37	-.8710222	.3324552	-2.62	0.009	-1.522622	-.219422
38	-.3155941	.3032304	-1.04	0.298	-.9099148	.2787265
39	-.7446706	.2985369	-2.49	0.013	-1.329792	-.1595491
40	-.5890007	.3190141	-1.85	0.065	-1.214257	.0362556
41	-.2839091	.2972806	-0.96	0.340	-.8665683	.2987501
42	-.7520186	.3753021	-2.00	0.045	-1.487597	-.0164401
43	-.2374697	.3033443	-0.78	0.434	-.8320136	.3570742
44	-.1491279	.2708881	-0.55	0.582	-.6800589	.381803
45	-.734127	.3591487	-2.04	0.041	-1.438045	-.0302085
46	-.5597993	.3637421	-1.54	0.124	-1.272721	.1531221
47	-.4055114	.3151183	-1.29	0.198	-1.023132	.2121091
48	-.4762669	.2830967	-1.68	0.093	-1.031126	.0785924
49	-.7722544	.3142178	-2.46	0.014	-1.38811	-.1563988
50	-.7951302	.3395116	-2.34	0.019	-1.460561	-.1296996
51	-.8563438	.3737413	-2.29	0.022	-1.588863	-.1238243
_cons	6.904204	4.268348	1.62	0.106	-1.461603	15.27001

```
------------------------------------------------------------------------------

298 scalar r2 = e(r2_p)

299 margins, dydx(overconfidence_svm) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_svm

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_svm |   .1420772   .0192702     7.37   0.000     .1043083    .1798461
------------------------------------------------------------------------------

300 outreg2 using "${tables_dir}/SVM_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Precaution")
../outputs/tables/SVM_het.tex
dir : seeout

301
302 ***** high true literacy subgroup
303 logit precaution_dummy overconfidence_svm `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -6836.5088
Iteration 1:   log pseudolikelihood = -5975.4256
Iteration 2:   log pseudolikelihood = -5952.0346
Iteration 3:   log pseudolikelihood = -5951.9234
Iteration 4:   log pseudolikelihood = -5951.9234

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =    1075.11
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -5951.9234               Pseudo R2         =     0.1294

------------------------------------------------------------------------------
                  |               Robust
    precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_svm |  -47.36356   62.22034    -0.76   0.447    -169.3132    74.58606
               age |  -.1099329    .013493    -8.15   0.000    -.1363787   -.0834871
              age2 |   .0014243   .0001346    10.58   0.000     .0011605     .001688
         logincome |  -.6332955   .7603158    -0.83   0.405    -2.123487    .8568962
        logincome2 |   .0704456   .0350853     2.01   0.045     .0016797    .1392115
      female_dummy |   .0328891   .0531579     0.62   0.536    -.0712984    .1370767
   nonwhite_dummy |  -.2390482   .0726195    -3.29   0.001    -.3813798   -.0967165
    marital_dummy |   -.035109   .0607196    -0.58   0.563    -.1541171    .0838991
 high_school_dummy |   .8633354   .3236124     2.67   0.008     .2290669    1.497604
     college_dummy |    .379635   .0562084     6.75   0.000     .2694685    .4898014
                  |
              year |
             2015  |   .3143199   .0606343     5.18   0.000      .195479    .4331609
             2018  |    .361954   .0648606     5.58   0.000     .2348295    .4890785
                  |
        state_cate |
                2  |   .1214433   .2387213     0.51   0.611    -.3464419    .5893285
                3  |    .166625   .2378879     0.70   0.484    -.2996268    .6328768
                4  |    .237472   .2533834     0.94   0.349    -.2591504    .7340943
                5  |   .0385267   .2399042     0.16   0.872     -.431677    .5087304
                6  |   .3091501   .2387693     1.29   0.195    -.1588291    .7771293
                7  |   .2634272   .2485258     1.06   0.289    -.2236745    .7505289
                8  |   .2758575   .2532586     1.09   0.276    -.2205202    .7722352
                9  |  -.0950966   .2379304    -0.40   0.689    -.5614317    .3712384
               10  |   .2356184   .2703132     0.87   0.383    -.2941856    .7654224
```

```
          11 |   .0100026   .2629921     0.04   0.970    -.5054525    .5254578
          12 |   .3310795   .2412438     1.37   0.170    -.1417496    .8039085
          13 |   .0010967   .2366056     0.00   0.996    -.4626417    .4648352
          14 |   .2598896   .2362628     1.10   0.271     -.203177    .7229563
          15 |   .0976108   .2523643     0.39   0.699    -.3970141    .5922357
          16 |    .310301   .2414093     1.29   0.199    -.1628526    .7834547
          17 |   .2104771   .2392606     0.88   0.379    -.2584651    .6794192
          18 |   .1990445   .2571817     0.77   0.439    -.3050225    .7031114
          19 |   .0583721   .2647375     0.22   0.825    -.4605038     .577248
          20 |  -.2657797   .2392011    -1.11   0.267    -.7346052    .2030457
          21 |  -.0704283   .2348921    -0.30   0.764    -.5308083    .3899517
          22 |    .412419    .249782     1.65   0.099    -.0771447    .9019828
          23 |    .154553   .2541225     0.61   0.543     -.343518    .6526241
          24 |   .2243713   .2390718     0.94   0.348    -.2442009    .6929434
          25 |  -.1264413   .2560733    -0.49   0.621    -.6283358    .3754531
          26 |   .1738317   .2475161     0.70   0.482    -.3112909    .6589543
          27 |   .3110476   .2324297     1.34   0.181    -.1445062    .7666014
          28 |    .049323   .2348811     0.21   0.834    -.4110355    .5096816
          29 |    .207248   .2546394     0.81   0.416    -.2918361     .706332
          30 |  -.0604042   .2272516    -0.27   0.790    -.5058091    .3850007
          31 |    .032894    .245941     0.13   0.894    -.4491416    .5149295
          32 |    .186382   .2440249     0.76   0.445    -.2918979     .664662
          33 |   .1961368   .2482099     0.79   0.429    -.2903457    .6826193
          34 |   .0734052   .2499451     0.29   0.769    -.4164782    .5632887
          35 |   .2896336   .2371308     1.22   0.222    -.1751342    .7544013
          36 |  -.0427341   .2502784    -0.17   0.864    -.5332708    .4478025
          37 |  -.0025788   .2471211    -0.01   0.992    -.4869273    .4817696
          38 |  -.0545651   .2350212    -0.23   0.816    -.5151982    .4060679
          39 |   .1142336   .2459479     0.46   0.642    -.3678155    .5962827
          40 |   .1327355   .2406508     0.55   0.581    -.3389314    .6044023
          41 |   .0317085    .257183     0.12   0.902    -.4723609    .5357778
          42 |   .4589432    .236812     1.94   0.053    -.0051999    .9230862
          43 |  -.0351536   .2587137    -0.14   0.892    -.5422231    .4719159
          44 |   .0790404   .2491669     0.32   0.751    -.4093177    .5673985
          45 |  -.0286677   .2373479    -0.12   0.904    -.4938612    .4365257
          46 |   .0075827   .2331661     0.03   0.974    -.4494143    .4645798
          47 |  -.0552901   .2465223    -0.22   0.823     -.538465    .4278847
          48 |   .3136056   .2375776     1.32   0.187    -.1520379    .7792491
          49 |   .3099085   .2652126     1.17   0.243    -.2098987    .8297157
          50 |  -.1080944   .2335882    -0.46   0.644    -.5659189    .3497301
          51 |   .2346683   .2360417     0.99   0.320    -.2279649    .6973015
             |
       _cons |  -.7034266   4.125589    -0.17   0.865    -8.789432    7.382579
------------------------------------------------------------------------------

304 scalar r2 = e(r2_p)

305 margins, dydx(overconfidence_svm) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_svm

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |  -8.442329   11.09044    -0.76   0.447     -30.1792    13.29454
------------------------------------------------------------------------------
```

```
306 outreg2 using "${tables_dir}/SVM_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/SVM_het.tex
  dir : seeout

307
308 *** financial market participation
309 ***** low true literacy subgroup
310 logit fin_par_dummy overconfidence_svm `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =  -2155.857
  Iteration 1:   log pseudolikelihood = -1905.0814
  Iteration 2:   log pseudolikelihood = -1804.7657
  Iteration 3:   log pseudolikelihood = -1801.6322
  Iteration 4:   log pseudolikelihood = -1801.6139
  Iteration 5:   log pseudolikelihood = -1801.6139

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     484.52
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -1801.6139               Pseudo R2         =     0.1643

  ------------------------------------------------------------------------------
                       |               Robust
            fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_svm |   .6985886   .1943768     3.59   0.000      .317617     1.07956
                 age |  -.0813318   .0196093    -4.15   0.000     -.1197654   -.0428983
                age2 |   .0010278   .0002178     4.72   0.000      .0006009    .0014547
           logincome |   .4815857   1.292626     0.37   0.709    -2.051916    3.015087
          logincome2 |   .0185394   .0609902     0.30   0.761    -.1009991     .138078
        female_dummy |  -.3996318   .1083021    -3.69   0.000    -.6119001   -.1873635
     nonwhite_dummy |  -.2432336   .1228418    -1.98   0.048     -.483999   -.0024681
      marital_dummy |   .1376393   .1221896     1.13   0.260    -.1018479    .3771264
  high_school_dummy |    .977413   .2616343     3.74   0.000     .4646193    1.490207
      college_dummy |   .4539965   .1194555     3.80   0.000      .219868     .688125
                    |
                year |
                2015 |  -.1365816   .1342471    -1.02   0.309    -.3997011    .1265379
                2018 |  -.3070853    .134461    -2.28   0.022     -.570624   -.0435465
                    |
           state_cate |
                   2 |   .2329018   .4654798     0.50   0.617    -.6794218    1.145225
                   3 |  -.2170578   .4808413    -0.45   0.652    -1.159489    .7253739
                   4 |  -.3266028   .4950448    -0.66   0.509    -1.296873    .6436671
                   5 |   .2387141   .4029435     0.59   0.554    -.5510406    1.028469
                   6 |   .1097956   .4751292     0.23   0.817    -.8214405    1.041032
                   7 |   -.163166   .4958091    -0.33   0.742    -1.134934    .8086021
                   8 |  -.2909707   .5460296    -0.53   0.594    -1.361169    .7792277
                   9 |   .5801738   .4299833     1.35   0.177     -.262578    1.422926
                  10 |     -.1384   .4667588    -0.30   0.767     -1.05323    .7764304
                  11 |     -.1864   .4745254    -0.39   0.694    -1.116453    .7436527
                  12 |  -.7491941   .6908011    -1.08   0.278    -2.103139    .6047511
                  13 |  -1.028697   .6104911    -1.69   0.092    -2.225237    .1678436
                  14 |  -.2272504    .416894    -0.55   0.586    -1.044348    .5898469
                  15 |  -1.472881   .6796587    -2.17   0.030    -2.804988   -.1407747
                  16 |  -.2743002   .5364458    -0.51   0.609    -1.325715    .7771142
                  17 |  -.1689321   .5069988    -0.33   0.739    -1.162631    .8247673
                  18 |   .0660344    .463135     0.14   0.887    -.8416936    .9737624
                  19 |  -.6641061   .5437067    -1.22   0.222    -1.729752    .4015394
                  20 |   .0935581   .5106583     0.18   0.855    -.9073138     1.09443
                  21 |   .3282411   .4439903     0.74   0.460    -.5419639    1.198446
                  22 |  -.5053212   .5346484    -0.95   0.345    -1.553213    .5425703
                  23 |   .2316924    .431807     0.54   0.592    -.6146338    1.078018
                  24 |  -.1978958   .4933374    -0.40   0.688    -1.164819    .7690277
                  25 |  -.4537652   .4823087    -0.94   0.347    -1.399073    .4915425
                  26 |   .2351686   .4508618     0.52   0.602    -.6485042    1.118841
                  27 |   .4113289   .5106439     0.81   0.421    -.5895147    1.412173
```

```
              28 |   .8657124   .4532664     1.91   0.056    -.0226735    1.754098
              29 |   .0215255   .4828555     0.04   0.964    -.9248539    .9679049
              30 |   -.032263   .4776706    -0.07   0.946    -.9684802    .9039541
              31 |  -.6291405    .460464    -1.37   0.172    -1.531633    .2733524
              32 |  -.0733819   .5527107    -0.13   0.894    -1.156675    1.009911
              33 |   .3446542   .3899155     0.88   0.377    -.4195661    1.108874
              34 |  -.1874565   .4753709    -0.39   0.693    -1.119166    .7442534
              35 |   .4015105    .442252     0.91   0.364    -.4652874    1.268308
              36 |  -.1773783    .482976    -0.37   0.713    -1.123994    .7692374
              37 |   .1386774   .4638672     0.30   0.765    -.7704856     1.04784
              38 |   .3904325   .4615946     0.85   0.398    -.5142763    1.295141
              39 |   .0844025   .4307076     0.20   0.845    -.7597689    .9285739
              40 |   -.485852   .5003094    -0.97   0.331     -1.46644    .4947364
              41 |   .3144611   .4460298     0.71   0.481    -.5597412    1.188663
              42 |  -.1567137     .51839    -0.30   0.762    -1.172739     .859312
              43 |  -.0195754   .5055342    -0.04   0.969    -1.010404    .9712534
              44 |  -.2648033   .4252204    -0.62   0.533     -1.09822    .5686133
              45 |  -.1369765   .5994645    -0.23   0.819    -1.311905    1.037952
              46 |   .3077501   .4883898     0.63   0.529    -.6494763    1.264977
              47 |  -.1784045   .4861835    -0.37   0.714    -1.131307    .7744977
              48 |   .1649456   .4220003     0.39   0.696    -.6621599     .992051
              49 |  -.3227345   .4822359    -0.67   0.503    -1.267899    .6224304
              50 |  -.4799845   .5289394    -0.91   0.364    -1.516687    .5567176
              51 |   .3492267   .5294627     0.66   0.510    -.6885011    1.386954
                 |
           _cons |  -9.116505    6.85163    -1.33   0.183    -22.54545    4.312442
------------------------------------------------------------------------------

311 scalar r2 = e(r2_p)

312 margins, dydx(overconfidence_svm) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_svm

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_svm |   .0553843   .0154457     3.59   0.000     .0251113    .0856572
------------------------------------------------------------------------------

313 outreg2 using "${tables_dir}/SVM_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/SVM_het.tex
  dir : seeout

314
315 ***** high true literacy subgroup
316 logit fin_par_dummy overconfidence_svm `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -7436.5574
Iteration 1:   log pseudolikelihood = -6650.7799
Iteration 2:   log pseudolikelihood = -6646.7758
Iteration 3:   log pseudolikelihood = -6646.7745
Iteration 4:   log pseudolikelihood = -6646.7745

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =     981.09
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -6646.7745               Pseudo R2         =     0.1062
```

fin_par_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_svm	-4.743731	52.77793	-0.09	0.928	-108.1866	98.69911
age	-.0596334	.0128029	-4.66	0.000	-.0847266	-.0345401
age2	.000825	.0001254	6.58	0.000	.0005791	.0010708
logincome	-.7447146	.7687559	-0.97	0.333	-2.251448	.7620192
logincome2	.0747248	.0350811	2.13	0.033	.0059672	.1434825
female_dummy	-.1146071	.0486414	-2.36	0.018	-.2099426	-.0192717
nonwhite_dummy	-.0503135	.0693147	-0.73	0.468	-.1861679	.0855408
marital_dummy	-.0293794	.0562881	-0.52	0.602	-.1397021	.0809432
high_school_dummy	.8948998	.381459	2.35	0.019	.1472539	1.642546
college_dummy	.3827907	.052042	7.36	0.000	.2807902	.4847911
year						
2015	-.2303916	.0567654	-4.06	0.000	-.3416498	-.1191334
2018	-.1851528	.0604318	-3.06	0.002	-.303597	-.0667087
state_cate						
2	.3849476	.2075155	1.86	0.064	-.0217753	.7916704
3	.4077006	.2088021	1.95	0.051	-.0015439	.8169452
4	.4646308	.2202895	2.11	0.035	.0328712	.8963904
5	.3234067	.2077777	1.56	0.120	-.0838301	.7306435
6	.4494629	.2121742	2.12	0.034	.0336092	.8653167
7	.7301799	.2174233	3.36	0.001	.304038	1.156322
8	.476246	.216351	2.20	0.028	.0522059	.9002862
9	.4286011	.2186996	1.96	0.050	-.0000422	.8572445
10	.552281	.243266	2.27	0.023	.0754885	1.029074
11	.3519642	.2341406	1.50	0.133	-.106943	.8108713
12	.9028789	.2169947	4.16	0.000	.4775771	1.328181
13	.44012	.2106985	2.09	0.037	.0271586	.8530815
14	.4671001	.2052922	2.28	0.023	.0647348	.8694654
15	.2997281	.2196316	1.36	0.172	-.130742	.7301981
16	.5638821	.2086898	2.70	0.007	.1548577	.9729066
17	.562551	.2134192	2.64	0.008	.144257	.980845
18	.2754178	.2241845	1.23	0.219	-.1639757	.7148113
19	.2694211	.2460153	1.10	0.273	-.2127601	.7516023
20	.2374204	.2096333	1.13	0.257	-.1734532	.6482941
21	.2912827	.2164928	1.35	0.178	-.1330354	.7156009
22	.4998384	.2166602	2.31	0.021	.0751923	.9244845
23	.1805189	.2192117	0.82	0.410	-.249128	.6101659
24	.1341415	.2078243	0.65	0.519	-.2731867	.5414698
25	.0643526	.2327752	0.28	0.782	-.3918785	.5205836
26	.3058625	.215095	1.42	0.155	-.115716	.727441
27	.4338829	.2053833	2.11	0.035	.0313391	.8364267
28	.2217725	.2047486	1.08	0.279	-.1795274	.6230723
29	.2903756	.2193513	1.32	0.186	-.139545	.7202962
30	.0523272	.1987677	0.26	0.792	-.3372503	.4419047
31	.8031179	.2205115	3.64	0.000	.3709233	1.235312
32	.1933978	.2166723	0.89	0.372	-.231272	.6180676
33	.3749575	.213321	1.76	0.079	-.043144	.793059
34	.5745094	.2227519	2.58	0.010	.1379237	1.011095
35	.4239645	.2070872	2.05	0.041	.0180811	.8298478
36	.353863	.2242995	1.58	0.115	-.085756	.793482
37	.1328651	.218471	0.61	0.543	-.2953302	.5610604
38	.2894399	.2033809	1.42	0.155	-.1091794	.6880591
39	.5223832	.2199214	2.38	0.018	.0913452	.9534211
40	.3915177	.2081088	1.88	0.060	-.0163682	.7994035
41	.0252221	.2197174	0.11	0.909	-.4054161	.4558603
42	.6065832	.2079798	2.92	0.004	.1989502	1.014216
43	.1892941	.2237495	0.85	0.398	-.2492469	.6278351
44	.030846	.2168575	0.14	0.887	-.3941869	.4558788
45	.1419775	.2075231	0.68	0.494	-.2647604	.5487153
46	.2369896	.2072748	1.14	0.253	-.1692616	.6432407
47	.3926984	.2133074	1.84	0.066	-.0253764	.8107733
48	.5493511	.2088026	2.63	0.009	.1401055	.9585967
49	.2738641	.2273956	1.20	0.228	-.1718231	.7195512
50	.4502098	.2093106	2.15	0.031	.0399685	.860451
51	.2910017	.2056893	1.41	0.157	-.112142	.6941454
_cons	-1.241433	4.274257	-0.29	0.771	-9.618822	7.135957

```
------------------------------------------------------------------------------

317 scalar r2 = e(r2_p)

318 margins, dydx(overconfidence_svm) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_svm

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_svm |  -.9727424   10.82264    -0.09   0.928    -22.18472    20.23924
------------------------------------------------------------------------------

319 outreg2 using "${tables_dir}/SVM_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Participation")
../outputs/tables/SVM_het.tex
dir : seeout

320
321 * heterogeneous effects with random forest
322 *** retirement readiness
323 ***** without state dummies
324 logit retire_dummy overconfidence_forest `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -2789.9313
Iteration 1:   log pseudolikelihood = -2475.3895
Iteration 2:   log pseudolikelihood = -2436.6106
Iteration 3:   log pseudolikelihood = -2436.3326
Iteration 4:   log pseudolikelihood = -2436.3325

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     447.29
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -2436.3325               Pseudo R2         =     0.1267

------------------------------------------------------------------------------
  > -
                     |               Robust
         retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
---------------------+--------------------------------------------------------------
  > -
overconfidence_forest |   1.995012   .1981491    10.07   0.000     1.606647    2.38337
  > 7
                 age |   .0201082   .0182775     1.10   0.271     -.015715    .055931
  > 4
                age2 |  -.0004564   .0002118    -2.16   0.031    -.0008714   -.000041
  > 3
           logincome |  -1.573368   1.007137    -1.56   0.118    -3.547321    .400585
  > 5
          logincome2 |   .0931244   .0485983     1.92   0.055    -.0021266    .188375
  > 3
       female_dummy |  -.1501362   .0925789    -1.62   0.105    -.3315875    .031315
  > 1
     nonwhite_dummy |   .1650713   .0961631     1.72   0.086     -.023405    .353547
  > 5
      marital_dummy |   .4948536   .1029978     4.80   0.000     .2929817    .696725
  > 5
  high_school_dummy |   .5310203   .1928055     2.75   0.006     .1531284    .908912
  > 3
      college_dummy |   .4354846   .1009152     4.32   0.000     .2376944    .633274
  > 8
```

```
                    |
                year |
                2015 |   .0682308   .1182838     0.58   0.564    -.1636013    .300062
> 8
                2018 |   .0781069   .1170461     0.67   0.505    -.1512992    .307513
> 1
                    |
          state_cate |
                   2 |   .2997258   .3725667     0.80   0.421    -.4304916    1.02994
> 3
                   3 |  -.4089175   .4009993    -1.02   0.308    -1.194862    .377026
> 7
                   4 |  -.4151119   .3819491    -1.09   0.277    -1.163718    .333494
> 6
                   5 |  -.1430423   .3061863    -0.47   0.640    -.7431564    .457071
> 9
                   6 |  -.3646074   .3807724    -0.96   0.338    -1.110908    .381692
> 7
                   7 |  -.2404619   .3733265    -0.64   0.520    -.9721685    .491244
> 7
                   8 |  -.2330289   .3873787    -0.60   0.547    -.9922772    .526219
> 5
                   9 |    .081578   .3550963     0.23   0.818    -.6143979    .777553
> 9
                  10 |   .0491897   .3344554     0.15   0.883    -.6063308    .704710
> 2
                  11 |  -.4444469   .3396429    -1.31   0.191    -1.110135    .221240
> 9
                  12 |  -1.038583   .5420628    -1.92   0.055    -2.101007    .023840
> 3
                  13 |  -1.112481   .6906156    -1.61   0.107    -2.466063    .241100
> 1
                  14 |  -.3921558    .337746    -1.16   0.246    -1.054126    .269814
> 3
                  15 |  -.5145014    .400888    -1.28   0.199    -1.300228    .271224
> 7
                  16 |  -.4443595   .4143492    -1.07   0.284    -1.256469    .367749
> 9
                  17 |  -.2391268   .4034393    -0.59   0.553    -1.029853    .551599
> 8
                  18 |   .1156745   .3644711     0.32   0.751    -.5986757    .830024
> 6
                  19 |  -.5413063     .37441    -1.45   0.148    -1.275137    .192523
> 9
                  20 |  -.3470419   .4012842    -0.86   0.387    -1.133544    .439460
> 6
                  21 |  -.4391981   .3761086    -1.17   0.243    -1.176358    .297961
> 3
                  22 |   .0772842     .37017     0.21   0.835    -.6482357    .802804
> 1
                  23 |  -.0784406   .3325601    -0.24   0.814    -.7302464    .573365
> 2
                  24 |  -.5381401     .37985    -1.42   0.157    -1.282632    .206352
> 3
                  25 |  -.5528938   .3592742    -1.54   0.124    -1.257058    .151270
> 7
                  26 |  -.7908922    .396642    -1.99   0.046    -1.568296   -.013488
> 1
                  27 |    -.09936   .4229749    -0.23   0.814    -.9283755    .729655
> 5
                  28 |  -.7100172   .4444146    -1.60   0.110    -1.581054    .161019
> 4
                  29 |  -.0728924   .3621866    -0.20   0.840    -.7827652    .636980
> 3
                  30 |  -.1141491   .4303516    -0.27   0.791    -.9576228    .729324
> 6
                  31 |  -.3121018   .3363258    -0.93   0.353    -.9712884    .347084
> 7
                  32 |   -.032269   .3985642    -0.08   0.935    -.8134406    .748902
> 5
                  33 |  -.3625046   .3099053    -1.17   0.242    -.9699078    .244898
> 6
```

```
                  34  |  -.9263591   .3921302    -2.36   0.018     -1.69492    -.15779
> 8
                  35  |   .0354094   .3771291     0.09   0.925      -.70375    .774568
> 7
                  36  |  -.6225687   .3961255    -1.57   0.116     -1.39896     .15382
> 3
                  37  |  -.3516251   .3778147    -0.93   0.352    -1.092128    .388878
> 1
                  38  |  -.5266497   .3599293    -1.46   0.143    -1.232098    .178798
> 8
                  39  |  -.6090867   .3660405    -1.66   0.096    -1.326513    .108339
> 6
                  40  |  -.8008969    .407099    -1.97   0.049    -1.598796   -.002997
> 4
                  41  |    -.35499   .3528296    -1.01   0.314    -1.046523    .336543
> 3
                  42  |  -.1430676   .4339654    -0.33   0.742    -.9936243     .70748
> 9
                  43  |  -.1487127   .3690274    -0.40   0.687    -.8719932    .574567
> 7
                  44  |   -.474535    .330949    -1.43   0.152    -1.123183    .174113
> 1
                  45  |  -.6349807   .4604501    -1.38   0.168    -1.537446     .26748
> 5
                  46  |  -.3296871   .4171243    -0.79   0.429    -1.147236    .487861
> 5
                  47  |    -.04707   .3427589    -0.14   0.891     -.718865    .624725
> 1
                  48  |   -.256064   .3275233    -0.78   0.434    -.8979978    .385869
> 8
                  49  |  -.0918944   .3804823    -0.24   0.809    -.8376261    .653837
> 2
                  50  |   -.503077   .4255737    -1.18   0.237    -1.337186    .331032
> 1
                  51  |  -.0474477   .3988383    -0.12   0.905    -.8291564    .734261
> 1
                      |
               _cons  |   2.798025   5.203018     0.54   0.591    -7.399703    12.9957
> 5
------------------------------------------------------------------------------------------
> -

325 scalar r2 = e(r2_p)

326 margins, dydx(overconfidence_forest) post

  Average marginal effects                        Number of obs     =      5,886
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_forest

  ------------------------------------------------------------------------------------------
  > -
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------------------
  > -
  overconfidence_forest |   .2240655    .021605    10.37   0.000     .1817205    .266410
  > 5
  ------------------------------------------------------------------------------------------
  > -
```

```
327 outreg2 using "${tables_dir}/Forest_het.tex", tex replace addstat(Pseudo R-squared,
  > r2) ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/Forest_het.tex
  dir : seeout

328
329 ***** with state dummies
330 logit retire_dummy overconfidence_forest `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =   -7639.91
  Iteration 1:   log pseudolikelihood = -6348.6023
  Iteration 2:   log pseudolikelihood = -6336.7917
  Iteration 3:   log pseudolikelihood = -6336.7667
  Iteration 4:   log pseudolikelihood = -6336.7667

  Logistic regression                                     Number of obs     =     12,539
                                                          Wald chi2(62)     =    1635.44
                                                          Prob > chi2       =     0.0000
  Log pseudolikelihood = -6336.7667                       Pseudo R2         =     0.1706

  ------------------------------------------------------------------------------
  > -
                       |               Robust
           retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------------
  > -
  overconfidence_forest |  -9.816392   1.378115    -7.12   0.000    -12.51745   -7.11533
  > 7
                    age |   .1996205   .0129492    15.42   0.000     .1742405    .225000
  > 4
                   age2 |  -.0025303    .000127   -19.93   0.000    -.0027791   -.002281
  > 5
             logincome |  -1.864495   .7057494    -2.64   0.008    -3.247738   -.481251
  > 2
            logincome2 |    .112555   .0322531     3.49   0.000       .04934    .175769
  > 9
          female_dummy |   .0286454   .0511859     0.56   0.576     -.071677    .128967
  > 9
         nonwhite_dummy |   .1491855    .071077     2.10   0.036     .0098771     .28849
  > 4
          marital_dummy |  -.0453676   .0609682    -0.74   0.457     -.164863    .074127
  > 8
       high_school_dummy |   .1541677   .4034458     0.38   0.702    -.6365714    .944906
  > 9
          college_dummy |   .2258308   .0547579     4.12   0.000     .1185072    .333154
  > 4
                       |
                    year |
                    2015 |   .0167751   .0591703     0.28   0.777    -.0991967    .132746
  > 8
                    2018 |     .09143   .0623771     1.47   0.143     -.030827    .213686
  > 9
                       |
              state_cate |
                       2 |   .0109401   .2159402     0.05   0.960    -.4122948     .43417
  > 5
                       3 |  -.1212485   .2300591    -0.53   0.598     -.572156     .32965
  > 9
                       4 |  -.5169526   .2346054    -2.20   0.028    -.9767707   -.057134
  > 4
                       5 |  -.3339494   .2239005    -1.49   0.136    -.7727864    .104887
  > 6
                       6 |  -.0820522   .2239419    -0.37   0.714    -.5209703    .356865
  > 8
                       7 |  -.0291122   .2198913    -0.13   0.895    -.4600912    .401866
  > 7
                       8 |  -.2775808   .2177714    -1.27   0.202     -.704405    .149243
```

> 4
> 2
> 9
> 3
> 4
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> 1
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> 4
> 3
> 3
> 9
> 6
> 7
> 8
> 2
> 3
> 8
> 8
> 2
> 4
> 3
> 4
> 9
> 1
> 6
> 5
> 1
> 3
> 3
> 8

9	-.073197	.2264227	-0.32	0.746	-.5169773	.370583
10	-.4338553	.2541109	-1.71	0.088	-.9319035	.064192
11	-.3063866	.2364466	-1.30	0.195	-.7698134	.157040
12	-.2960729	.2137015	-1.39	0.166	-.7149202	.122774
13	-.276441	.2232257	-1.24	0.216	-.7139553	.161073
14	-.0426934	.2163617	-0.20	0.844	-.4667546	.381367
15	.249295	.2297669	1.08	0.278	-.2010398	.699629
16	-.0863134	.2216901	-0.39	0.697	-.520818	.348191
17	-.1735066	.2198865	-0.79	0.430	-.6044762	.257463
18	.0783477	.2337193	0.34	0.737	-.3797337	.536429
19	-.0115894	.2687252	-0.04	0.966	-.5382812	.515102
20	.2450724	.2176882	1.13	0.260	-.1815885	.671733
21	-.1772161	.2276172	-0.78	0.436	-.6233375	.268905
22	-.1251882	.2184594	-0.57	0.567	-.5533607	.302984
23	-.2878082	.2348197	-1.23	0.220	-.7480465	.1724
24	-.3506149	.2134732	-1.64	0.101	-.7690147	.067784
25	.0104395	.2320849	0.04	0.964	-.4444385	.465317
26	-.3350907	.2291866	-1.46	0.144	-.7842881	.114106
27	.1915826	.2122999	0.90	0.367	-.2245177	.607682
28	.0031915	.2185094	0.01	0.988	-.4250791	.431462
29	-.310013	.2357616	-1.31	0.189	-.7720972	.152071
30	-.1788392	.2117534	-0.84	0.398	-.5938681	.236189
31	-.3280144	.229789	-1.43	0.153	-.7783926	.122363
32	-.531613	.2284337	-2.33	0.020	-.9793348	-.083891
33	-.0834698	.2253216	-0.37	0.711	-.525092	.358152
34	-.0618008	.2275537	-0.27	0.786	-.5077978	.384196
35	.255777	.2198443	1.16	0.245	-.1751099	.68666
36	-.1570926	.2363	-0.66	0.506	-.6202321	.306046
37	-.1852682	.2209307	-0.84	0.402	-.6182844	.247748
38	-.0522842	.213213	-0.25	0.806	-.470174	.365605
39	-.2023348	.232082	-0.87	0.383	-.6572072	.252537
40	-.3674258	.2200999	-1.67	0.095	-.7988137	.063962
41	-.3203835	.2343486	-1.37	0.172	-.7796983	.138931
42	.0161563	.2132973	0.08	0.940	-.4018987	.434211
43	-.1422134	.236381	-0.60	0.547	-.6055116	.321084
44	-.3678122	.230295	-1.60	0.110	-.8191822	.083557

```
> 8
                  45  |   .2061948   .2178341     0.95   0.344    -.2207521    .633141
> 8
                  46  |   -.203054   .2121974    -0.96   0.339    -.6189533    .212845
> 3
                  47  |  -.3083515   .2218445    -1.39   0.165    -.7431587    .126455
> 8
                  48  |  -.3072364   .2145502    -1.43   0.152     -.727747    .113274
> 2
                  49  |   .2129233   .2319457     0.92   0.359    -.2416819    .667528
> 5
                  50  |  -.1549555    .217882    -0.71   0.477    -.5819964    .272085
> 4
                  51  |   .2180175   .2117164     1.03   0.303    -.1969391    .632974
> 1
                      |
               _cons  |   3.504827   3.891332     0.90   0.368    -4.122045     11.131
> 7
------------------------------------------------------------------------------
> -

331 scalar r2 = e(r2_p)

332 margins, dydx(overconfidence_forest) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_forest

------------------------------------------------------------------------------
> -
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |  -1.894822   .2625123    -7.22   0.000    -2.409337   -1.38030
> 8
------------------------------------------------------------------------------
> -

333 outreg2 using "${tables_dir}/Forest_het.tex", tex append addstat(Pseudo R-squared, r
> 2) ///
>         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>         ctitle("Readiness")
../outputs/tables/Forest_het.tex
dir : seeout

334
335 *** precautionary saving
336 ***** low true literacy subgroup
337 logit precaution_dummy overconfidence_forest `household_X' ///
>         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -3717.9486
Iteration 1:   log pseudolikelihood = -3339.3215
Iteration 2:   log pseudolikelihood = -3325.4509
Iteration 3:   log pseudolikelihood = -3325.3851
Iteration 4:   log pseudolikelihood = -3325.3851

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     480.52
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -3325.3851               Pseudo R2         =     0.1056
```

```
------------------------------------------------------------------------------
> -
                     |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |   1.892674   .1657637    11.42   0.000     1.567783    2.21756
> 5
                  age |  -.0939123   .0139961    -6.71   0.000    -.1213442   -.066480
> 4
                 age2 |   .0010629   .0001578     6.74   0.000     .0007536    .001372
> 2
            logincome |  -1.669384   .8353742    -2.00   0.046    -3.306688   -.032081
> 1
           logincome2 |   .1014491   .0406364     2.50   0.013     .0218031    .181095
> 1
         female_dummy |  -.0734893   .0781591    -0.94   0.347    -.2266783    .079699
> 6
       nonwhite_dummy |  -.0242011   .0824018    -0.29   0.769    -.1857056    .137303
> 5
        marital_dummy |   .1881839   .0834309     2.26   0.024     .0246624    .351705
> 4
    high_school_dummy |   .3702556   .1378245     2.69   0.007     .1001245    .640386
> 8
        college_dummy |   .3413216   .0882179     3.87   0.000     .1684176    .514225
> 6
                      |
                 year |
                 2015 |   .0022487   .0974355     0.02   0.982    -.1887213    .193218
> 8
                 2018 |    .075828   .0943953     0.80   0.422    -.1091834    .260839
> 3
                      |
           state_cate |
                    2 |   .3179701   .3455682     0.92   0.358    -.3593311    .995271
> 2
                    3 |   -.165382   .3327644    -0.50   0.619    -.8175883    .486824
> 3
                    4 |  -.4604767    .304555    -1.51   0.131    -1.057394    .136440
> 1
                    5 |   -.115363    .276069    -0.42   0.676    -.6564482    .425722
> 3
                    6 |  -.2994194   .3283617    -0.91   0.362    -.9429965    .344157
> 6
                    7 |  -.5076189   .3358939    -1.51   0.131    -1.165959    .150721
> 1
                    8 |  -.4485449   .3446492    -1.30   0.193    -1.124045    .226955
> 2
                    9 |  -.1028434   .3138387    -0.33   0.743     -.717956    .512269
> 2
                   10 |  -.3588743   .2982474    -1.20   0.229    -.9434284    .225679
> 8
                   11 |  -.2950877   .2958709    -1.00   0.319    -.8749839    .284808
> 6
                   12 |    -.25866   .3434465    -0.75   0.451    -.9318027    .414482
> 7
                   13 |  -.1840178   .3546413    -0.52   0.604     -.879102    .511066
> 5
                   14 |   .0180275   .2886632     0.06   0.950    -.5477419     .58379
> 7
                   15 |  -.7677651   .3459942    -2.22   0.026    -1.445901    -.08962
> 9
                   16 |  -.3730739   .3446337    -1.08   0.279    -1.048544    .302395
> 6
                   17 |  -.1127198   .3212274    -0.35   0.726     -.742314    .516874
> 3
                   18 |  -.2057529   .3128447    -0.66   0.511    -.8189173    .407411
> 5
                   19 |  -.2301087   .3039402    -0.76   0.449    -.8258206    .365603
> 3
                   20 |  -.5266506   .3367019    -1.56   0.118    -1.186574    .133272
```

21	-.7762086	.3217167	-2.41	0.016	-1.406762	-.145655
22	-.4713641	.3280712	-1.44	0.151	-1.114372	.171643
23	-.3236362	.2972816	-1.09	0.276	-.9062974	.25902
24	-.196108	.3147051	-0.62	0.533	-.8129187	.420702
25	-.2613692	.2923009	-0.89	0.371	-.8342684	.3115
26	-.4956681	.3145681	-1.58	0.115	-1.11221	.120874
27	-1.101057	.4430067	-2.49	0.013	-1.969334	-.232779
28	-.0557815	.338489	-0.16	0.869	-.7192078	.607644
29	-.4162472	.3180095	-1.31	0.191	-1.039534	.2070
30	.2384561	.3232249	0.74	0.461	-.395053	.871965
31	-.8687563	.3008656	-2.89	0.004	-1.458442	-.279070
32	-.084855	.3535307	-0.24	0.810	-.7777625	.608052
33	-.2847474	.2672019	-1.07	0.287	-.8084535	.238958
34	-.0139291	.2829802	-0.05	0.961	-.5685601	.540701
35	.5093844	.3277309	1.55	0.120	-.1329565	1.15172
36	-.1352302	.3093989	-0.44	0.662	-.7416409	.471180
37	-.8240401	.3395102	-2.43	0.015	-1.489468	-.158612
38	-.2880193	.3158038	-0.91	0.362	-.9069835	.330944
39	-.7450696	.3082955	-2.42	0.016	-1.349318	-.140821
40	-.4660642	.3207664	-1.45	0.146	-1.094755	.162626
41	-.1681139	.3001956	-0.56	0.575	-.7564865	.420258
42	-.6770455	.3753488	-1.80	0.071	-1.412716	.058624
43	-.2138924	.29895	-0.72	0.474	-.7998237	.372038
44	-.0782135	.2759535	-0.28	0.777	-.6190724	.462645
45	-.5981305	.3757717	-1.59	0.111	-1.334629	.138368
46	-.4456954	.3628147	-1.23	0.219	-1.156799	.265408
47	-.4267911	.3170546	-1.35	0.178	-1.048207	.194624
48	-.3771083	.2907898	-1.30	0.195	-.9470458	.192829
49	-.6155179	.3218641	-1.91	0.056	-1.24636	.015324
50	-.7129492	.3458204	-2.06	0.039	-1.390745	-.035153
51	-.7913704	.3793628	-2.09	0.037	-1.534908	-.04783
_cons	5.840412	4.276094	1.37	0.172	-2.540578	14.221

```
338 scalar r2 = e(r2_p)

339 margins, dydx(overconfidence_forest) post

  Average marginal effects                        Number of obs     =      5,886
  Model VCE    : Robust

  Expression   : Pr(precaution_dummy), predict()
  dy/dx w.r.t. : overconfidence_forest

  ------------------------------------------------------------------------------
  > -
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |   .3130962   .0261947    11.95   0.000     .2617555     .36443
  > 7
  ------------------------------------------------------------------------------
  > -

340 outreg2 using "${tables_dir}/Forest_het.tex", tex append addstat(Pseudo R-squared, r
  > 2) ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/Forest_het.tex
  dir : seeout

341
342 ***** high true literacy subgroup
343 logit precaution_dummy overconfidence_forest `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood = -6836.5088
  Iteration 1:   log pseudolikelihood = -5924.5432
  Iteration 2:   log pseudolikelihood = -5900.4482
  Iteration 3:   log pseudolikelihood = -5900.3585
  Iteration 4:   log pseudolikelihood = -5900.3585

  Logistic regression                             Number of obs     =     12,539
                                                  Wald chi2(62)     =    1128.52
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -5900.3585               Pseudo R2         =     0.1369

  ------------------------------------------------------------------------------
  > -
                       |               Robust
           precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |  -11.27277   1.332048    -8.46   0.000    -13.88354   -8.66200
  > 4
                    age |  -.1229549   .0137828    -8.92   0.000    -.1499687   -.095941
  > 1
                   age2 |   .0015178   .0001367    11.10   0.000     .0012498    .001785
  > 7
              logincome |   -.734722    .756477    -0.97   0.331     -2.21739    .747945
  > 6
             logincome2 |   .0708114   .0349081     2.03   0.043     .0023927    .139230
  > 1
           female_dummy |   .0956493   .0542543     1.76   0.078     -.010687    .201985
  > 7
         nonwhite_dummy |  -.1878196   .0736315    -2.55   0.011    -.3321347   -.043504
  > 4
          marital_dummy |  -.0516529   .0611873    -0.84   0.399    -.1715777     .06827
  > 2
       high_school_dummy |   .6991928   .3173372     2.20   0.028     .0772234    1.32116
  > 2
          college_dummy |   .3012457   .0572254     5.26   0.000      .189086    .413405
```

> 4

year						
2015	.3093931	.061006	5.07	0.000	.1898235	.428962
> 6
2018	.3671446	.0651659	5.63	0.000	.2394218	.494867
> 3

state_cate						
2	.1777108	.2382894	0.75	0.456	-.2893279	.644749
> 4
3	.2087492	.2376805	0.88	0.380	-.257096	.674594
> 3
4	.2386791	.2539926	0.94	0.347	-.2591372	.736495
> 4
5	.1198906	.2382668	0.50	0.615	-.3471037	.586884
> 9
6	.3255937	.2372611	1.37	0.170	-.1394295	.790616
> 8
7	.2783667	.2483563	1.12	0.262	-.2084027	.765136
> 2
8	.2863799	.2516739	1.14	0.255	-.206892	.779651
> 7
9	-.0701399	.2363525	-0.30	0.767	-.5333822	.393102
> 4
10	.2757496	.2730302	1.01	0.313	-.2593797	.810878
> 9
11	.0156313	.2593319	0.06	0.952	-.4926499	.523912
> 5
12	.3785924	.2429828	1.56	0.119	-.0976452	.8548
> 3
13	-.0029497	.2348496	-0.01	0.990	-.4632464	.457346
> 9
14	.2849998	.2347073	1.21	0.225	-.1750181	.745017
> 7
15	.0828223	.2525895	0.33	0.743	-.4122441	.577888
> 6
16	.3348699	.2406953	1.39	0.164	-.1368842	.80662
> 4
17	.2266645	.2404406	0.94	0.346	-.2445904	.697919
> 4
18	.2217488	.2574301	0.86	0.389	-.2828049	.726302
> 6
19	.1076842	.2619397	0.41	0.681	-.4057082	.621076
> 5
20	-.2486027	.2389404	-1.04	0.298	-.7169173	.219711
> 8
21	-.0214302	.2345368	-0.09	0.927	-.481114	.438253
> 6
22	.4113834	.2485801	1.65	0.098	-.0758245	.898591
> 4
23	.2131398	.2520048	0.85	0.398	-.2807805	.707060
> 1
24	.2456368	.2392112	1.03	0.304	-.2232085	.71448
> 2
25	-.1180064	.2566245	-0.46	0.646	-.6209813	.384968
> 4
26	.1897823	.2471368	0.77	0.443	-.2945969	.674161
> 5
27	.3387739	.231318	1.46	0.143	-.114601	.792148
> 7
28	.0443189	.2344098	0.19	0.850	-.4151159	.503753
> 7
29	.2018251	.25691	0.79	0.432	-.3017092	.705359
> 4
30	-.0501508	.2255298	-0.22	0.824	-.4921812	.391879
> 5
31	.0447837	.2423261	0.18	0.853	-.4301668	.519734
> 2
32	.1704587	.2427904	0.70	0.483	-.3054017	.64631
> 9
33	.2279332	.2506395	0.91	0.363	-.2633112	.719177

```
> 6
                34  |   .1098273   .2505073     0.44   0.661    -.3811579    .600812
> 4
                35  |   .3070672   .2355599     1.30   0.192    -.1546217     .76875
> 6
                36  |  -.0273401   .2504835    -0.11   0.913    -.5182788    .463598
> 6
                37  |  -.0007925   .2470734    -0.00   0.997    -.4850473    .483462
> 4
                38  |  -.0009937   .2361026    -0.00   0.997    -.4637462    .461758
> 9
                39  |   .1043858   .2423093     0.43   0.667    -.3705318    .579303
> 3
                40  |   .1568896   .2411174     0.65   0.515    -.3156919    .629471
> 1
                41  |    .046894    .256072     0.18   0.855    -.4549979    .548785
> 8
                42  |   .4597152   .2361578     1.95   0.052    -.0031455    .922575
> 9
                43  |   -.017841   .2601889    -0.07   0.945    -.5278019    .492119
> 8
                44  |   .1389478   .2494863     0.56   0.578    -.3500364     .62793
> 2
                45  |   .0201689   .2381033     0.08   0.932     -.446505    .486842
> 7
                46  |    .040713   .2317496     0.18   0.861    -.4135079     .49493
> 4
                47  |  -.0208412   .2467807    -0.08   0.933    -.5045226    .462840
> 2
                48  |   .3455324   .2402212     1.44   0.150    -.1252924    .816357
> 3
                49  |   .3386216   .2642539     1.28   0.200    -.1793066    .856549
> 8
                50  |  -.0633619   .2329156    -0.27   0.786    -.5198681    .393144
> 3
                51  |   .2225435   .2355893     0.94   0.345    -.2392031    .684290
> 1
                    |
              _cons |   1.155775   4.105135     0.28   0.778    -6.890142    9.20169
> 2
------------------------------------------------------------------------------
> -

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_forest) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_forest

------------------------------------------------------------------------------
> -
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |  -1.986493   .2310554    -8.60   0.000    -2.439354   -1.53363
> 3
------------------------------------------------------------------------------
> -
```

```
346 outreg2 using "${tables_dir}/Forest_het.tex", tex append addstat(Pseudo R-squared, r
  > 2) ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/Forest_het.tex
  dir : seeout

347
348 *** financial market participation
349 ***** low true literacy subgroup
350 logit fin_par_dummy overconfidence_forest `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =  -2155.857
  Iteration 1:   log pseudolikelihood = -1876.7716
  Iteration 2:   log pseudolikelihood = -1767.9429
  Iteration 3:   log pseudolikelihood = -1764.3106
  Iteration 4:   log pseudolikelihood = -1764.2862
  Iteration 5:   log pseudolikelihood = -1764.2862

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     548.65
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -1764.2862               Pseudo R2         =     0.1816

  ------------------------------------------------------------------------------
  > -
                       |               Robust
            fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------------
  > -
  overconfidence_forest |   1.880565   .2305222     8.16   0.000      1.42875     2.3323
  > 8
                    age |   -.074413   .0199277    -3.73   0.000    -.1134706   -.035355
  > 4
                   age2 |   .0009551   .0002222     4.30   0.000     .0005197    .001390
  > 6
              logincome |   .5636194   1.290018     0.44   0.662     -1.96477    3.09200
  > 9
             logincome2 |   .0133869   .0609377     0.22   0.826    -.1060488    .132822
  > 6
           female_dummy |  -.3364116   .1094828    -3.07   0.002    -.5509939   -.121829
  > 2
         nonwhite_dummy |  -.2270784   .1243131    -1.83   0.068    -.4707276    .016570
  > 8
          marital_dummy |   .0922947   .1229422     0.75   0.453    -.1486676    .333256
  > 9
       high_school_dummy |   .9245211   .2692974     3.43   0.001     .3967079    1.45233
  > 4
          college_dummy |   .4042863   .1219347     3.32   0.001     .1652988    .643273
  > 9
                       |
                    year |
                    2015 |  -.1885093   .1367377    -1.38   0.168    -.4565104    .079491
  > 7
                    2018 |  -.3010881   .1358959    -2.22   0.027    -.5674392    -.03473
  > 7
                       |
              state_cate |
                       2 |    .343484   .4615679     0.74   0.457    -.5611725    1.24814
  > 1
                       3 |  -.1007374   .4757178    -0.21   0.832    -1.033127    .831652
  > 4
                       4 |  -.3309875   .4954799    -0.67   0.504     -1.30211    .640135
  > 3
                       5 |   .3371809   .4027802     0.84   0.403    -.4522538    1.12661
  > 6
                       6 |   .2455511   .4838727     0.51   0.612    -.7028219    1.19392
  > 4
                       7 |  -.0759886   .4782231    -0.16   0.874    -1.013289    .861311
```

> 5
> 9
> 4
> 1
> 7
> 1
> 2
> 1
> 9
> 9
> 4
> 1
> 7
> 2
> 5
> 8
> 9
> 4
> 3
> 5
> 5
> 1
> 4
> 9
> 2
> 2
> 1
> 2
> 2
> 5
> 6
> 9
> 7
> 4

8	-.29316	.5468784	-0.54	0.592	-1.365022	.778701
9	.5335606	.4193565	1.27	0.203	-.288363	1.35548
10	-.0626342	.4659898	-0.13	0.893	-.9759575	.850689
11	-.1225966	.4726624	-0.26	0.795	-1.048998	.803804
12	-.681132	.7050737	-0.97	0.334	-2.063051	.700787
13	-1.083757	.6199909	-1.75	0.080	-2.298916	.131403
14	-.0844319	.4163867	-0.20	0.839	-.9005349	.731671
15	-1.496947	.6872649	-2.18	0.029	-2.843962	-.149932
16	-.1445555	.5301181	-0.27	0.785	-1.183568	.894456
17	-.1789583	.5090551	-0.35	0.725	-1.176688	.818771
18	.1250341	.4621191	0.27	0.787	-.7807027	1.03077
19	-.5817604	.5459279	-1.07	0.287	-1.651759	.488238
20	.1851262	.5153499	0.36	0.719	-.8249411	1.19519
21	.4185025	.4389083	0.95	0.340	-.4417419	1.27874
22	-.4124891	.5296548	-0.78	0.436	-1.450593	.625615
23	.2884798	.4375106	0.66	0.510	-.5690252	1.14598
24	-.0734154	.4777905	-0.15	0.878	-1.009868	.863036
25	-.3267492	.4866458	-0.67	0.502	-1.280558	.62705
26	.2884174	.4478736	0.64	0.520	-.5893989	1.16623
27	.4649792	.5159028	0.90	0.367	-.5461718	1.4761
28	.9482354	.4629575	2.05	0.041	.0408555	1.85561
29	.0640754	.4943048	0.13	0.897	-.9047442	1.03289
30	.0542781	.4715633	0.12	0.908	-.869969	.978525
31	-.4078727	.4525226	-0.90	0.367	-1.294801	.479055
32	-.0826245	.5736351	-0.14	0.885	-1.206929	1.04167
33	.259807	.3882035	0.67	0.503	-.5010578	1.02067
34	-.1479475	.4695702	-0.32	0.753	-1.068288	.772393
35	.478367	.4482248	1.07	0.286	-.4001375	1.35687
36	-.0938226	.4650901	-0.20	0.840	-1.005382	.817737
37	.1774145	.4640938	0.38	0.702	-.7321927	1.08702
38	.4250024	.4717038	0.90	0.368	-.49952	1.34952
39	.0853464	.4360342	0.20	0.845	-.7692649	.939957
40	-.3917825	.4974247	-0.79	0.431	-1.366717	.583151
41	.4381103	.4371188	1.00	0.316	-.4186267	1.29484
42	-.0316607	.5085933	-0.06	0.950	-1.028485	.96516
43	.0160474	.507399	0.03	0.975	-.9784364	1.01053

```
> 1
                  44  |  -.2055981   .4202893    -0.49   0.625     -1.02935    .618153
> 8
                  45  |   .0018221    .609465     0.00   0.998    -1.192707    1.19635
> 2
                  46  |    .447942   .4759467     0.94   0.347    -.4848965     1.3807
> 8
                  47  |  -.2090456   .4795406    -0.44   0.663    -1.148928    .730836
> 8
                  48  |   .2977755   .4198359     0.71   0.478    -.5250878    1.12063
> 9
                  49  |  -.1461171   .4830537    -0.30   0.762    -1.092885    .800650
> 7
                  50  |  -.4050063   .5330772    -0.76   0.447    -1.449818    .639805
> 8
                  51  |   .4279807   .5434598     0.79   0.431    -.6371809    1.49314
> 2
                      |
               _cons  |  -10.10369   6.850407    -1.47   0.140    -23.53024    3.32286
> 3
------------------------------------------------------------------------------
> -

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_forest) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_forest

------------------------------------------------------------------------------
> -
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |   .1457323   .0177159     8.23   0.000     .1110097    .180454
> 9
------------------------------------------------------------------------------
> -

. outreg2 using "${tables_dir}/Forest_het.tex", tex append addstat(Pseudo R-squared, r
> 2) ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Participation")
../outputs/tables/Forest_het.tex
dir : seeout

. 
. ***** high true literacy subgroup
. logit fin_par_dummy overconfidence_forest `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -7436.5574
Iteration 1:   log pseudolikelihood =  -6606.722
Iteration 2:   log pseudolikelihood = -6602.7616
Iteration 3:   log pseudolikelihood = -6602.7603
Iteration 4:   log pseudolikelihood = -6602.7603

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =     991.51
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -6602.7603               Pseudo R2         =     0.1121
```

```
------------------------------------------------------------------------------
> -
                     |               Robust
        fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval
> ]
---------------------+--------------------------------------------------------------
> -
overconfidence_forest |  -10.03932   1.291792    -7.77   0.000    -12.57118   -7.50745
> 1
                  age |   -.070616   .0130702    -5.40   0.000    -.0962332   -.044998
> 8
                 age2 |   .0009015   .0001275     7.07   0.000     .0006515    .001151
> 4
            logincome |  -.9272341   .7611802    -1.22   0.223     -2.41912    .564651
> 6
           logincome2 |   .0794376   .0347446     2.29   0.022     .0113395    .147535
> 8
          female_dummy |  -.0618195    .049587    -1.25   0.213    -.1590082    .035369
> 3
       nonwhite_dummy |  -.0030042   .0704298    -0.04   0.966    -.1410441    .135035
> 6
         marital_dummy |  -.0406854   .0566167    -0.72   0.472    -.1516521    .070281
> 3
    high_school_dummy |   .7526419   .3740454     2.01   0.044     .0195264    1.48575
> 7
         college_dummy |   .3145611   .0529619     5.94   0.000     .2107577    .418364
> 5
                     |
                  year |
                  2015 |  -.2392135   .0571523    -4.19   0.000      -.35123    -.12719
> 7
                  2018 |  -.1856814   .0606312    -3.06   0.002    -.3045164   -.066846
> 4
                     |
            state_cate |
                     2 |   .4265384   .2079649     2.05   0.040     .0189347     .83414
> 2
                     3 |   .4415199   .2072078     2.13   0.033     .0354001    .847639
> 6
                     4 |   .4629216   .2194124     2.11   0.035     .0328812    .892961
> 9
                     5 |    .391085   .2064697     1.89   0.058    -.0135882    .795758
> 3
                     6 |   .4585967   .2100026     2.18   0.029     .0469991    .870194
> 2
                     7 |   .7393312   .2162875     3.42   0.001     .3154154    1.16324
> 7
                     8 |   .4837352   .2139878     2.26   0.024     .0643269    .903143
> 5
                     9 |   .4493343    .216071     2.08   0.038      .025843    .872825
> 7
                    10 |   .5816181   .2454988     2.37   0.018     .1004493    1.06278
> 7
                    11 |   .3546489     .23332     1.52   0.129    -.1026498    .811947
> 6
                    12 |   .9409889   .2199638     4.28   0.000     .5098678     1.3721
> 1
                    13 |   .4339189   .2103843     2.06   0.039     .0215732    .846264
> 5
                    14 |   .4845021   .2052684     2.36   0.018     .0821834    .886820
> 8
                    15 |   .2819616   .2199029     1.28   0.200    -.1490401    .712963
> 4
                    16 |   .5759714   .2076875     2.77   0.006     .1689113    .983031
> 5
                    17 |   .5736739   .2141272     2.68   0.007     .1539923    .993355
> 5
                    18 |   .2911456   .2225703     1.31   0.191    -.1450841    .727375
> 3
                    19 |   .3047229   .2450891     1.24   0.214    -.1756428    .785088
> 7
                    20 |   .2488819   .2089832     1.19   0.234    -.1607175    .658481
```

21	.3262415	.2174586	1.50	0.134	-.0999696	.752452
22	.4963776	.2154999	2.30	0.021	.0740056	.918749
23	.2191826	.2183246	1.00	0.315	-.2087258	.647090
24	.1441353	.2071502	0.70	0.487	-.2618717	.550142
25	.0658824	.2311081	0.29	0.776	-.3870812	.51884
26	.3148666	.2144554	1.47	0.142	-.1054582	.735191
27	.4510394	.2049878	2.20	0.028	.0492707	.852808
28	.2128415	.2044397	1.04	0.298	-.1878529	.61353
29	.2804437	.2193259	1.28	0.201	-.1494271	.710314
30	.0551644	.1982219	0.28	0.781	-.3333433	.443672
31	.8136944	.2190657	3.71	0.000	.3843335	1.24305
32	.1763702	.2146283	0.82	0.411	-.2442934	.597033
33	.3933432	.2143612	1.83	0.067	-.026797	.813483
34	.6004024	.2246633	2.67	0.008	.1600705	1.04073
35	.4385052	.2063261	2.13	0.034	.0341135	.842896
36	.3664138	.2230771	1.64	0.100	-.0708093	.803636
37	.1273092	.2181572	0.58	0.560	-.300271	.554889
38	.3289474	.2045847	1.61	0.108	-.0720312	.729925
39	.5146215	.2167183	2.37	0.018	.0898614	.939381
40	.4089934	.2082145	1.96	0.049	.0009004	.817086
41	.0317988	.2200552	0.14	0.885	-.3995015	.463099
42	.605748	.2071984	2.92	0.003	.1996466	1.01184
43	.1978648	.2252706	0.88	0.380	-.2436575	.63938
44	.0834331	.2161448	0.39	0.699	-.340203	.507069
45	.1721668	.2080438	0.83	0.408	-.2355916	.579925
46	.2599077	.2061606	1.26	0.207	-.1441595	.66397
47	.4146284	.2120865	1.95	0.051	-.0010535	.830310
48	.5731425	.2085093	2.75	0.006	.1644719	.981813
49	.2945631	.2253678	1.31	0.191	-.1471496	.736275
50	.4894627	.2086006	2.35	0.019	.080613	.898312
51	.279991	.204321	1.37	0.171	-.1204707	.680452
_cons	.8832905	4.229112	0.21	0.835	-7.405618	9.17219

```
357 scalar r2 = e(r2_p)

358 margins, dydx(overconfidence_forest) post

  Average marginal effects                        Number of obs     =     12,539
  Model VCE    : Robust

  Expression   : Pr(fin_par_dummy), predict()
  dy/dx w.r.t. : overconfidence_forest

  ------------------------------------------------------------------------------
  > -
                       |            Delta-method
                       |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval
  > ]
  ---------------------+--------------------------------------------------------
  > -
  overconfidence_forest |  -2.040672   .2583983    -7.90   0.000    -2.547123   -1.53422
  > 1
  ------------------------------------------------------------------------------
  > -

359 outreg2 using "${tables_dir}/Forest_het.tex", tex append addstat(Pseudo R-squared, r
  > 2) ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/Forest_het.tex
  dir : seeout

360
361 * heterogeneous effects with logistic
362 *** retirement readiness
363 ***** without state dummies
364 logit retire_dummy overconfidence_logit `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood = -2789.9313
  Iteration 1:   log pseudolikelihood = -2490.3841
  Iteration 2:   log pseudolikelihood = -2452.1474
  Iteration 3:   log pseudolikelihood = -2451.8604
  Iteration 4:   log pseudolikelihood = -2451.8603

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     421.09
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -2451.8603               Pseudo R2         =     0.1212

  ------------------------------------------------------------------------------
                       |               Robust
               retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_logit |   1.328602   .1482538     8.96   0.000     1.038029    1.619174
                   age |   .0551943   .0193391     2.85   0.004     .0172904    .0930982
                  age2 |  -.0006861   .0002199    -3.12   0.002    -.0011172   -.0002551
             logincome |  -2.246126   1.021281    -2.20   0.028    -4.247799   -.2444533
            logincome2 |   .1330577   .0494004     2.69   0.007     .0362347    .2298808
           female_dummy |  -.1883468   .0920618    -2.05   0.041    -.3687847   -.0079089
         nonwhite_dummy |   .1669255   .0961196     1.74   0.082    -.0214655    .3553165
          marital_dummy |   .5025883   .1030153     4.88   0.000      .300682    .7044947
      high_school_dummy |   .5709891   .1940823     2.94   0.003     .1905949    .9513834
          college_dummy |   .4781606   .1004398     4.76   0.000     .2813021    .6750191
                        |
                   year |
                   2015 |   .0728449   .1182405     0.62   0.538    -.1589023    .3045921
                   2018 |   .0626927   .1172459     0.53   0.593     -.167105    .2924904
                        |
              state_cate |
                      2 |   .1777672   .3728123     0.48   0.633    -.5529314    .9084658
                      3 |  -.4548463   .3984414    -1.14   0.254    -1.235777    .3260845
                      4 |  -.4396549   .3807606    -1.15   0.248    -1.185932    .3066222
                      5 |  -.2070045   .3082597    -0.67   0.502    -.8111824    .3971733
```

```
           6  |  -.4189843   .3767273    -1.11   0.266    -1.157356    .3193876
           7  |  -.2867248   .3700326    -0.77   0.438    -1.011975    .4385257
           8  |  -.2386758   .3873353    -0.62   0.538    -.9978391    .5204876
           9  |   .0717451    .359352     0.20   0.842    -.6325719    .7760622
          10  |  -.0000909   .3379077    -0.00   1.000    -.6623778     .662196
          11  |  -.4835566    .344529    -1.40   0.160    -1.158821    .1917079
          12  |  -1.120281   .5466897    -2.05   0.040    -2.191774   -.0487893
          13  |  -1.240278   .6952822    -1.78   0.074    -2.603006    .1224499
          14  |  -.4436981   .3379047    -1.31   0.189    -1.105979    .2185829
          15  |  -.5545013   .4008749    -1.38   0.167    -1.340202     .231199
          16  |   -.518928   .4176726    -1.24   0.214    -1.337551    .2996952
          17  |  -.2938835   .4077232    -0.72   0.471    -1.093006    .5052392
          18  |   .0627576   .3648418     0.17   0.863    -.6523191    .7778343
          19  |  -.5971266   .3752134    -1.59   0.112    -1.332531    .1382781
          20  |  -.3931348   .4018203    -0.98   0.328    -1.180688    .3944186
          21  |  -.4828291   .3719031    -1.30   0.194    -1.211746    .2460876
          22  |   .0042708   .3664787     0.01   0.991    -.7140143    .7225559
          23  |  -.1223646   .3333267    -0.37   0.714     -.775673    .5309438
          24  |  -.6035472   .3800452    -1.59   0.112    -1.348422    .1413277
          25  |  -.6569219   .3599134    -1.83   0.068    -1.362339    .0484953
          26  |  -.7970302   .3970126    -2.01   0.045    -1.575161   -.0188997
          27  |  -.1980177   .4330006    -0.46   0.647    -1.046683    .6506479
          28  |  -.7568605   .4448071    -1.70   0.089    -1.628666    .1149454
          29  |  -.1371949   .3649337    -0.38   0.707    -.8524519    .5780621
          30  |  -.1832521   .4265919    -0.43   0.668    -1.019357    .6528526
          31  |     -.3734   .3385154    -1.10   0.270    -1.036878     .290078
          32  |  -.1302609   .4017252    -0.32   0.746    -.9176279    .6571061
          33  |  -.3384235   .3164717    -1.07   0.285    -.9586967    .2818497
          34  |    -.94507   .3938209    -2.40   0.016    -1.716945   -.1731951
          35  |  -.0845037   .3771921    -0.22   0.823    -.8237866    .6547792
          36  |  -.6593822   .3995208    -1.65   0.099    -1.442429    .1236643
          37  |  -.3867187   .3767161    -1.03   0.305    -1.125069    .3516313
          38  |  -.5668524   .3633341    -1.56   0.119    -1.278974    .1452694
          39  |  -.6076032   .3665094    -1.66   0.097    -1.325949    .1107421
          40  |  -.8789504     .40327    -2.18   0.029    -1.669345   -.0885557
          41  |  -.4321184   .3558137    -1.21   0.225      -1.1295    .2652637
          42  |  -.1424486   .4291253    -0.33   0.740    -.9835187    .6986215
          43  |  -.1535328   .3734875    -0.41   0.681    -.8855549    .5784893
          44  |  -.5105701   .3306561    -1.54   0.123    -1.158644    .1375039
          45  |  -.6988391   .4487814    -1.56   0.119    -1.578434    .1807563
          46  |   -.451232   .4219549    -1.07   0.285    -1.278248    .3757845
          47  |  -.0297699    .345402    -0.09   0.931    -.7067453    .6472055
          48  |  -.3071396   .3291711    -0.93   0.351    -.9523031    .3380239
          49  |  -.1861356   .3848487    -0.48   0.629    -.9404252     .568154
          50  |  -.5879246   .4248657    -1.38   0.166    -1.420646    .2447968
          51  |  -.1291636   .4017347    -0.32   0.748    -.9165492    .6582219
              |
       _cons  |   4.957186   5.239217     0.95   0.344    -5.311492    15.22586
------------------------------------------------------------------------------

365 scalar r2 = e(r2_p)

366 margins, dydx(overconfidence_logit) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_logit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |     .15026   .0164521     9.13   0.000     .1180145    .1825055
------------------------------------------------------------------------------
```

```
367 outreg2 using "${tables_dir}/Logit_het.tex", tex replace addstat(Pseudo R-squared, r
  > 2) ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/Logit_het.tex
  dir : seeout

368
369 ***** with state dummies
370 logit retire_dummy overconfidence_logit `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =   -7639.91
  Iteration 1:   log pseudolikelihood = -6382.2866
  Iteration 2:   log pseudolikelihood = -6372.2604
  Iteration 3:   log pseudolikelihood = -6372.2433
  Iteration 4:   log pseudolikelihood = -6372.2433

  Logistic regression                               Number of obs     =     12,539
                                                    Wald chi2(62)     =    1616.86
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -6372.2433                 Pseudo R2         =     0.1659

  ------------------------------------------------------------------------------
                       |               Robust
               retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_logit |  -.5964871   .3380396    -1.76   0.078    -1.259033    .0660584
                   age |   .1984382   .0143869    13.79   0.000     .1702404    .2266359
                  age2 |  -.0025023   .0001373   -18.23   0.000    -.0027714   -.0022333
             logincome |  -1.795316    .718311    -2.50   0.012     -3.20318   -.3874525
            logincome2 |   .1115473    .032731     3.41   0.001     .0473957    .1756988
          female_dummy |  -.0209651   .0505882    -0.41   0.679    -.1201162     .078186
       nonwhite_dummy |    .103585   .0705985     1.47   0.142    -.0347856    .2419555
         marital_dummy |  -.0334499   .0609211    -0.55   0.583    -.1528531    .0859532
    high_school_dummy |   .3001139   .3927838     0.76   0.445    -.4697282    1.069956
        college_dummy |   .2867698   .0541588     5.29   0.000     .1806205    .3929191
                      |
                 year |
                 2015 |    .022607    .059004     0.38   0.702    -.0930387    .1382527
                 2018 |   .0892571    .062245     1.43   0.152    -.0327409    .2112551
                      |
            state_cate |
                    2 |   -.027123   .2138324    -0.13   0.899    -.4462267    .3919807
                    3 |  -.1550762   .2262578    -0.69   0.493    -.5985333    .2883808
                    4 |  -.5152261   .2315588    -2.23   0.026    -.9690731   -.0613791
                    5 |  -.3936556   .2219134    -1.77   0.076    -.8285978    .0412866
                    6 |  -.0996896   .2223705    -0.45   0.654    -.5355279    .3361486
                    7 |  -.0388683   .2173325    -0.18   0.858    -.4648321    .3870955
                    8 |  -.2934543   .2167653    -1.35   0.176    -.7183065    .1313978
                    9 |  -.0997822   .2244403    -0.44   0.657    -.5396771    .3401126
                   10 |  -.4513809    .253132    -1.78   0.075    -.9475104    .0447486
                   11 |  -.3149725   .2329711    -1.35   0.176    -.7715875    .1416425
                   12 |  -.3192713   .2106226    -1.52   0.130     -.732084    .0935415
                   13 |  -.2729253    .220009    -1.24   0.215     -.704135    .1582844
                   14 |  -.0639555   .2129936    -0.30   0.764    -.4814152    .3535043
                   15 |    .247659   .2260395     1.10   0.273    -.1953703    .6906883
                   16 |   -.102169   .2199008    -0.46   0.642    -.5331666    .3288286
                   17 |  -.1909712   .2173214    -0.88   0.380    -.6169133     .234971
                   18 |    .057155   .2313112     0.25   0.805    -.3962067    .5105167
                   19 |  -.0493917    .266639    -0.19   0.853    -.5719945     .473211
                   20 |   .2291263   .2153519     1.06   0.287    -.1929558    .6512083
                   21 |  -.2091286   .2252581    -0.93   0.353    -.6506264    .2323693
                   22 |  -.1294785   .2166572    -0.60   0.550    -.5541188    .2951619
                   23 |  -.3246116   .2318053    -1.40   0.161    -.7789417    .1297184
                   24 |  -.3612708   .2116838    -1.71   0.088    -.7761634    .0536218
                   25 |  -.0072372   .2313777    -0.03   0.975    -.4607291    .4462548
                   26 |  -.3468386   .2257791    -1.54   0.124    -.7893575    .0956804
                   27 |   .1598425   .2102486     0.76   0.447    -.2522372    .5719223
                   28 |   .0028254     .21682     0.01   0.990     -.422134    .4277848
                   29 |  -.3136459   .2324369    -1.35   0.177    -.7692139     .141922
```

```
                  30  |  -.1872809   .2099022    -0.89   0.372    -.5986817    .2241199
                  31  |  -.3350871   .2279066    -1.47   0.141    -.7817758    .1116015
                  32  |  -.5217741   .2267989    -2.30   0.021    -.9662918   -.0772563
                  33  |  -.0985974   .2234694    -0.44   0.659    -.5365893    .3393945
                  34  |  -.0901719   .2244107    -0.40   0.688    -.5300088    .3496651
                  35  |   .2405149    .216586     1.11   0.267    -.1839858    .6650157
                  36  |  -.1748225   .2328573    -0.75   0.453    -.6312145    .2815695
                  37  |   -.197708   .2193405    -0.90   0.367    -.6276074    .2321915
                  38  |   -.098356   .2104041    -0.47   0.640    -.5107403    .3140284
                  39  |  -.2028226   .2305968    -0.88   0.379    -.6547841     .249139
                  40  |  -.3807686   .2183038    -1.74   0.081    -.8086362     .047099
                  41  |  -.3294361   .2307486    -1.43   0.153     -.781695    .1228228
                  42  |    .009323     .21075     0.04   0.965    -.4037394    .4223854
                  43  |  -.1571003   .2345348    -0.67   0.503      -.61678    .3025794
                  44  |  -.4309156   .2286753    -1.88   0.060    -.8791109    .0172797
                  45  |    .169149   .2155727     0.78   0.433    -.2533657    .5916638
                  46  |  -.2322203   .2106533    -1.10   0.270    -.6450931    .1806525
                  47  |  -.3309008   .2208768    -1.50   0.134    -.7638114    .1020099
                  48  |  -.3320998   .2126255    -1.56   0.118    -.7488381    .0846384
                  49  |   .1893415   .2302264     0.82   0.411    -.2618941     .640577
                  50  |  -.1945335   .2151979    -0.90   0.366    -.6163136    .2272465
                  51  |   .2207091    .210599     1.05   0.295    -.1920573    .6334756
                      |
                _cons |   2.547109   4.017675     0.63   0.526    -5.327388    10.42161
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_logit) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_logit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |  -.1159212   .0656066    -1.77   0.077    -.2445079    .0126654
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/Logit_het.tex", tex append addstat(Pseudo R-squared, r2
> ) ///
>         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>         ctitle("Readiness")
../outputs/tables/Logit_het.tex
dir : seeout

. 
. *** precautionary saving
. ***** low true literacy subgroup
. logit precaution_dummy overconfidence_logit `household_X' ///
>         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -3717.9486
Iteration 1:   log pseudolikelihood = -3354.1863
Iteration 2:   log pseudolikelihood = -3341.8282
Iteration 3:   log pseudolikelihood = -3341.7754
Iteration 4:   log pseudolikelihood = -3341.7754

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     454.09
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -3341.7754               Pseudo R2         =     0.1012
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_logit	1.281021	.1235835	10.37	0.000	1.038802	1.52324
age	-.0606457	.0144366	-4.20	0.000	-.0889409	-.0323504
age2	.0008678	.0001601	5.42	0.000	.0005541	.0011815
logincome	-2.389704	.8468509	-2.82	0.005	-4.049502	-.7299072
logincome2	.1432019	.0412785	3.47	0.001	.0622975	.2241063
female_dummy	-.1050395	.0776982	-1.35	0.176	-.2573252	.0472462
nonwhite_dummy	-.022547	.0821685	-0.27	0.784	-.1835944	.1385004
marital_dummy	.1926725	.0837884	2.30	0.021	.0284502	.3568947
high_school_dummy	.4012831	.138967	2.89	0.004	.1289128	.6736534
college_dummy	.3852764	.0877905	4.39	0.000	.2132102	.5573426
year						
2015	.0096342	.0975609	0.10	0.921	-.1815816	.20085
2018	.064571	.0945044	0.68	0.494	-.1206541	.2497962
state_cate						
2	.2262217	.3453243	0.66	0.512	-.4506015	.9030449
3	-.207429	.3228834	-0.64	0.521	-.8402689	.4254109
4	-.4823993	.3035844	-1.59	0.112	-1.077414	.1126152
5	-.18132	.2723143	-0.67	0.506	-.7150463	.3524063
6	-.3456453	.324502	-1.07	0.287	-.9816574	.2903669
7	-.5565744	.3342128	-1.67	0.096	-1.211619	.0984706
8	-.4591255	.3399536	-1.35	0.177	-1.125422	.2071712
9	-.1024891	.3123811	-0.33	0.743	-.7147448	.5097666
10	-.4017396	.2924744	-1.37	0.170	-.9749789	.1714997
11	-.3377283	.2923267	-1.16	0.248	-.9106782	.2352215
12	-.3250019	.3460777	-0.94	0.348	-1.003302	.353298
13	-.2670359	.3537294	-0.75	0.450	-.9603328	.426261
14	-.0291909	.2862283	-0.10	0.919	-.590188	.5318062
15	-.8037953	.3437727	-2.34	0.019	-1.477577	-.1300133
16	-.4524974	.3443927	-1.31	0.189	-1.127495	.2224999
17	-.1509963	.3189393	-0.47	0.636	-.7761057	.4741132
18	-.2442	.3117399	-0.78	0.433	-.855199	.366799
19	-.2833207	.3063538	-0.92	0.355	-.8837632	.3171218
20	-.5738212	.3384399	-1.70	0.090	-1.237151	.0895088
21	-.8101766	.3166241	-2.56	0.011	-1.430749	-.1896047
22	-.5436074	.3254292	-1.67	0.095	-1.181437	.0942222
23	-.3595465	.2958381	-1.22	0.224	-.9393785	.2202855
24	-.2648027	.312391	-0.85	0.397	-.8770779	.3474724
25	-.3579915	.2938858	-1.22	0.223	-.9339971	.2180141
26	-.5093004	.3147931	-1.62	0.106	-1.126284	.1076827
27	-1.196438	.4624508	-2.59	0.010	-2.102825	-.2900509
28	-.1088281	.3374731	-0.32	0.747	-.7702632	.552607
29	-.4669578	.3201709	-1.46	0.145	-1.094481	.1605657
30	.1842638	.3224735	0.57	0.568	-.4477725	.8163002
31	-.9204402	.3001277	-3.07	0.002	-1.50868	-.3322007
32	-.1798747	.3577312	-0.50	0.615	-.881015	.5212656
33	-.2663254	.2670641	-1.00	0.319	-.7897614	.2571106
34	-.0388395	.2827797	-0.14	0.891	-.5930775	.5153985
35	.3986674	.324614	1.23	0.219	-.2375643	1.034899
36	-.1654696	.3053689	-0.54	0.588	-.7639817	.4330425
37	-.8511879	.3386249	-2.51	0.012	-1.51488	-.1874953
38	-.3197873	.3161907	-1.01	0.312	-.9395096	.299935
39	-.7392834	.3067441	-2.41	0.016	-1.340491	-.1380759
40	-.5479003	.3161442	-1.73	0.083	-1.167532	.0717309
41	-.2477753	.2958998	-0.84	0.402	-.8277283	.3321777
42	-.6832088	.3725485	-1.83	0.067	-1.41339	.0469728
43	-.2275426	.3020897	-0.75	0.451	-.8196275	.3645423
44	-.1194875	.2728692	-0.44	0.661	-.6543012	.4153262
45	-.6721674	.3696326	-1.82	0.069	-1.396634	.0522993
46	-.5486762	.3639853	-1.51	0.132	-1.262074	.1647217
47	-.4057445	.314268	-1.29	0.197	-1.021698	.2102096
48	-.4170156	.2889662	-1.44	0.149	-.9833789	.1493478
49	-.6940699	.3221016	-2.15	0.031	-1.325377	-.0627624
50	-.7923752	.3443863	-2.30	0.021	-1.46736	-.1173903
51	-.847403	.3796321	-2.23	0.026	-1.591468	-.1033378
_cons	8.272495	4.307146	1.92	0.055	-.1693568	16.71435

```
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_logit) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_logit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   .2129741   .0198276    10.74   0.000     .1741128    .2518354
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/Logit_het.tex", tex append addstat(Pseudo R-squared, r2
> ) ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Precaution")
../outputs/tables/Logit_het.tex
dir : seeout

.
. ***** high true literacy subgroup
. logit precaution_dummy overconfidence_logit `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -6836.5088
Iteration 1:   log pseudolikelihood = -5973.9286
Iteration 2:   log pseudolikelihood = -5950.9262
Iteration 3:   log pseudolikelihood = -5950.7945
Iteration 4:   log pseudolikelihood = -5950.7945

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =    1078.08
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -5950.7945               Pseudo R2         =     0.1296

------------------------------------------------------------------------------
                     |               Robust
    precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |  -.4851914   .3258313    -1.49   0.136    -1.123809    .1534263
                 age |  -.1190488   .0150323    -7.92   0.000    -.1485116   -.0895861
                age2 |   .0014966   .0001448    10.33   0.000     .0012128    .0017805
           logincome |   -.670957    .761662    -0.88   0.378    -2.163787     .821873
          logincome2 |   .0711514   .0351308     2.03   0.043     .0022964    .1400064
       female_dummy |   .0333236   .0531875     0.63   0.531    -.0709219    .1375691
     nonwhite_dummy |  -.2382348   .0726754    -3.28   0.001    -.3806759   -.0957936
      marital_dummy |  -.0346641   .0607556    -0.57   0.568    -.1537429    .0844147
  high_school_dummy |     .85863   .3222426     2.66   0.008     .2270461    1.490214
      college_dummy |   .3768678   .0562284     6.70   0.000     .2666622    .4870735
                    |
               year |
               2015 |   .3129376   .0606736     5.16   0.000     .1940194    .4318557
               2018 |   .3605815   .0647934     5.57   0.000     .2335887    .4875742
                    |
         state_cate |
                  2 |   .1247438    .238798     0.52   0.601    -.3432917    .5927794
                  3 |   .1651503    .237927     0.69   0.488     -.301178    .6314787
                  4 |   .2324316   .2537229     0.92   0.360    -.2648562    .7297194
                  5 |   .0371515   .2400731     0.15   0.877     -.433383     .507686
                  6 |   .3074314   .2386396     1.29   0.198    -.1602937    .7751565
                  7 |   .2657794   .2487918     1.07   0.285    -.2218435    .7534024
                  8 |    .272275   .2529225     1.08   0.282     -.223444     .767994
                  9 |  -.1015519   .2377368    -0.43   0.669    -.5675074    .3644036
                 10 |   .2329828   .2699942     0.86   0.388    -.2961961    .7621617
```

```
          11 |   .0073837   .2625431     0.03   0.978    -.5071913    .5219587
          12 |   .3374315   .2416696     1.40   0.163    -.1362323    .8110953
          13 |  -.0004679   .2366393    -0.00   0.998    -.4642724    .4633366
          14 |   .2577913    .236043     1.09   0.275    -.2048444     .720427
          15 |   .0857436   .2521573     0.34   0.734    -.4084756    .5799629
          16 |   .3144479    .241936     1.30   0.194    -.1597381    .7886338
          17 |   .2063632   .2395991     0.86   0.389    -.2632424    .6759689
          18 |   .2020358   .2582502     0.78   0.434    -.3041253    .7081968
          19 |   .0576612   .2644657     0.22   0.827    -.4606821    .5760046
          20 |  -.2602117   .2396169    -1.09   0.278    -.7298521    .2094287
          21 |  -.0644917   .2352033    -0.27   0.784    -.5254816    .3964983
          22 |    .412255   .2502218     1.65   0.099    -.0781707    .9026806
          23 |   .1531758   .2543909     0.60   0.547    -.3454211    .6517727
          24 |    .223734   .2396033     0.93   0.350    -.2458799    .6933479
          25 |  -.1260654   .2564734    -0.49   0.623     -.628744    .3766132
          26 |   .1694735   .2479688     0.68   0.494    -.3165364    .6554834
          27 |   .3085557   .2323696     1.33   0.184    -.1468804    .7639918
          28 |    .050811   .2349838     0.22   0.829    -.4097489    .5113708
          29 |   .2049661   .2553919     0.80   0.422    -.2955928     .705525
          30 |  -.0618843   .2271379    -0.27   0.785    -.5070664    .3832977
          31 |    .033139   .2453494     0.14   0.893     -.447737     .514015
          32 |   .1827055   .2438058     0.75   0.454    -.2951451     .660556
          33 |   .2006716   .2487465     0.81   0.420    -.2868626    .6882058
          34 |   .0710265   .2496671     0.28   0.776    -.4183121    .5603651
          35 |   .2892048   .2371337     1.22   0.223    -.1755687    .7539783
          36 |  -.0439259   .2506321    -0.18   0.861    -.5351558    .4473039
          37 |   .0010568   .2470508     0.00   0.997    -.4831538    .4852675
          38 |  -.0501689   .2350526    -0.21   0.831    -.5108635    .4105258
          39 |   .1034363   .2451201     0.42   0.673    -.3769904    .5838629
          40 |   .1363896   .2410798     0.57   0.572    -.3361181    .6088973
          41 |   .0324018    .257358     0.13   0.900    -.4720106    .5368142
          42 |   .4613107   .2372555     1.94   0.052    -.0037015    .9263229
          43 |  -.0382175   .2587664    -0.15   0.883    -.5453902    .4689553
          44 |   .0628171   .2478506     0.25   0.800    -.4229612    .5485954
          45 |  -.0207572   .2380167    -0.09   0.931    -.4872613    .4457469
          46 |   .0084021   .2335883     0.04   0.971    -.4494226    .4662268
          47 |  -.0510089    .246627    -0.21   0.836     -.534389    .4323712
          48 |   .3143235   .2378462     1.32   0.186    -.1518464    .7804934
          49 |   .3094402   .2653937     1.17   0.244    -.2107218    .8296022
          50 |  -.1136961   .2339885    -0.49   0.627     -.572305    .3449129
          51 |   .2334884   .2359128     0.99   0.322    -.2288922     .695869
             |
       _cons |  -.0829342   4.152836    -0.02   0.984    -8.222342    8.056474
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_logit) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_logit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |  -.0864328   .0579773    -1.49   0.136    -.2000662    .0272006
------------------------------------------------------------------------------
```

```
386 outreg2 using "${tables_dir}/Logit_het.tex", tex append addstat(Pseudo R-squared, r2
  > ) ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/Logit_het.tex
  dir : seeout

387
388 *** financial market participation
389 ***** low true literacy subgroup
390 logit fin_par_dummy overconfidence_logit `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =  -2155.857
  Iteration 1:   log pseudolikelihood = -1888.2241
  Iteration 2:   log pseudolikelihood = -1775.8457
  Iteration 3:   log pseudolikelihood = -1771.9217
  Iteration 4:   log pseudolikelihood = -1771.9114
  Iteration 5:   log pseudolikelihood = -1771.9114

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     529.46
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -1771.9114               Pseudo R2         =     0.1781

  ------------------------------------------------------------------------------
                       |               Robust
           fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_logit |   1.198717   .1533408     7.82   0.000     .8981745     1.49926
                   age |  -.0465706   .0206082    -2.26   0.024    -.0869619   -.0061793
                  age2 |   .0007834   .0002281     3.44   0.001     .0003364    .0012304
             logincome |   .0425919   1.305888     0.03   0.974    -2.516902    2.602086
            logincome2 |   .0445807   .0617795     0.72   0.471     -.076505    .1656664
          female_dummy |  -.3709436   .1096312    -3.38   0.001    -.5858167   -.1560705
       nonwhite_dummy |  -.2236753   .1248204    -1.79   0.073    -.4683189    .0209682
         marital_dummy |   .1069299   .1241343     0.86   0.389    -.1363688    .3502287
     high_school_dummy |   .9726099   .2751872     3.53   0.000      .433253    1.511967
         college_dummy |   .4514215   .1215685     3.71   0.000     .2131517    .6896914
                       |
                  year |
                  2015 |  -.1833232   .1371158    -1.34   0.181    -.4520652    .0854188
                  2018 |  -.3097967   .1363652    -2.27   0.023    -.5770677   -.0425258
                       |
             state_cate |
                     2 |   .2497005   .4680239     0.53   0.594    -.6676095    1.167011
                     3 |  -.1122804   .4808238    -0.23   0.815    -1.054678     .830117
                     4 |  -.3322289   .5013967    -0.66   0.508    -1.314948    .6504905
                     5 |   .2785119   .4078793     0.68   0.495    -.5209169    1.077941
                     6 |   .2029094   .4820822     0.42   0.674    -.7419545    1.147773
                     7 |  -.1056583   .4858534    -0.22   0.828    -1.057913    .8465968
                     8 |  -.2857805   .5457561    -0.52   0.601    -1.355443    .7838819
                     9 |   .5374938   .4307107     1.25   0.212    -.3066837    1.381671
                    10 |  -.1050417   .4705182    -0.22   0.823     -1.02724     .817157
                    11 |   -.145977   .4744454    -0.31   0.758    -1.075873    .7839189
                    12 |  -.7437513   .7124306    -1.04   0.297     -2.14009     .652587
                    13 |  -1.226436   .6329359    -1.94   0.053    -2.466968    .0140955
                    14 |  -.1321452   .4234524    -0.31   0.755    -.9620965    .6978062
                    15 |  -1.509773   .6870871    -2.20   0.028    -2.856439   -.1631071
                    16 |  -.2375241   .5397711    -0.44   0.660    -1.295456    .8204078
                    17 |   -.230684   .5162827    -0.45   0.655     -1.24258    .7812115
                    18 |   .0793823   .4672502     0.17   0.865    -.8364113    .9951759
                    19 |  -.6332651   .5483984    -1.15   0.248    -1.708106    .4415761
                    20 |   .1511576   .5086732     0.30   0.766    -.8458236    1.148139
                    21 |   .3943063   .4427643     0.89   0.373    -.4734958    1.262108
                    22 |  -.4506227   .5326508    -0.85   0.398    -1.494599    .5933536
                    23 |   .2521249   .4423093     0.57   0.569    -.6147854    1.119035
                    24 |  -.1239569   .4835503    -0.26   0.798    -1.071698    .8237843
                    25 |  -.4304901   .4957187    -0.87   0.385    -1.402081    .5411006
                    26 |    .288797   .4557751     0.63   0.526    -.6045057      1.1821
                    27 |   .3982477    .526814     0.76   0.450    -.6342888    1.430784
```

```
                  28  |   .9014324   .4651722     1.94   0.053    -.0102884    1.813153
                  29  |   .0080286   .5003594     0.02   0.987    -.9726578     .988715
                  30  |   .0175038   .4739089     0.04   0.971    -.9113407    .9463482
                  31  |  -.4635824   .4588482    -1.01   0.312    -1.362908    .4357436
                  32  |  -.1773623   .5817956    -0.30   0.760    -1.317661    .9629362
                  33  |   .2932202   .3970501     0.74   0.460    -.4849838    1.071424
                  34  |  -.1595132   .4715506    -0.34   0.735    -1.083735    .7647091
                  35  |   .3908996   .4520488     0.86   0.387    -.4950997    1.276899
                  36  |  -.1050671   .4761303    -0.22   0.825    -1.038265    .8281311
                  37  |   .1597995   .4729185     0.34   0.735    -.7671036    1.086703
                  38  |    .399639   .4799311     0.83   0.405    -.5410087    1.340287
                  39  |   .1027727   .4422681     0.23   0.816    -.7640569    .9696023
                  40  |  -.4531551   .4985154    -0.91   0.363    -1.430227    .5239172
                  41  |   .3821709   .4396743     0.87   0.385    -.4795748    1.243917
                  42  |  -.0153579   .5111336    -0.03   0.976    -1.017161    .9864455
                  43  |   .0262443   .5134777     0.05   0.959    -.9801535    1.032642
                  44  |  -.2216345   .4247236    -0.52   0.602    -1.054078    .6108085
                  45  |  -.0489541   .6021131    -0.08   0.935    -1.229074    1.131166
                  46  |   .3479566   .4824438     0.72   0.471    -.5976159    1.293529
                  47  |  -.1767558   .4923095    -0.36   0.720    -1.141665    .7881531
                  48  |   .2599167   .4259687     0.61   0.542    -.5749667      1.0948
                  49  |  -.2163228   .4911168    -0.44   0.660    -1.178894    .7462484
                  50  |  -.4772893   .5428439    -0.88   0.379    -1.541244    .5866651
                  51  |   .3870842   .5392654     0.72   0.473    -.6698566    1.444025
                      |
                _cons |  -8.402699   6.920661    -1.21   0.225    -21.96694    5.161546
------------------------------------------------------------------------------

391 scalar r2 = e(r2_p)

392 margins, dydx(overconfidence_logit) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_logit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   .0929301   .0117728     7.89   0.000     .0698558    .1160044
------------------------------------------------------------------------------

393 outreg2 using "${tables_dir}/Logit_het.tex", tex append addstat(Pseudo R-squared, r2
> ) ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Participation")
../outputs/tables/Logit_het.tex
dir : seeout

394
395 ***** high true literacy subgroup
396 logit fin_par_dummy overconfidence_logit `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -7436.5574
Iteration 1:   log pseudolikelihood = -6649.5522
Iteration 2:   log pseudolikelihood = -6645.6997
Iteration 3:   log pseudolikelihood = -6645.6986
Iteration 4:   log pseudolikelihood = -6645.6986

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =     978.57
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -6645.6986               Pseudo R2         =     0.1063
```

fin_par_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_logit	-.3884601	.3521446	-1.10	0.270	-1.078651	.3017306
age	-.0668434	.0140991	-4.74	0.000	-.094477	-.0392097
age2	.0008827	.0001339	6.59	0.000	.0006202	.0011452
logincome	-.7899518	.771535	-1.02	0.306	-2.302133	.722229
logincome2	.0760849	.0351681	2.16	0.031	.0071566	.1450131
female_dummy	-.1133104	.0486784	-2.33	0.020	-.2087182	-.0179025
nonwhite_dummy	-.0487313	.0694042	-0.70	0.483	-.184761	.0872984
marital_dummy	-.0288697	.056332	-0.51	0.608	-.1392783	.081539
high_school_dummy	.8902557	.3803579	2.34	0.019	.1447678	1.635744
college_dummy	.3798729	.0520252	7.30	0.000	.2779054	.4818404
year						
2015	-.231778	.0568	-4.08	0.000	-.3431039	-.120452
2018	-.1859418	.0604072	-3.08	0.002	-.3043376	-.0675459
state_cate						
2	.3861606	.2073647	1.86	0.063	-.0202668	.7925879
3	.4065784	.2084656	1.95	0.051	-.0020067	.8151634
4	.4601113	.2202844	2.09	0.037	.0283618	.8918608
5	.3210319	.207589	1.55	0.122	-.0858351	.727899
6	.4468612	.2118689	2.11	0.035	.0316059	.8621166
7	.7304765	.2171645	3.36	0.001	.304842	1.156111
8	.4733513	.2159434	2.19	0.028	.05011	.8965926
9	.4229097	.2180439	1.94	0.052	-.0044486	.8502679
10	.5488384	.2428994	2.26	0.024	.0727643	1.024912
11	.3488044	.2341884	1.49	0.136	-.1101963	.8078051
12	.9065939	.2171851	4.17	0.000	.4809189	1.332269
13	.4380289	.210535	2.08	0.037	.0253879	.8506698
14	.4646588	.205101	2.27	0.023	.0626683	.8666494
15	.2902718	.2194914	1.32	0.186	-.1399234	.720467
16	.5658394	.2086367	2.71	0.007	.1569188	.9747599
17	.5588661	.2131468	2.62	0.009	.1411061	.9766262
18	.2765084	.2240108	1.23	0.217	-.1625447	.7155616
19	.2677181	.24619	1.09	0.277	-.2148054	.7502417
20	.2403728	.2097214	1.15	0.252	-.1706736	.6514191
21	.2941088	.2165457	1.36	0.174	-.1303129	.7185306
22	.4982834	.216382	2.30	0.021	.0741825	.9223843
23	.1790009	.219266	0.82	0.414	-.2507526	.6087544
24	.1317402	.2078315	0.63	0.526	-.2756021	.5390825
25	.0631998	.2328054	0.27	0.786	-.3930904	.51949
26	.3019736	.2150019	1.40	0.160	-.1194223	.7233695
27	.4317558	.205193	2.10	0.035	.029585	.8339267
28	.2217524	.2046706	1.08	0.279	-.1793946	.6228994
29	.2875944	.2194866	1.31	0.190	-.1425914	.7177802
30	.0504798	.1986228	0.25	0.799	-.3388137	.4397733
31	.8019553	.2202062	3.64	0.000	.3703591	1.233552
32	.1901276	.2161904	0.88	0.379	-.2335978	.6138529
33	.3765333	.2134349	1.76	0.078	-.0417914	.794858
34	.5720098	.2227881	2.57	0.010	.1353533	1.008666
35	.4231668	.2068035	2.05	0.041	.0178394	.8284942
36	.3526575	.2241791	1.57	0.116	-.0867254	.7920404
37	.133548	.2182511	0.61	0.541	-.2942163	.5613123
38	.2920521	.2034094	1.44	0.151	-.1066229	.6907271
39	.5139018	.2191446	2.35	0.019	.0843863	.9434174
40	.39336	.2080391	1.89	0.059	-.0143891	.801109
41	.0245393	.2198916	0.11	0.911	-.4064404	.4555189
42	.6065148	.2079821	2.92	0.004	.1988773	1.014152
43	.1868055	.2234436	0.84	0.403	-.251136	.624747
44	.0283199	.2159902	0.13	0.896	-.3950131	.4516529
45	.1455389	.2078602	0.70	0.484	-.2618596	.5529374
46	.2373263	.2071383	1.15	0.252	-.1686572	.6433098
47	.3945987	.2130491	1.85	0.064	-.0229698	.8121673
48	.5497192	.2085801	2.64	0.008	.1409098	.9585286
49	.2729066	.2271057	1.20	0.229	-.1722124	.7180256
50	.4450496	.2093717	2.13	0.034	.0346886	.8554105
51	.2900238	.2053859	1.41	0.158	-.1125251	.6925727
_cons	-.6756069	4.322165	-0.16	0.876	-9.146895	7.795681

```
------------------------------------------------------------------------------

397 scalar r2 = e(r2_p)

398 margins, dydx(overconfidence_logit) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_logit

------------------------------------------------------------------------------
                     |            Delta-method
                     |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_logit |   -.079636   .0721576    -1.10   0.270    -.2210623    .0617904
------------------------------------------------------------------------------

399 outreg2 using "${tables_dir}/Logit_het.tex", tex append addstat(Pseudo R-squared, r2
  > ) ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/Logit_het.tex
  dir : seeout

400
401 * heterogeneous effects with Bernoulli NB
402 *** retirement readiness
403 ***** without state dummies
404 logit retire_dummy overconfidence_bnb `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -2789.9313
Iteration 1:   log pseudolikelihood = -2498.6395
Iteration 2:   log pseudolikelihood = -2459.4245
Iteration 3:   log pseudolikelihood = -2459.0311
Iteration 4:   log pseudolikelihood = -2459.0307
Iteration 5:   log pseudolikelihood = -2459.0307

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     439.69
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -2459.0307               Pseudo R2         =     0.1186

------------------------------------------------------------------------------
                     |               Robust
         retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
---------------------+--------------------------------------------------------------
overconfidence_bnb |   1.198446   .1377043     8.70   0.000     .9285507    1.468342
                age |   .0198325   .0181724     1.09   0.275    -.0157848    .0554499
               age2 |   -.000448   .0002112    -2.12   0.034     -.000862   -.0000341
          logincome |   -1.23592     1.0084    -1.23   0.220    -3.212349     .740508
         logincome2 |   .0781187   .0486676     1.61   0.108     -.017268    .1735053
       female_dummy |  -.3130714     .09287    -3.37   0.001    -.4950932   -.1310496
    nonwhite_dummy |  -.0062377   .0984694    -0.06   0.949    -.1992342    .1867587
     marital_dummy |   .6406854   .1033887     6.20   0.000     .4380472    .8433235
 high_school_dummy |   .8341516   .1932785     4.32   0.000     .4553327     1.21297
     college_dummy |   .6630901   .1015652     6.53   0.000      .464026    .8621542
                   |
              year |
              2015 |   .0755598   .1185279     0.64   0.524    -.1567505    .3078702
              2018 |   .0643844   .1168354     0.55   0.582    -.1646088    .2933777
                   |
         state_cate |
                 2 |   .3527894   .3791073     0.93   0.352    -.3902473    1.095826
                 3 |  -.4119853   .4024546    -1.02   0.306    -1.200782    .3768112
                 4 |  -.4678605   .3839869    -1.22   0.223    -1.220461    .2847399
                 5 |  -.2748099   .3087269    -0.89   0.373    -.8799035    .3302836
                 6 |  -.3076383   .3890491    -0.79   0.429     -1.07016    .4548839
                 7 |  -.1726397   .3769137    -0.46   0.647    -.9113769    .5660975
```

```
               8  |  -.1690707   .3888716    -0.43   0.664     -.931245    .5931035
               9  |   .0491088   .3594322     0.14   0.891    -.6553654    .7535831
              10  |  -.0877722   .3345242    -0.26   0.793    -.7434276    .5678832
              11  |   -.518599   .3403853    -1.52   0.128    -1.185742    .1485439
              12  |  -.9334686   .5443053    -1.71   0.086    -2.000287    .1333502
              13  |  -1.082204    .694365    -1.56   0.119    -2.443135    .2787263
              14  |  -.3883698   .3409073    -1.14   0.255    -1.056536    .2797962
              15  |  -.5393208   .4045079    -1.33   0.182    -1.332142    .2535001
              16  |  -.3788655   .4214747    -0.90   0.369    -1.204941    .4472098
              17  |  -.2389891   .4082808    -0.59   0.558    -1.039205    .5612265
              18  |    .098701   .3652038     0.27   0.787    -.6170853    .8144873
              19  |  -.6427597   .3753031    -1.71   0.087     -1.37834    .0928209
              20  |  -.3197132   .4048981    -0.79   0.430    -1.113299    .4738726
              21  |  -.4257737   .3737279    -1.14   0.255    -1.158267    .3067195
              22  |    .066987   .3728106     0.18   0.857    -.6637084    .7976824
              23  |  -.1673707   .3326085    -0.50   0.615    -.8192714      .48453
              24  |  -.5103936   .3832788    -1.33   0.183    -1.261606     .240819
              25  |   -.634865   .3573264    -1.78   0.076    -1.335212     .065482
              26  |  -.8372849   .3966474    -2.11   0.035      -1.6147   -.0598701
              27  |  -.0957273    .434802    -0.22   0.826    -.9479236    .7564689
              28  |  -.6648802   .4472916    -1.49   0.137    -1.541556    .2117953
              29  |  -.1105295   .3625415    -0.30   0.760    -.8210979    .6000388
              30  |   -.016734   .4396226    -0.04   0.970    -.8783784    .8449104
              31  |  -.2460434   .3415832    -0.72   0.471    -.9155341    .4234473
              32  |   .0086712   .4008572     0.02   0.983    -.7769943    .7943368
              33  |  -.4580131   .3120455    -1.47   0.142    -1.069611    .1535849
              34  |  -.9711169   .3931764    -2.47   0.014    -1.741728   -.2005054
              35  |   .0456214    .385071     0.12   0.906    -.7091039    .8003467
              36  |  -.6208985   .3963766    -1.57   0.117    -1.397782    .1559852
              37  |  -.4188113   .3814115    -1.10   0.272    -1.166364    .3287415
              38  |  -.5852907   .3665919    -1.60   0.110    -1.303798    .1332162
              39  |  -.6434651   .3687336    -1.75   0.081     -1.36617    .0792395
              40  |  -.7252153   .4087271    -1.77   0.076    -1.526306    .0758752
              41  |  -.3480067   .3551688    -0.98   0.327    -1.044125    .3481112
              42  |    -.08397   .4403374    -0.19   0.849    -.9470154    .7790754
              43  |  -.1641024   .3700269    -0.44   0.657    -.8893419     .561137
              44  |  -.6174761   .3329475    -1.85   0.064    -1.270041     .035089
              45  |   -.620809   .4623105    -1.34   0.179    -1.526921     .285303
              46  |  -.2851465   .4226947    -0.67   0.500    -1.113613    .5433199
              47  |  -.0651626   .3431441    -0.19   0.849    -.7377126    .6073874
              48  |  -.3094846    .334858    -0.92   0.355    -.9657942     .346825
              49  |  -.1184206   .3816032    -0.31   0.756    -.8663491    .6295079
              50  |  -.5344711   .4296821    -1.24   0.214    -1.376632    .3076903
              51  |   .0100646   .4074904     0.02   0.980    -.7886019    .8087311
                  |
           _cons  |   1.336462   5.208583     0.26   0.797    -8.872172     11.5451
------------------------------------------------------------------------------

405 scalar r2 = e(r2_p)

406 margins, dydx(overconfidence_bnb) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_bnb |   .1354903   .0152429     8.89   0.000     .1056147    .1653659
------------------------------------------------------------------------------
```

```
407 outreg2 using "${tables_dir}/BNB_het.tex", tex replace addstat(Pseudo R-squared, r2)
  >  ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/BNB_het.tex
  dir : seeout

408
409 ***** with state dummies
410 logit retire_dummy overconfidence_bnb `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =   -7639.91
  Iteration 1:   log pseudolikelihood = -6361.6215
  Iteration 2:   log pseudolikelihood = -6350.2548
  Iteration 3:   log pseudolikelihood = -6350.2317
  Iteration 4:   log pseudolikelihood = -6350.2317

  Logistic regression                               Number of obs     =     12,539
                                                    Wald chi2(62)     =    1619.08
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -6350.2317                 Pseudo R2         =     0.1688

  ------------------------------------------------------------------------------
                       |               Robust
             retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_bnb |  -1.531155    .297177    -5.15   0.000    -2.113611   -.9486986
                 age |   .2086881   .0130151    16.03   0.000     .1831789    .2341972
                age2 |  -.0025958   .0001278   -20.31   0.000    -.0028463   -.0023453
           logincome |   -1.76198   .7108694    -2.48   0.013    -3.155259   -.3687018
          logincome2 |   .1101458   .0324816     3.39   0.001      .046483    .1738086
        female_dummy |   .0540741   .0516003     1.05   0.295    -.0470607    .1552089
      nonwhite_dummy |   .2149963   .0738315     2.91   0.004     .0702892    .3597035
       marital_dummy |  -.0932893   .0614783    -1.52   0.129    -.2137845     .027206
   high_school_dummy |   .0070623   .4137891     0.02   0.986    -.8039495     .818074
       college_dummy |   .1701136   .0570215     2.98   0.003     .0583536    .2818737
                     |
                year |
                2015 |   .0213879   .0590091     0.36   0.717    -.0942677    .1370435
                2018 |   .0966231   .0622819     1.55   0.121    -.0254473    .2186934
                     |
           state_cate |
                   2 |  -.1008363   .2162172    -0.47   0.641    -.5246142    .3229416
                   3 |  -.2043364   .2298316    -0.89   0.374     -.654798    .2461252
                   4 |  -.5532101    .234239    -2.36   0.018     -1.01231     -.09411
                   5 |  -.3542503   .2248207    -1.58   0.115    -.7948906    .0863901
                   6 |  -.1596813   .2243087    -0.71   0.477    -.5993182    .2799557
                   7 |  -.0835137   .2205358    -0.38   0.705    -.5157559    .3487285
                   8 |  -.3367498   .2186479    -1.54   0.124    -.7652918    .0917922
                   9 |  -.1228674   .2264879    -0.54   0.587    -.5667755    .3210406
                  10 |  -.4547168   .2552237    -1.78   0.075    -.9549462    .0455125
                  11 |  -.3238705   .2371043    -1.37   0.172    -.7885864    .1408454
                  12 |  -.4341078   .2136609    -2.03   0.042    -.8528754   -.0153402
                  13 |  -.3395458   .2228364    -1.52   0.128    -.7762972    .0972056
                  14 |  -.0930006   .2162003    -0.43   0.667    -.5167453    .3307441
                  15 |   .2163129   .2293262     0.94   0.346    -.2331583    .6657841
                  16 |  -.1763117   .2221481    -0.79   0.427    -.6117139    .2590905
                  17 |  -.2288554   .2199333    -1.04   0.298    -.6599167     .202206
                  18 |   .0261903    .233205     0.11   0.911     -.430883    .4832636
                  19 |  -.0351094   .2686555    -0.13   0.896    -.5616645    .4914457
                  20 |   .1657189   .2173623     0.76   0.446    -.2603034    .5917413
                  21 |   -.248424   .2275206    -1.09   0.275    -.6943562    .1975082
                  22 |  -.1844575   .2189121    -0.84   0.399    -.6135173    .2446023
                  23 |   -.314473    .234993    -1.34   0.181    -.7750509    .1461048
                  24 |  -.4174909   .2142127    -1.95   0.051      -.83734    .0023581
                  25 |  -.0417899   .2332288    -0.18   0.858    -.4989099      .41533
                  26 |   -.377893   .2293301    -1.65   0.099    -.8273717    .0715857
                  27 |   .1029112   .2125198     0.48   0.628    -.3136199    .5194423
                  28 |  -.0624984   .2194528    -0.28   0.776    -.4926179    .3676211
                  29 |  -.3527478   .2365729    -1.49   0.136    -.8164221    .1109266
```

```
               30  |  -.2579752   .2126936    -1.21   0.225     -.674847    .1588967
               31  |   -.418016   .2304073    -1.81   0.070     -.869606     .033574
               32  |  -.5948936   .2294679    -2.59   0.010    -1.044642   -.1451447
               33  |   -.073138   .2245731    -0.33   0.745    -.5132932    .3670172
               34  |  -.0910349   .2273316    -0.40   0.689    -.5365967    .3545269
               35  |   .1899452   .2195806     0.87   0.387    -.2404249    .6203153
               36  |  -.2176065   .2364398    -0.92   0.357    -.6810201     .245807
               37  |  -.2435516   .2214707    -1.10   0.271    -.6776261     .190523
               38  |  -.1287041   .2142681    -0.60   0.548    -.5486619    .2912536
               39  |  -.2272055   .2322683    -0.98   0.328     -.682443    .2280321
               40  |  -.4545743   .2204962    -2.06   0.039    -.8867389   -.0224096
               41  |   -.372779   .2336827    -1.60   0.111    -.8307887    .0852307
               42  |  -.0654719   .2133724    -0.31   0.759    -.4836741    .3527304
               43  |  -.1690946   .2371112    -0.71   0.476     -.633824    .2956348
               44  |  -.3903022   .2310326    -1.69   0.091    -.8431178    .0625135
               45  |   .0929895   .2176276     0.43   0.669    -.3335527    .5195317
               46  |  -.2923201   .2132197    -1.37   0.170     -.710223    .1255828
               47  |  -.3298171   .2223861    -1.48   0.138    -.7656859    .1060516
               48  |  -.3763238   .2159572    -1.74   0.081    -.7995921    .0469445
               49  |   .1626608   .2330501     0.70   0.485    -.2941089    .6194305
               50  |  -.2414151   .2174781    -1.11   0.267    -.6676644    .1848343
               51  |   .1363216   .2132722     0.64   0.523    -.2816842    .5543274
                   |
             _cons |   2.544458   3.922883     0.65   0.517    -5.144251    10.23317
------------------------------------------------------------------------------

411 scalar r2 = e(r2_p)

412 margins, dydx(overconfidence_bnb) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_bnb |  -.2963391   .0569947    -5.20   0.000    -.4080467   -.1846315
------------------------------------------------------------------------------

413 outreg2 using "${tables_dir}/BNB_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/BNB_het.tex
  dir : seeout

414
415 *** precautionary saving
416 ***** low true literacy subgroup
417 logit precaution_dummy overconfidence_bnb `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood = -3717.9486
  Iteration 1:   log pseudolikelihood =  -3371.331
  Iteration 2:   log pseudolikelihood = -3359.7709
  Iteration 3:   log pseudolikelihood = -3359.7279
  Iteration 4:   log pseudolikelihood = -3359.7279

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     445.49
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -3359.7279               Pseudo R2         =     0.0963
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_bnb	1.126196	.1218799	9.24	0.000	.8873161	1.365077
age	-.0941058	.0138889	-6.78	0.000	-.1213275	-.0668841
age2	.0010709	.0001568	6.83	0.000	.0007636	.0013782
logincome	-1.38179	.8334796	-1.66	0.097	-3.01538	.2518003
logincome2	.0887282	.0405485	2.19	0.029	.0092546	.1682018
female_dummy	-.2353665	.0784547	-3.00	0.003	-.3891349	-.081598
nonwhite_dummy	-.2040332	.0844004	-2.42	0.016	-.3694549	-.0386115
marital_dummy	.3322096	.0838626	3.96	0.000	.1678419	.4965774
high_school_dummy	.6541591	.1390021	4.71	0.000	.3817199	.9265983
college_dummy	.5707158	.0897861	6.36	0.000	.3947383	.7466932
year						
2015	.0105888	.0969751	0.11	0.913	-.179479	.2006566
2018	.0615256	.0938063	0.66	0.512	-.1223314	.2453827
state_cate						
2	.3918324	.3477207	1.13	0.260	-.2896877	1.073352
3	-.1665251	.3265176	-0.51	0.610	-.8064879	.4734377
4	-.4968756	.3016678	-1.65	0.100	-1.088134	.0943823
5	-.2437974	.2713328	-0.90	0.369	-.7755999	.2880052
6	-.2304875	.3291151	-0.70	0.484	-.8755413	.4145663
7	-.4415513	.3328463	-1.33	0.185	-1.093918	.2108154
8	-.3729845	.3415484	-1.09	0.275	-1.042407	.2964381
9	-.1218377	.306905	-0.40	0.691	-.7233604	.479685
10	-.4843705	.2937432	-1.65	0.099	-1.060097	.0913557
11	-.3656903	.2916355	-1.25	0.210	-.9372854	.2059049
12	-.1473538	.347031	-0.42	0.671	-.8275221	.5328145
13	-.1414654	.3537293	-0.40	0.689	-.834762	.5518313
14	.0205241	.2866157	0.07	0.943	-.5412324	.5822806
15	-.7843807	.343173	-2.29	0.022	-1.456987	-.111774
16	-.3113715	.3444246	-0.90	0.366	-.9864313	.3636883
17	-.0993769	.3191081	-0.31	0.755	-.7248172	.5260634
18	-.2229678	.3088655	-0.72	0.470	-.8283331	.3823976
19	-.3339414	.3024846	-1.10	0.270	-.9268004	.2589176
20	-.4920948	.3360818	-1.46	0.143	-1.150803	.1666134
21	-.7571587	.3158096	-2.40	0.017	-1.376134	-.1381832
22	-.4736592	.3268149	-1.45	0.147	-1.114205	.1668863
23	-.407483	.2937556	-1.39	0.165	-.9832333	.1682674
24	-.1633481	.3105658	-0.53	0.599	-.7720459	.4453496
25	-.340385	.2869447	-1.19	0.236	-.9027863	.2220162
26	-.5356421	.311185	-1.72	0.085	-1.145553	.0742692
27	-1.091522	.4558621	-2.39	0.017	-1.984995	-.1980484
28	.0068706	.3379008	0.02	0.984	-.6554028	.6691441
29	-.4385944	.3164823	-1.39	0.166	-1.058888	.1816994
30	.3605002	.3254246	1.11	0.268	-.2773203	.9983207
31	-.7999946	.300973	-2.66	0.008	-1.389891	-.2100984
32	-.0322354	.3488604	-0.09	0.926	-.7159893	.6515185
33	-.3857745	.2641346	-1.46	0.144	-.9034688	.1319197
34	-.049023	.2811746	-0.17	0.862	-.6001151	.5020691
35	.5320538	.3247069	1.64	0.101	-.1043601	1.168468
36	-.131448	.3047652	-0.43	0.666	-.7287769	.4658808
37	-.883132	.3358134	-2.63	0.009	-1.541314	-.2249499
38	-.3293444	.3127273	-1.05	0.292	-.9422786	.2835897
39	-.7716238	.3050057	-2.53	0.011	-1.369424	-.1738236
40	-.3880646	.3186681	-1.22	0.223	-1.012643	.2365134
41	-.1663133	.2959025	-0.56	0.574	-.7462716	.413645
42	-.6032393	.3771706	-1.60	0.110	-1.34248	.1360015
43	-.2328414	.2981764	-0.78	0.435	-.8172564	.3515737
44	-.2053046	.2731801	-0.75	0.452	-.7407278	.3301186
45	-.5806346	.377643	-1.54	0.124	-1.320801	.1595322
46	-.3838392	.3619768	-1.06	0.289	-1.093301	.3256223
47	-.4355813	.3136117	-1.39	0.165	-1.050249	.1790863
48	-.4114651	.2905204	-1.42	0.157	-.9808747	.1579445
49	-.6405092	.3195455	-2.00	0.045	-1.266807	-.0142116
50	-.7370653	.3430819	-2.15	0.032	-1.409494	-.0646371
51	-.7213089	.3820894	-1.89	0.059	-1.47019	.0275725
_cons	4.626672	4.265319	1.08	0.278	-3.7332	12.98654

```
------------------------------------------------------------------------------

418 scalar r2 = e(r2_p)

419 margins, dydx(overconfidence_bnb) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_bnb |   .1883458   .0197576     9.53   0.000     .1496215    .2270701
------------------------------------------------------------------------------

420 outreg2 using "${tables_dir}/BNB_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Precaution")
../outputs/tables/BNB_het.tex
dir : seeout

421
422 ***** high true literacy subgroup
423 logit precaution_dummy overconfidence_bnb `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -6836.5088
Iteration 1:   log pseudolikelihood = -5937.1014
Iteration 2:   log pseudolikelihood = -5914.1866
Iteration 3:   log pseudolikelihood = -5914.1011
Iteration 4:   log pseudolikelihood = -5914.1011

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =    1091.22
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -5914.1011               Pseudo R2         =     0.1349

------------------------------------------------------------------------------
                  |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_bnb |   -1.86691   .2806613    -6.65   0.000    -2.416996   -1.316824
               age |  -.1117907   .0136346    -8.20   0.000    -.1385141   -.0850673
              age2 |   .0014327   .0001358    10.55   0.000     .0011666    .0016988
         logincome |  -.6632499   .7656713    -0.87   0.386    -2.163938    .8374382
        logincome2 |    .070561   .0353227     2.00   0.046     .0013299    .1397922
      female_dummy |   .1444087   .0559028     2.58   0.010     .0348411    .2539763
   nonwhite_dummy |  -.0952331   .0774845    -1.23   0.219    -.2470999    .0566337
    marital_dummy |  -.1184078   .0621458    -1.91   0.057    -.2402113    .0033956
 high_school_dummy |    .520859   .3273406     1.59   0.112    -.1207169    1.162435
     college_dummy |   .2200118    .061042     3.60   0.000     .1003716    .3396519
                  |
              year |
              2015 |   .3124048   .0608386     5.13   0.000     .1931634    .4316462
              2018 |   .3718273   .0653156     5.69   0.000     .2438111    .4998435
                  |
         state_cate |
                 2 |   .0215789   .2391829     0.09   0.928     -.447211    .4903688
                 3 |   .0983185   .2393584     0.41   0.681    -.3708153    .5674524
                 4 |   .1857645   .2539483     0.73   0.464    -.3119652    .6834941
                 5 |   .1006037   .2421114     0.42   0.678     -.373926    .5751334
                 6 |    .215779    .239054     0.90   0.367    -.2527583    .6843163
                 7 |   .1995015    .248767     0.80   0.423    -.2880729     .687076
                 8 |   .2028787   .2536404     0.80   0.424    -.2942475    .7000048
                 9 |  -.1328834   .2386723    -0.56   0.578    -.6006725    .3349057
                10 |   .2626343   .2769689     0.95   0.343    -.2802147    .8054833
```

```
          11 |   -.003542   .2634878    -0.01   0.989    -.5199687    .5128846
          12 |   .1847513   .2424958     0.76   0.446    -.2905317    .6600342
          13 |  -.0906908   .2362325    -0.38   0.701     -.553698    .3723163
          14 |   .2160595   .2370591     0.91   0.362    -.2485678    .6806868
          15 |   .0355035   .2548915     0.14   0.889    -.4640746    .5350815
          16 |   .2061653   .2409165     0.86   0.392    -.2660224    .6783529
          17 |   .1498371   .2405367     0.62   0.533    -.3216062    .6212803
          18 |   .1547095   .2564843     0.60   0.546    -.3479905    .6574095
          19 |   .0785568   .2649151     0.30   0.767    -.4406672    .5977808
          20 |  -.3484029   .2391465    -1.46   0.145    -.8171214    .1203156
          21 |  -.1200022   .2360554    -0.51   0.611    -.5826622    .3426578
          22 |   .3259221   .2506085     1.30   0.193    -.1652615    .8171057
          23 |   .1767394   .2553736     0.69   0.489    -.3237837    .6772625
          24 |   .1477921    .239868     0.62   0.538    -.3223406    .6179248
          25 |  -.1848409   .2578095    -0.72   0.473    -.6901382    .3204564
          26 |   .1290262   .2489324     0.52   0.604    -.3588724    .6169247
          27 |   .2211667   .2329277     0.95   0.342    -.2353633    .6776966
          28 |  -.0412024     .23594    -0.17   0.861    -.5036364    .4212315
          29 |   .1459165   .2597628     0.56   0.574    -.3632092    .6550421
          30 |  -.1691905   .2278527    -0.74   0.458    -.6157737    .2773927
          31 |    -.08074   .2450688    -0.33   0.742     -.561066     .399586
          32 |    .078733    .245356     0.32   0.748     -.402156     .559622
          33 |   .2502923   .2559208     0.98   0.328    -.2513033    .7518879
          34 |   .0695014   .2520371     0.28   0.783    -.4244823    .5634851
          35 |   .2144644    .237514     0.90   0.367    -.2510545    .6799833
          36 |  -.1045125   .2512302    -0.42   0.677    -.5969148    .3878897
          37 |  -.0692111   .2479661    -0.28   0.780    -.5552157    .4167935
          38 |  -.1005456   .2376244    -0.42   0.672    -.5662809    .3651896
          39 |    .063641   .2447638     0.26   0.795    -.4160872    .5433691
          40 |   .0335913   .2414626     0.14   0.889    -.4396667    .5068493
          41 |   -.031671   .2577599    -0.12   0.902    -.5368711     .473529
          42 |   .3460402   .2370332     1.46   0.144    -.1185363    .8106166
          43 |  -.0544431   .2631219    -0.21   0.836    -.5701526    .4612664
          44 |   .1060073   .2517422     0.42   0.674    -.3873984     .599413
          45 |  -.1225997   .2370158    -0.52   0.605    -.5871421    .3419427
          46 |   -.084009   .2339098    -0.36   0.719    -.5424638    .3744459
          47 |  -.0481156   .2501193    -0.19   0.847    -.5383405    .4421093
          48 |    .255234   .2416027     1.06   0.291    -.2182986    .7287665
          49 |   .2701404    .264888     1.02   0.308    -.2490304    .7893113
          50 |  -.1821863   .2335149    -0.78   0.435    -.6398671    .2754945
          51 |   .1111847   .2362425     0.47   0.638    -.3518421    .5742115
             |
       _cons |   .2771577   4.157928     0.07   0.947    -7.872232    8.426548
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_bnb) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb

------------------------------------------------------------------------------
                             |            Delta-method
                             |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----------------------------+------------------------------------------------------------------
overconfidence_bnb |    -.32996   .0489298    -6.74   0.000    -.4258606   -.2340594
------------------------------------------------------------------------------
```

```
426 outreg2 using "${tables_dir}/BNB_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/BNB_het.tex
  dir : seeout

427
428 *** financial market participation
429 ***** low true literacy subgroup
430 logit fin_par_dummy overconfidence_bnb `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =  -2155.857
  Iteration 1:   log pseudolikelihood = -1894.2416
  Iteration 2:   log pseudolikelihood = -1778.2325
  Iteration 3:   log pseudolikelihood = -1774.3699
  Iteration 4:   log pseudolikelihood = -1774.3602
  Iteration 5:   log pseudolikelihood = -1774.3602

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     546.98
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -1774.3602               Pseudo R2         =     0.1770

  ------------------------------------------------------------------------------
                       |               Robust
            fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_bnb |   1.142936   .1518863     7.52   0.000     .8452447    1.440628
                  age |  -.0761354   .0198416    -3.84   0.000    -.1150243   -.0372465
                 age2 |   .0009794   .0002213     4.43   0.000     .0005457    .0014131
            logincome |   .8794049   1.293332     0.68   0.497    -1.655479    3.414289
           logincome2 |  -.0005752   .0610902    -0.01   0.992    -.1203098    .1191594
          female_dummy |  -.4762429   .1108485    -4.30   0.000    -.6935019   -.2589839
       nonwhite_dummy |  -.3831952   .1258604    -3.04   0.002    -.6298772   -.1365133
        marital_dummy |   .2199481   .1245236     1.77   0.077    -.0241135    .4640098
    high_school_dummy |   1.193868   .2641973     4.52   0.000     .6760511    1.711686
        college_dummy |     .60417   .1216756     4.97   0.000     .3656902    .8426498
                      |
                 year |
                 2015 |  -.1778837   .1366372    -1.30   0.193    -.4456876    .0899203
                 2018 |   -.303508    .135413    -2.24   0.025    -.5689126   -.0381033
                      |
           state_cate |
                    2 |   .3664431   .4741369     0.77   0.440    -.5628482    1.295734
                    3 |  -.0987631   .4841324    -0.20   0.838    -1.047645    .8501189
                    4 |  -.3751763   .5023606    -0.75   0.455    -1.359785    .6094324
                    5 |   .2148906    .409804     0.52   0.600    -.5883104    1.018092
                    6 |   .2937478   .4946699     0.59   0.553    -.6757874    1.263283
                    7 |  -.0225545   .4838838    -0.05   0.963    -.9709493    .9258404
                    8 |   -.248497   .5565463    -0.45   0.655    -1.339308    .8423137
                    9 |   .5154725   .4275677     1.21   0.228    -.3225448     1.35349
                   10 |  -.1942067   .4751706    -0.41   0.683    -1.125524    .7371106
                   11 |  -.1937733   .4774285    -0.41   0.685    -1.129516    .7419694
                   12 |  -.5864078   .7109112    -0.82   0.409    -1.979768    .8069526
                   13 |  -1.088902   .6349062    -1.72   0.086    -2.333295    .1554915
                   14 |  -.0904169   .4260426    -0.21   0.832    -.9254451    .7446112
                   15 |  -1.532081   .6952773    -2.20   0.028      -2.8948   -.1693627
                   16 |  -.1122513   .5386167    -0.21   0.835    -1.167921    .9434181
                   17 |  -.1957599   .5150187    -0.38   0.704    -1.205178    .8136581
                   18 |   .1018517   .4685034     0.22   0.828    -.8163981    1.020102
                   19 |  -.6852552   .5514504    -1.24   0.214    -1.766078    .3955677
                   20 |    .199402   .5179843     0.38   0.700    -.8158286    1.214633
                   21 |   .4248867   .4434687     0.96   0.338     -.444296    1.294069
                   22 |  -.4300135   .5365147    -0.80   0.423    -1.481563     .621536
                   23 |   .1973646    .443537     0.44   0.656     -.671952    1.066681
                   24 |  -.0579791   .4878208    -0.12   0.905     -1.01409    .8981321
                   25 |  -.4031675   .4910422    -0.82   0.412    -1.365593    .5592574
                   26 |    .243622   .4527904     0.54   0.591    -.6438308    1.131075
                   27 |   .4746819   .5333375     0.89   0.373    -.5706405    1.520004
```

```
              28 |   .9913239   .4709175     2.11   0.035     .0683426    1.914305
              29 |    .026252   .4871742     0.05   0.957    -.9285919    .9810958
              30 |   .1420875   .4824083     0.29   0.768    -.8034153     1.08759
              31 |  -.3581525   .4600175    -0.78   0.436     -1.25977    .5434652
              32 |  -.0239831    .572785    -0.04   0.967    -1.146621    1.098655
              33 |   .1676084   .3953329     0.42   0.672    -.6072298    .9424466
              34 |  -.1980464   .4770718    -0.42   0.678     -1.13309    .7369971
              35 |   .4892716   .4599675     1.06   0.287     -.412248    1.390791
              36 |  -.0929898   .4715757    -0.20   0.844    -1.017261    .8312816
              37 |   .1125324    .468916     0.24   0.810    -.8065261    1.031591
              38 |   .3653883   .4804826     0.76   0.447    -.5763403    1.307117
              39 |   .0499577    .440878     0.11   0.910    -.8141474    .9140627
              40 |  -.3264883   .5031729    -0.65   0.516    -1.312689    .6597125
              41 |   .4384698   .4439938     0.99   0.323    -.4317421    1.308682
              42 |   .0223949    .519746     0.04   0.966    -.9962885    1.041078
              43 |   .0032458   .5106598     0.01   0.995     -.997629    1.004121
              44 |  -.3361702   .4286962    -0.78   0.433    -1.176399    .5040588
              45 |   .0074148   .6184743     0.01   0.990    -1.204773    1.219602
              46 |   .4893094   .4838337     1.01   0.312    -.4589872    1.437606
              47 |  -.2234568   .4900528    -0.46   0.648    -1.183943     .737029
              48 |   .2472568   .4305514     0.57   0.566    -.5966084    1.091122
              49 |  -.1761428   .4913751    -0.36   0.720     -1.13922    .7869347
              50 |  -.4299026   .5446414    -0.79   0.430     -1.49738     .637575
              51 |   .4678485   .5603455     0.83   0.404    -.6304085    1.566106
                 |
           _cons |  -11.43989   6.868511    -1.67   0.096    -24.90192    2.022145
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_bnb) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_bnb |   .0886977   .0116725     7.60   0.000     .0658201    .1115754
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/BNB_het.tex", tex append addstat(Pseudo R-squared, r2)
> ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Participation")
../outputs/tables/BNB_het.tex
dir : seeout

.
. ***** high true literacy subgroup
. logit fin_par_dummy overconfidence_bnb `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -7436.5574
Iteration 1:   log pseudolikelihood = -6627.2765
Iteration 2:   log pseudolikelihood = -6623.5353
Iteration 3:   log pseudolikelihood = -6623.5343
Iteration 4:   log pseudolikelihood = -6623.5343

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =     977.56
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -6623.5343               Pseudo R2         =     0.1093
```

fin_par_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_bnb	-1.411701	.2655993	-5.32	0.000	-1.932266	-.8911357
age	-.0611522	.0128756	-4.75	0.000	-.0863878	-.0359165
age2	.0008315	.000126	6.60	0.000	.0005845	.0010785
logincome	-.791628	.770618	-1.03	0.304	-2.302011	.7187554
logincome2	.0759012	.0351711	2.16	0.031	.0069671	.1448352
female_dummy	-.0389413	.0505728	-0.77	0.441	-.1380623	.0601797
nonwhite_dummy	.0553579	.0734093	0.75	0.451	-.0885216	.1992374
marital_dummy	-.0865101	.0569973	-1.52	0.129	-.1982227	.0252026
high_school_dummy	.6427205	.3861006	1.66	0.096	-.1140227	1.399464
college_dummy	.2683068	.0556646	4.82	0.000	.1592063	.3774074
year						
2015	-.2341066	.056955	-4.11	0.000	-.3457364	-.1224769
2018	-.1805896	.0606096	-2.98	0.003	-.2993822	-.0617969
state_cate						
2	.3164922	.2083544	1.52	0.129	-.091875	.7248594
3	.3612671	.2088249	1.73	0.084	-.0480222	.7705564
4	.4307038	.2202273	1.96	0.050	-.0009338	.8623414
5	.3693726	.2095087	1.76	0.078	-.041257	.7800021
6	.3857734	.2114803	1.82	0.068	-.0287203	.8002671
7	.6863348	.2174968	3.16	0.002	.2600489	1.112621
8	.4285899	.2161865	1.98	0.047	.0048721	.8523077
9	.4044817	.2178205	1.86	0.063	-.0224386	.8314019
10	.5701014	.2469631	2.31	0.021	.0860625	1.05414
11	.3430902	.2368279	1.45	0.147	-.121084	.8072645
12	.7996451	.2187032	3.66	0.000	.3709947	1.228296
13	.3766641	.2105216	1.79	0.074	-.0359507	.7892789
14	.4363206	.206975	2.11	0.035	.030657	.8419842
15	.2553841	.2212825	1.15	0.248	-.1783216	.6890897
16	.4912093	.2083741	2.36	0.018	.0828037	.899615
17	.5214379	.2141	2.44	0.015	.1018096	.9410663
18	.2470463	.2234115	1.11	0.269	-.1908322	.6849248
19	.2820189	.2473737	1.14	0.254	-.2028246	.7668623
20	.1807678	.2093079	0.86	0.388	-.2294681	.5910037
21	.255514	.218363	1.17	0.242	-.1724697	.6834977
22	.4400226	.2172624	2.03	0.043	.0141961	.865849
23	.1912027	.2202103	0.87	0.385	-.2404016	.622807
24	.0811152	.2077055	0.39	0.696	-.3259801	.4882104
25	.0234263	.2323895	0.10	0.920	-.4320488	.4789014
26	.2739121	.215721	1.27	0.204	-.1488934	.6967175
27	.3721254	.2057078	1.81	0.070	-.0310545	.7753054
28	.1574215	.2059521	0.76	0.445	-.2462372	.5610803
29	.2440626	.2210803	1.10	0.270	-.1892469	.6773721
30	-.0196881	.1990701	-0.10	0.921	-.4098583	.3704821
31	.7213057	.2206517	3.27	0.001	.2888364	1.153775
32	.1187306	.2163458	0.55	0.583	-.3052993	.5427605
33	.4078675	.2163056	1.89	0.059	-.0160836	.8318186
34	.5724742	.2257835	2.54	0.011	.1299467	1.015002
35	.3746385	.2074831	1.81	0.071	-.0320209	.781298
36	.3116071	.224394	1.39	0.165	-.1281971	.7514113
37	.0854434	.2194428	0.39	0.697	-.3446567	.5155435
38	.2577425	.2050849	1.26	0.209	-.1442166	.6597015
39	.4897222	.2189968	2.24	0.025	.0604963	.9189481
40	.3251169	.2083349	1.56	0.119	-.0832121	.7334458
41	-.0147225	.2203125	-0.07	0.947	-.4465271	.417082
42	.531168	.2076838	2.56	0.011	.1241152	.9382209
43	.1729199	.2265591	0.76	0.445	-.2711277	.6169675
44	.0568585	.2174913	0.26	0.794	-.3694166	.4831335
45	.0778451	.2073502	0.38	0.707	-.3285538	.4842441
46	.1761433	.2072859	0.85	0.395	-.2301296	.5824162
47	.3964504	.2152145	1.84	0.065	-.0253623	.8182631
48	.5088991	.2105714	2.42	0.016	.0961868	.9216115
49	.2492465	.2272351	1.10	0.273	-.1961262	.6946191
50	.4006248	.2091684	1.92	0.055	-.0093377	.8105874
51	.2105914	.2056659	1.02	0.306	-.1925063	.6136891
_cons	-.3714567	4.286256	-0.09	0.931	-8.772365	8.029451

```
------------------------------------------------------------------------------

437 scalar r2 = e(r2_p)

438 margins, dydx(overconfidence_bnb) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_bnb

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_bnb |  -.2881489   .0537407    -5.36   0.000    -.3934787   -.1828191
------------------------------------------------------------------------------

439 outreg2 using "${tables_dir}/BNB_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Participation")
  ../outputs/tables/BNB_het.tex
  dir : seeout

440
441 * heterogeneous effects with KNN
442 *** retirement readiness
443 ***** without state dummies
444 logit retire_dummy overconfidence_knn `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -2789.9313
Iteration 1:   log pseudolikelihood = -2497.3152
Iteration 2:   log pseudolikelihood = -2460.1484
Iteration 3:   log pseudolikelihood = -2459.8244
Iteration 4:   log pseudolikelihood = -2459.8244

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     429.25
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -2459.8244               Pseudo R2         =     0.1183

------------------------------------------------------------------------------
                  |               Robust
      retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   1.250517   .1469492     8.51   0.000     .9625022    1.538533
               age |   .0245087   .0184546     1.33   0.184    -.0116616    .0606791
              age2 |  -.0004349   .0002122    -2.05   0.040    -.0008508    -.000019
         logincome |  -2.490043   1.017394    -2.45   0.014    -4.484099   -.4959871
        logincome2 |   .1406648   .0491282     2.86   0.004     .0443753    .2369543
      female_dummy |  -.1796596   .0923311    -1.95   0.052    -.3606252     .001306
    nonwhite_dummy |   .1807406   .0959874     1.88   0.060    -.0073914    .3688725
     marital_dummy |   .5257983   .1027616     5.12   0.000     .3243892    .7272074
 high_school_dummy |   .5773693   .1921044     3.01   0.003     .2008516     .953887
     college_dummy |   .4739684   .1002244     4.73   0.000     .2775322    .6704046
                   |
              year |
              2015 |   .0740949   .1181147     0.63   0.530    -.1574056    .3055955
              2018 |   .0698815   .1169761     0.60   0.550    -.1593874    .2991504
                   |
        state_cate |
                 2 |   .1644053   .3764057     0.44   0.662    -.5733363    .9021468
                 3 |  -.4858655   .4022338    -1.21   0.227    -1.274229    .3024983
                 4 |  -.5231244   .3807903    -1.37   0.170     -1.26946    .2232109
                 5 |  -.2556377   .3080998    -0.83   0.407    -.8595022    .3482268
                 6 |  -.4573261   .3801499    -1.20   0.229    -1.202406     .287754
                 7 |    -.30584   .3734287    -0.82   0.413    -1.037747    .4260668
                 8 |  -.3088222   .3881796    -0.80   0.426     -1.06964    .4519959
```

```
           9  |   .0421504   .3574721     0.12   0.906     -.658482    .7427829
          10  |  -.0472635   .3370871    -0.14   0.888    -.7079421    .6134151
          11  |  -.5320156   .3423607    -1.55   0.120     -1.20303    .1389991
          12  |  -1.162799   .5449611    -2.13   0.033    -2.230903   -.0946945
          13  |   -1.26416   .6937956    -1.82   0.068    -2.623974    .0956546
          14  |  -.4894151   .3406111    -1.44   0.151    -1.157001    .1781704
          15  |    -.59631   .3994165    -1.49   0.135    -1.379152    .1865319
          16  |  -.5440083   .4102432    -1.33   0.185     -1.34807    .2600535
          17  |  -.3401024   .4047036    -0.84   0.401    -1.133307    .4531021
          18  |   .0299368   .3650375     0.08   0.935    -.6855235     .745397
          19  |  -.6394279   .3756106    -1.70   0.089    -1.375611    .0967554
          20  |  -.4371245   .4011724    -1.09   0.276    -1.223408     .349159
          21  |  -.5130448   .3745786    -1.37   0.171    -1.247205    .2211158
          22  |   -.040571    .371362    -0.11   0.913    -.7684271    .6872851
          23  |  -.1705777   .3337017    -0.51   0.609     -.824621    .4834656
          24  |  -.6444245   .3812245    -1.69   0.091    -1.391611    .1027617
          25  |  -.6658277   .3595301    -1.85   0.064    -1.370494    .0388385
          26  |  -.8906705   .3969822    -2.24   0.025    -1.668741   -.1125996
          27  |  -.2259432   .4245685    -0.53   0.595    -1.058082    .6061958
          28  |    -.78308   .4426894    -1.77   0.077    -1.650735    .0845752
          29  |  -.1901135    .365184    -0.52   0.603     -.905861     .525634
          30  |  -.2313656   .4276842    -0.54   0.589    -1.069611    .6068801
          31  |  -.4235941   .3390112    -1.25   0.211    -1.088044    .2408556
          32  |   -.134092   .4001538    -0.34   0.738    -.9183791     .650195
          33  |  -.3952283   .3137064    -1.26   0.208    -1.010082     .219625
          34  |  -.9747707   .3927445    -2.48   0.013    -1.744536   -.2050057
          35  |  -.0901799   .3763256    -0.24   0.811    -.8277645    .6474046
          36  |  -.6964107   .3977239    -1.75   0.080    -1.475935    .0831138
          37  |  -.4541554   .3769659    -1.20   0.228    -1.192995    .2846842
          38  |  -.6090669   .3617513    -1.68   0.092    -1.318087    .0999527
          39  |  -.6582941    .367579    -1.79   0.073    -1.378736    .0621475
          40  |   -.919133   .4063089    -2.26   0.024    -1.715484   -.1227823
          41  |  -.4475579   .3582455    -1.25   0.212    -1.149706    .2545904
          42  |  -.2175229   .4298522    -0.51   0.613    -1.060018     .624972
          43  |  -.1876837   .3695585    -0.51   0.612     -.912005    .5366376
          44  |  -.5578982   .3309219    -1.69   0.092    -1.206493    .0906969
          45  |  -.7224413   .4524198    -1.60   0.110    -1.609168    .1642852
          46  |  -.4914096   .4178955    -1.18   0.240     -1.31047    .3276506
          47  |  -.0839449   .3440531    -0.24   0.807    -.7582766    .5903868
          48  |  -.3819871   .3314079    -1.15   0.249    -1.031535    .2675604
          49  |  -.2343401   .3815046    -0.61   0.539    -.9820753    .5133951
          50  |  -.6238656   .4196535    -1.49   0.137    -1.446371    .1986401
          51  |  -.1580063   .4037385    -0.39   0.696    -.9493192    .6333066
              |
       _cons  |    7.55321   5.240002     1.44   0.149    -2.717005    17.82343
------------------------------------------------------------------------------

445 scalar r2 = e(r2_p)

446 margins, dydx(overconfidence_knn) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_knn

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   .1416691   .0162831     8.70   0.000     .1097548    .1735834
------------------------------------------------------------------------------
```

```
447 outreg2 using "${tables_dir}/KNN_het.tex", tex replace addstat(Pseudo R-squared, r2)
  >  ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/KNN_het.tex
  dir : seeout

448
449 ***** with state dummies
450 logit retire_dummy overconfidence_knn `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =   -7639.91
  Iteration 1:   log pseudolikelihood = -6375.5119
  Iteration 2:   log pseudolikelihood = -6365.6071
  Iteration 3:   log pseudolikelihood = -6365.5909
  Iteration 4:   log pseudolikelihood = -6365.5909

  Logistic regression                               Number of obs     =     12,539
                                                    Wald chi2(62)     =    1631.47
                                                    Prob > chi2       =     0.0000
  Log pseudolikelihood = -6365.5909                 Pseudo R2         =     0.1668

  ------------------------------------------------------------------------------
                       |               Robust
             retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  -------------------+----------------------------------------------------------------
  overconfidence_knn |  -1.592743   .4716061    -3.38   0.001    -2.517074   -.6684122
                 age |   .1969091   .0133378    14.76   0.000     .1707675    .2230506
                age2 |   -.002491   .0001297   -19.21   0.000    -.0027451   -.0022368
           logincome |  -2.228105   .7315378    -3.05   0.002    -3.661893   -.7943174
          logincome2 |   .1294947   .0332091     3.90   0.000      .064406    .1945834
        female_dummy |  -.0156456   .0506878    -0.31   0.758    -.1149918    .0837007
      nonwhite_dummy |   .1079649   .0706902     1.53   0.127    -.0305854    .2465152
       marital_dummy |  -.0390997   .0609652    -0.64   0.521    -.1585893      .08039
   high_school_dummy |   .2842262   .3913911     0.73   0.468    -.4828863    1.051339
       college_dummy |   .2812361   .0542557     5.18   0.000      .174897    .3875752
                     |
                year |
                2015 |   .0210262   .0591034     0.36   0.722    -.0948143    .1368667
                2018 |    .088688   .0622918     1.42   0.155    -.0334016    .2107776
                     |
           state_cate |
                   2 |  -.0266341   .2139719    -0.12   0.901    -.4460113    .3927432
                   3 |  -.1648551   .2274466    -0.72   0.469    -.6106423    .2809321
                   4 |   -.515951   .2327382    -2.22   0.027    -.9721095   -.0597925
                   5 |  -.3994415   .2222375    -1.80   0.072    -.8350191     .036136
                   6 |  -.1075786   .2227709    -0.48   0.629    -.5442015    .3290444
                   7 |  -.0446057   .2179498    -0.20   0.838    -.4717795    .3825681
                   8 |  -.2997388   .2168361    -1.38   0.167    -.7247298    .1252522
                   9 |  -.0974755   .2249663    -0.43   0.665    -.5384013    .3434503
                  10 |  -.4557386   .2536657    -1.80   0.072    -.9529143     .041437
                  11 |   -.328022   .2331406    -1.41   0.159    -.7849691    .1289251
                  12 |  -.3239017    .211108    -1.53   0.125    -.7376658    .0898625
                  13 |  -.2854587   .2206276    -1.29   0.196    -.7178808    .1469634
                  14 |  -.0699286   .2137659    -0.33   0.744    -.4889021    .3490449
                  15 |   .2388174    .227125     1.05   0.293    -.2063394    .6839743
                  16 |  -.1014392   .2198964    -0.46   0.645    -.5324282    .3295499
                  17 |  -.1921883   .2172353    -0.88   0.376    -.6179616     .233585
                  18 |   .0522197   .2317422     0.23   0.822    -.4019867    .5064261
                  19 |  -.0618896   .2673016    -0.23   0.817    -.5857912    .4620119
                  20 |   .2247644   .2156606     1.04   0.297    -.1979226    .6474514
                  21 |   -.213249   .2263732    -0.94   0.346    -.6569323    .2304344
                  22 |  -.1379745   .2170047    -0.64   0.525    -.5632958    .2873469
                  23 |  -.3297551   .2322935    -1.42   0.156    -.7850419    .1255318
                  24 |  -.3666401   .2117392    -1.73   0.083    -.7816413     .048361
                  25 |   -.010896   .2305351    -0.05   0.962    -.4627364    .4409445
                  26 |  -.3512933   .2267118    -1.55   0.121    -.7956402    .0930536
                  27 |   .1553915   .2109546     0.74   0.461     -.258072     .568855
                  28 |  -.0002642   .2173767    -0.00   0.999    -.4263148    .4257863
                  29 |  -.3206325   .2326447    -1.38   0.168    -.7766078    .1353428
```

```
              30  |  -.1916215   .2103952    -0.91   0.362    -.6039886    .2207456
              31  |  -.3350677    .228693    -1.47   0.143    -.7832978    .1131623
              32  |  -.5358533   .2276134    -2.35   0.019    -.9819674   -.0897392
              33  |  -.1079999   .2242606    -0.48   0.630    -.5475427    .3315429
              34  |  -.0857009   .2248069    -0.38   0.703    -.5263144    .3549126
              35  |   .2322933   .2166914     1.07   0.284     -.192414    .6570005
              36  |  -.1887312    .233396    -0.81   0.419    -.6461789    .2687165
              37  |  -.1948947   .2196189    -0.89   0.375    -.6253398    .2355503
              38  |  -.0896592   .2112309    -0.42   0.671    -.5036641    .3243457
              39  |  -.2152161   .2307083    -0.93   0.351    -.6673959    .2369638
              40  |  -.3856375   .2178372    -1.77   0.077    -.8125906    .0413156
              41  |  -.3324581   .2311623    -1.44   0.150    -.7855278    .1206116
              42  |   .0067266   .2110239     0.03   0.975    -.4068727    .4203259
              43  |   -.169784   .2355717    -0.72   0.471     -.631496     .291928
              44  |  -.4280176   .2297113    -1.86   0.062    -.8782434    .0222082
              45  |   .1714962   .2158193     0.79   0.427    -.2515018    .5944943
              46  |  -.2388565   .2111681    -1.13   0.258    -.6527383    .1750254
              47  |  -.3254471   .2212082    -1.47   0.141    -.7590072    .1081129
              48  |  -.3432103   .2122945    -1.62   0.106    -.7592999    .0728794
              49  |   .1857263   .2307756     0.80   0.421    -.2665856    .6380382
              50  |  -.2122079   .2154516    -0.98   0.325    -.6344853    .2100696
              51  |   .2159437   .2104601     1.03   0.305    -.1965506     .628438
                  |
           _cons  |   5.224509   4.094618     1.28   0.202    -2.800795    13.24981
------------------------------------------------------------------------------

451 scalar r2 = e(r2_p)

452 margins, dydx(overconfidence_knn) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_knn

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   -.309041   .0911879    -3.39   0.001    -.4877659    -.130316
------------------------------------------------------------------------------

453 outreg2 using "${tables_dir}/KNN_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Readiness")
  ../outputs/tables/KNN_het.tex
  dir : seeout

454
455 *** precautionary saving
456 ***** low true literacy subgroup
457 logit precaution_dummy overconfidence_knn `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -3717.9486
Iteration 1:   log pseudolikelihood = -3362.9587
Iteration 2:   log pseudolikelihood =  -3351.227
Iteration 3:   log pseudolikelihood = -3351.1849
Iteration 4:   log pseudolikelihood = -3351.1849

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     453.33
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -3351.1849               Pseudo R2         =     0.0986
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_knn	1.224341	.1249987	9.79	0.000	.9793476	1.469333
age	-.0900218	.014031	-6.42	0.000	-.1175221	-.0625215
age2	.0010874	.0001578	6.89	0.000	.0007782	.0013967
logincome	-2.498586	.845691	-2.95	0.003	-4.15611	-.8410623
logincome2	.1448278	.0411828	3.52	0.000	.0641109	.2255447
female_dummy	-.0948499	.0779297	-1.22	0.224	-.2475893	.0578896
nonwhite_dummy	-.0098956	.082247	-0.12	0.904	-.1710968	.1513056
marital_dummy	.2210353	.0830867	2.66	0.008	.0581883	.3838823
high_school_dummy	.4110611	.1378587	2.98	0.003	.140863	.6812591
college_dummy	.3781549	.0876704	4.31	0.000	.206324	.5499858
year						
2015	.0044159	.0973446	0.05	0.964	-.1863761	.1952078
2018	.0675811	.0941051	0.72	0.473	-.1168614	.2520237
state_cate						
2	.2066825	.3474641	0.59	0.552	-.4743346	.8876997
3	-.240245	.329783	-0.73	0.466	-.8866079	.4061178
4	-.5596269	.3034561	-1.84	0.065	-1.15439	.0351361
5	-.2251673	.2729964	-0.82	0.409	-.7602303	.3098958
6	-.3896212	.3269076	-1.19	0.233	-1.030348	.251106
7	-.5710051	.3346516	-1.71	0.088	-1.22691	.0848999
8	-.5214879	.3443295	-1.51	0.130	-1.196361	.1533854
9	-.1295529	.3118712	-0.42	0.678	-.7408093	.4817035
10	-.4398986	.2943289	-1.49	0.135	-1.016773	.1369754
11	-.3731782	.293274	-1.27	0.203	-.9479846	.2016282
12	-.3603329	.3477118	-1.04	0.300	-1.041835	.3211697
13	-.3042419	.3540791	-0.86	0.390	-.9982241	.3897403
14	-.0698649	.287966	-0.24	0.808	-.6342679	.4945381
15	-.8419294	.3413361	-2.47	0.014	-1.510936	-.172923
16	-.4816042	.3389507	-1.42	0.155	-1.145935	.182727
17	-.2029898	.3182819	-0.64	0.524	-.8268108	.4208312
18	-.2822449	.3105548	-0.91	0.363	-.890921	.3264313
19	-.3187135	.3052298	-1.04	0.296	-.9169529	.279526
20	-.6098034	.3364903	-1.81	0.070	-1.269312	.0497054
21	-.8391053	.3195356	-2.63	0.009	-1.465384	-.212827
22	-.58056	.328008	-1.77	0.077	-1.223444	.0623238
23	-.402461	.2946329	-1.37	0.172	-.9799309	.1750088
24	-.2903816	.3125507	-0.93	0.353	-.9029696	.3222065
25	-.3647831	.2917682	-1.25	0.211	-.9366382	.2070721
26	-.5872506	.3129216	-1.88	0.061	-1.200566	.0260646
27	-1.204996	.4513806	-2.67	0.008	-2.089685	-.320306
28	-.1292058	.3389981	-0.38	0.703	-.7936298	.5352183
29	-.5212196	.319644	-1.63	0.103	-1.14771	.1052711
30	.1476356	.3220178	0.46	0.647	-.4835077	.778779
31	-.9629159	.3007663	-3.20	0.001	-1.552407	-.3734248
32	-.1774938	.3559966	-0.50	0.618	-.8752343	.5202468
33	-.3144931	.2665034	-1.18	0.238	-.8368301	.2078438
34	-.0689908	.2830044	-0.24	0.807	-.6236692	.4856877
35	.3903181	.3237022	1.21	0.228	-.2441266	1.024763
36	-.2050631	.3067123	-0.67	0.504	-.806208	.3960819
37	-.9177825	.3388345	-2.71	0.007	-1.581886	-.2536791
38	-.3708937	.3133116	-1.18	0.236	-.9849731	.2431857
39	-.7843431	.3075611	-2.55	0.011	-1.387152	-.1815344
40	-.5796386	.3189807	-1.82	0.069	-1.204829	.0455521
41	-.2550375	.298985	-0.85	0.394	-.8410373	.3309624
42	-.7412038	.3721175	-1.99	0.046	-1.470541	-.011867
43	-.2566901	.2978519	-0.86	0.389	-.8404691	.3270889
44	-.1564677	.2743125	-0.57	0.568	-.6941103	.3811749
45	-.6898974	.370258	-1.86	0.062	-1.41559	.035795
46	-.5779023	.3619154	-1.60	0.110	-1.287243	.1314389
47	-.4533064	.314326	-1.44	0.149	-1.069374	.1627612
48	-.4857758	.288739	-1.68	0.092	-1.051694	.0801422
49	-.7441147	.3180924	-2.34	0.019	-1.367564	-.1206651
50	-.8361433	.3425569	-2.44	0.015	-1.507542	-.1647441
51	-.8816314	.3795347	-2.32	0.020	-1.625506	-.137757
_cons	10.09481	4.317561	2.34	0.019	1.632548	18.55708

```
------------------------------------------------------------------------------

458 scalar r2 = e(r2_p)

459 margins, dydx(overconfidence_knn) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_knn

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   .2041392   .0201058    10.15   0.000     .1647325    .2435458
------------------------------------------------------------------------------

460 outreg2 using "${tables_dir}/KNN_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Precaution")
../outputs/tables/KNN_het.tex
dir : seeout

461
462 ***** high true literacy subgroup
463 logit precaution_dummy overconfidence_knn `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -6836.5088
Iteration 1:   log pseudolikelihood = -5968.3221
Iteration 2:   log pseudolikelihood =  -5944.259
Iteration 3:   log pseudolikelihood = -5944.1294
Iteration 4:   log pseudolikelihood = -5944.1294

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =    1102.22
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -5944.1294               Pseudo R2         =     0.1305

------------------------------------------------------------------------------
                  |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |  -1.486174   .4301866    -3.45   0.001    -2.329324   -.6430236
               age |  -.1213746   .0140015    -8.67   0.000     -.148817   -.0939323
              age2 |   .0015137   .0001379    10.98   0.000     .0012434    .0017839
         logincome |  -1.115639   .7630532    -1.46   0.144    -2.611196    .3799178
        logincome2 |   .0894156   .0350594     2.55   0.011     .0207004    .1581308
      female_dummy |   .0385407   .0532744     0.72   0.469    -.0658752    .1429565
    nonwhite_dummy |  -.2352249   .0727771    -3.23   0.001    -.3778655   -.0925843
     marital_dummy |  -.0406398   .0609076    -0.67   0.505    -.1600166    .0787369
 high_school_dummy |   .8527483   .3241674     2.63   0.009     .2173919    1.488105
     college_dummy |   .3715821   .0562452     6.61   0.000     .2613435    .4818206
                   |
              year |
              2015 |   .3119709   .0607209     5.14   0.000     .1929602    .4309816
              2018 |   .3613356   .0647875     5.58   0.000     .2343545    .4883167
                   |
        state_cate |
                 2 |   .1253972   .2401228     0.52   0.602    -.3452349    .5960292
                 3 |   .1573147    .239434     0.66   0.511    -.3119673    .6265968
                 4 |   .2316575    .255345     0.91   0.364    -.2688095    .7321246
                 5 |   .0301689   .2404073     0.13   0.900    -.4410207    .5013585
                 6 |   .2983881   .2392371     1.25   0.212    -.1705079    .7672842
                 7 |   .2583144   .2498363     1.03   0.301    -.2313558    .7479845
                 8 |   .2625776   .2534241     1.04   0.300    -.2341246    .7592797
                 9 |  -.1003265   .2386768    -0.42   0.674    -.5681245    .3674715
                10 |    .227413   .2701575     0.84   0.400    -.3020859    .7569119
```

```
          11 |  -.0067025    .262874    -0.03   0.980    -.5219262    .5085211
          12 |   .3358597   .2430424     1.38   0.167    -.1404947    .8122141
          13 |  -.0153053   .2373724    -0.06   0.949    -.4805466     .449936
          14 |   .2489549    .236663     1.05   0.293    -.2148962    .7128059
          15 |    .074772   .2531066     0.30   0.768    -.4213077    .5708518
          16 |   .3158261   .2435925     1.30   0.195    -.1616065    .7932586
          17 |    .201393   .2413236     0.83   0.404    -.2715926    .6743787
          18 |   .1932188   .2592987     0.75   0.456    -.3149974    .7014349
          19 |   .0458644   .2652244     0.17   0.863    -.4739659    .5656948
          20 |  -.2679221   .2404048    -1.11   0.265    -.7391069    .2032626
          21 |  -.0679925   .2360443    -0.29   0.773    -.5306308    .3946458
          22 |   .4007799    .250503     1.60   0.110    -.0901969    .8917568
          23 |   .1510592   .2547867     0.59   0.553    -.3483134    .6504319
          24 |   .2181191   .2408275     0.91   0.365    -.2538941    .6901324
          25 |  -.1342879   .2573603    -0.52   0.602    -.6387049     .370129
          26 |   .1643517   .2488785     0.66   0.509    -.3234412    .6521446
          27 |   .2994092    .233708     1.28   0.200    -.1586502    .7574685
          28 |   .0453121   .2361542     0.19   0.848    -.4175417     .508166
          29 |   .1921172   .2572306     0.75   0.455    -.3120456      .69628
          30 |  -.0663467   .2280135    -0.29   0.771     -.513245    .3805516
          31 |   .0327596   .2458502     0.13   0.894    -.4490979     .514617
          32 |   .1639079   .2443723     0.67   0.502    -.3150529    .6428688
          33 |    .192604   .2495021     0.77   0.440    -.2964111    .6816191
          34 |   .0712237   .2509987     0.28   0.777    -.4207248    .5631722
          35 |   .2780519   .2379556     1.17   0.243    -.1883326    .7444364
          36 |  -.0603556   .2511129    -0.24   0.810    -.5525277    .4318166
          37 |  -.0031363   .2481055    -0.01   0.990    -.4894141    .4831415
          38 |  -.0476706   .2367193    -0.20   0.840    -.5116319    .4162907
          39 |   .0867394   .2450892     0.35   0.723    -.3936265    .5671053
          40 |   .1294716   .2428395     0.53   0.594    -.3464851    .6054283
          41 |   .0274891   .2582096     0.11   0.915    -.4785924    .5335707
          42 |   .4578498    .238766     1.92   0.055     -.010123    .9258227
          43 |  -.0531671   .2594381    -0.20   0.838    -.5616563    .4553222
          44 |   .0608709   .2490587     0.24   0.807    -.4272752     .549017
          45 |  -.0214259   .2394909    -0.09   0.929    -.4908194    .4479677
          46 |   .0018264   .2345352     0.01   0.994    -.4578542     .461507
          47 |  -.0463553   .2475052    -0.19   0.851    -.5314565    .4387459
          48 |   .2996635   .2388195     1.25   0.210     -.168414    .7677411
          49 |   .3062968   .2661919     1.15   0.250    -.2154297    .8280233
          50 |  -.1309272   .2345917    -0.56   0.577    -.5907185    .3288642
          51 |   .2243986   .2370956     0.95   0.344    -.2403003    .6890975
             |
       _cons |   2.704193   4.187738     0.65   0.518    -5.503622    10.91201
------------------------------------------------------------------------------
```

464 scalar r2 = e(r2_p)

465 margins, dydx(overconfidence_knn) post

```
Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_knn

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |  -.2642313    .076214    -3.47   0.001    -.4136079   -.1148546
------------------------------------------------------------------------------
```

```
466 outreg2 using "${tables_dir}/KNN_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/KNN_het.tex
  dir : seeout

467
468 *** financial market participation
469 ***** low true literacy subgroup
470 logit fin_par_dummy overconfidence_knn `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =  -2155.857
  Iteration 1:   log pseudolikelihood = -1890.6995
  Iteration 2:   log pseudolikelihood = -1780.4325
  Iteration 3:   log pseudolikelihood = -1776.6471
  Iteration 4:   log pseudolikelihood = -1776.6385
  Iteration 5:   log pseudolikelihood = -1776.6385

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     529.83
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -1776.6385               Pseudo R2         =     0.1759

  ------------------------------------------------------------------------------
                       |               Robust
            fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_knn |   1.162445   .1585073     7.33   0.000      .851776    1.473113
                  age |  -.0672648    .020168    -3.34   0.001    -.1067934   -.0277362
                 age2 |    .000944   .0002234     4.22   0.000     .0005061    .0013819
            logincome |  -.0224806    1.29092    -0.02   0.986    -2.552637    2.507676
           logincome2 |   .0449618   .0609766     0.74   0.461    -.0745501    .1644737
          female_dummy |  -.3640722   .1095047    -3.32   0.001    -.5786974    -.149447
       nonwhite_dummy |   -.213739   .1244104    -1.72   0.086    -.4575788    .0301009
        marital_dummy |   .1221244   .1231829     0.99   0.321    -.1193096    .3635584
    high_school_dummy |   .9681058   .2712161     3.57   0.000      .436532    1.499679
        college_dummy |   .4459186   .1210256     3.68   0.000     .2087127    .6831245
                      |
                 year |
                 2015  |  -.1822673   .1365409    -1.33   0.182    -.4498826     .085348
                 2018  |  -.2996561   .1353187    -2.21   0.027     -.564876   -.0344362
                      |
           state_cate |
                    2  |   .2204121   .4689278     0.47   0.638    -.6986695    1.139494
                    3  |  -.1601033   .4821384    -0.33   0.740    -1.105077    .7848706
                    4  |  -.4117316   .4996783    -0.82   0.410    -1.391083    .5676199
                    5  |   .2390845   .4054404     0.59   0.555    -.5555641    1.033733
                    6  |   .1636035   .4841552     0.34   0.735    -.7853232     1.11253
                    7  |  -.1397776   .4833571    -0.29   0.772     -1.08714    .8075849
                    8  |  -.3524537   .5490965    -0.64   0.521    -1.428663    .7237558
                    9  |   .5003153   .4263003     1.17   0.241    -.3352179    1.335849
                   10  |  -.1450395   .4681263    -0.31   0.757     -1.06255    .7724711
                   11  |  -.1947904   .4743967    -0.41   0.681    -1.124591    .7350099
                   12  |  -.7766455   .7066261    -1.10   0.272    -2.161607    .6083162
                   13  |  -1.225546   .6273095    -1.95   0.051     -2.45505    .0039583
                   14  |  -.1759928   .4212641    -0.42   0.676    -1.001655    .6496697
                   15  |  -1.546134   .6881513    -2.25   0.025    -2.894886   -.1973821
                   16  |  -.2524743   .5358626    -0.47   0.638    -1.302746    .7977972
                   17  |  -.2678158   .5103045    -0.52   0.600    -1.267994    .7323626
                   18  |    .047142   .4655049     0.10   0.919    -.8652309    .9595149
                   19  |   -.676124   .5448197    -1.24   0.215    -1.743951    .3917031
                   20  |   .0967503   .5101916     0.19   0.850     -.903207    1.096708
                   21  |   .3536826   .4426721     0.80   0.424    -.5139388    1.221304
                   22  |  -.5123436   .5329792    -0.96   0.336    -1.556964    .5322764
                   23  |   .2046703   .4402061     0.46   0.642    -.6581178    1.067458
                   24  |  -.1725828   .4826307    -0.36   0.721    -1.118521     .773356
                   25  |  -.4367555   .4917516    -0.89   0.374    -1.400571      .52706
                   26  |    .201353   .4513094     0.45   0.655    -.6831972    1.085903
                   27  |   .3606636   .5211169     0.69   0.489    -.6607067    1.382034
```

```
              28 |   .8725151   .4640687     1.88   0.060    -.0370428    1.782073
              29 |  -.0498289   .4936446    -0.10   0.920    -1.017355    .9176969
              30 |   -.034083   .4750622    -0.07   0.943    -.9651878    .8970217
              31 |  -.5146936   .4573195    -1.13   0.260    -1.411023    .3816362
              32 |   -.173364   .5766985    -0.30   0.764    -1.303672    .9569443
              33 |   .2336974   .3926322     0.60   0.552    -.5358477    1.003242
              34 |  -.2066479   .4728011    -0.44   0.662    -1.133321    .7200252
              35 |   .3760116   .4503413     0.83   0.404    -.5066412    1.258664
              36 |  -.1565516   .4726676    -0.33   0.740    -1.082963    .7698598
              37 |   .0844611   .4693229     0.18   0.857    -.8353948    1.004317
              38 |   .3425481   .4716984     0.73   0.468    -.5819639     1.26706
              39 |   .0444322   .4390582     0.10   0.919    -.8161062    .9049705
              40 |  -.4969214   .4982582    -1.00   0.319     -1.47349    .4796468
              41 |    .353884   .4413588     0.80   0.423    -.5111634    1.218931
              42 |  -.0890848   .5110788    -0.17   0.862    -1.090781    .9126111
              43 |  -.0152863   .5078718    -0.03   0.976    -1.010697    .9801242
              44 |  -.2753365   .4235488    -0.65   0.516    -1.105477    .5548039
              45 |  -.0780546   .6065938    -0.13   0.898    -1.266957    1.110847
              46 |   .3010265    .480587     0.63   0.531    -.6409068     1.24296
              47 |  -.2283453   .4873639    -0.47   0.639    -1.183561    .7268704
              48 |   .1816175   .4234524     0.43   0.668    -.6483339    1.011569
              49 |  -.2577851   .4857639    -0.53   0.596    -1.209865    .6942947
              50 |  -.5050265   .5367665    -0.94   0.347    -1.557069    .5470165
              51 |    .332253   .5436561     0.61   0.541    -.7332933    1.397799
                 |
           _cons |   -7.12923   6.863734    -1.04   0.299     -20.5819    6.323442
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_knn) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_knn

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |   .0904818   .0122786     7.37   0.000     .0664161    .1145474
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/KNN_het.tex", tex append addstat(Pseudo R-squared, r2)
> ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Participation")
../outputs/tables/KNN_het.tex
dir : seeout

.
. ***** high true literacy subgroup
. logit fin_par_dummy overconfidence_knn `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -7436.5574
Iteration 1:   log pseudolikelihood = -6641.7015
Iteration 2:   log pseudolikelihood = -6638.0289
Iteration 3:   log pseudolikelihood = -6638.0276
Iteration 4:   log pseudolikelihood = -6638.0276

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =     981.34
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -6638.0276               Pseudo R2         =     0.1074
```

fin_par_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_knn	-1.564887	.477962	-3.27	0.001	-2.501675	-.6280987
age	-.0717444	.0132891	-5.40	0.000	-.0977906	-.0456982
age2	.000921	.0001286	7.16	0.000	.0006689	.0011731
logincome	-1.333592	.7848069	-1.70	0.089	-2.871785	.2046012
logincome2	.0986778	.0356137	2.77	0.006	.0288762	.1684795
female_dummy	-.108701	.0487982	-2.23	0.026	-.2043437	-.0130583
nonwhite_dummy	-.0446514	.0695895	-0.64	0.521	-.1810443	.0917415
marital_dummy	-.0334925	.056395	-0.59	0.553	-.1440247	.0770396
high_school_dummy	.88316	.379593	2.33	0.020	.1391713	1.627149
college_dummy	.3735875	.0521095	7.17	0.000	.2714548	.4757203
year						
2015	-.2342398	.0569253	-4.11	0.000	-.3458114	-.1226682
2018	-.1869357	.0604511	-3.09	0.002	-.3054177	-.0684537
state_cate						
2	.3872374	.2075465	1.87	0.062	-.0195461	.794021
3	.3990471	.2087762	1.91	0.056	-.0101467	.8082409
4	.4580899	.2211845	2.07	0.038	.0245763	.8916035
5	.3142217	.2078114	1.51	0.131	-.0930811	.7215246
6	.4391426	.2121559	2.07	0.038	.0233246	.8549606
7	.7237496	.2172891	3.33	0.001	.2978707	1.149628
8	.4647478	.2156942	2.15	0.031	.0419949	.8875007
9	.4245684	.218104	1.95	0.052	-.0029076	.8520443
10	.5433166	.2431682	2.23	0.025	.0667157	1.019918
11	.3354505	.2346292	1.43	0.153	-.1244144	.7953153
12	.9073629	.2181482	4.16	0.000	.4798003	1.334925
13	.4238891	.2108985	2.01	0.044	.0105356	.8372425
14	.4563252	.205436	2.22	0.026	.0536781	.8589724
15	.2766843	.2200014	1.26	0.209	-.1545106	.7078792
16	.5665986	.2093545	2.71	0.007	.1562714	.9769258
17	.5553742	.2135318	2.60	0.009	.1368595	.9738889
18	.2709354	.2238412	1.21	0.226	-.1677853	.709656
19	.2559295	.2463544	1.04	0.299	-.2269161	.7387752
20	.2355239	.2097803	1.12	0.262	-.175638	.6466858
21	.2913559	.2172357	1.34	0.180	-.1344182	.7171299
22	.4885517	.2164189	2.26	0.024	.0643786	.9127249
23	.1760042	.2197609	0.80	0.423	-.2547192	.6067276
24	.1246138	.2081538	0.60	0.549	-.2833601	.5325877
25	.0544645	.2330547	0.23	0.815	-.4023142	.5112433
26	.2958055	.2153042	1.37	0.169	-.126183	.7177939
27	.42263	.205604	2.06	0.040	.0196537	.8256064
28	.2162738	.2051643	1.05	0.292	-.1858408	.6183885
29	.2749923	.219969	1.25	0.211	-.1561391	.7061238
30	.0451078	.1990241	0.23	0.821	-.3449722	.4351878
31	.8031561	.2210454	3.63	0.000	.3699152	1.236397
32	.173413	.2159099	0.80	0.422	-.2497626	.5965887
33	.3699277	.2141077	1.73	0.084	-.0497156	.789571
34	.572772	.2241439	2.56	0.011	.1334581	1.012086
35	.4130291	.2070604	1.99	0.046	.0071982	.81886
36	.338631	.223632	1.51	0.130	-.0996795	.7769416
37	.1292475	.2190042	0.59	0.555	-.2999928	.5584878
38	.2952293	.2042353	1.45	0.148	-.1050645	.6955231
39	.4965317	.2185739	2.27	0.023	.0681347	.9249286
40	.3888696	.2084078	1.87	0.062	-.0196021	.7973413
41	.020227	.2205051	0.09	0.927	-.411955	.452409
42	.603365	.2089963	2.89	0.004	.1937399	1.01299
43	.1736303	.2241259	0.77	0.439	-.2656485	.6129091
44	.026643	.2168868	0.12	0.902	-.3984474	.4517334
45	.1445908	.2087335	0.69	0.488	-.2645193	.553701
46	.231521	.2070746	1.12	0.264	-.1743378	.6373797
47	.4002255	.2134351	1.88	0.061	-.0180997	.8185507
48	.5375935	.2082827	2.58	0.010	.129367	.94582
49	.2702111	.2269737	1.19	0.234	-.1746492	.7150714
50	.4278306	.2091829	2.05	0.041	.0178396	.8378216
51	.2820522	.2057382	1.37	0.170	-.1211874	.6852917
_cons	2.754037	4.422646	0.62	0.533	-5.914191	11.42226

```
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_knn) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_knn

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_knn |  -.3202511   .0975253    -3.28   0.001    -.5113972    -.129105
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/KNN_het.tex", tex append addstat(Pseudo R-squared, r2)
> ///
>         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>         ctitle("Participation")
../outputs/tables/KNN_het.tex
dir : seeout

.
. * heterogeneous effects with MLP
. *** retirement readiness
. ***** without state dummies
. logit retire_dummy overconfidence_mlp `household_X' ///
>         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -2789.9313
Iteration 1:   log pseudolikelihood = -2487.9709
Iteration 2:   log pseudolikelihood = -2444.1885
Iteration 3:   log pseudolikelihood = -2443.7907
Iteration 4:   log pseudolikelihood = -2443.7903
Iteration 5:   log pseudolikelihood = -2443.7903

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     456.16
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -2443.7903               Pseudo R2         =     0.1241

------------------------------------------------------------------------------
                  |               Robust
       retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_mlp |   1.295774   .1325686     9.77   0.000     1.035945    1.555604
               age |   .0182602   .0183427     1.00   0.319    -.0176908    .0542112
              age2 |  -.0004492   .0002128    -2.11   0.035    -.0008663   -.0000321
         logincome |  -1.426216   1.017059    -1.40   0.161    -3.419615    .5671822
        logincome2 |   .0923977   .0491432     1.88   0.060    -.0039211    .1887165
      female_dummy |  -.1690245   .0930519    -1.82   0.069     -.351403    .0133539
    nonwhite_dummy |   .1780352   .0965989     1.84   0.065    -.0112951    .3673655
     marital_dummy |   .5101957   .1033913     4.93   0.000     .3075524    .7128389
 high_school_dummy |   .5596997   .1916233     2.92   0.003      .184125    .9352744
     college_dummy |   .4771959   .1014766     4.70   0.000     .2783054    .6760864
                   |
              year |
              2015 |   .0722021    .118695     0.61   0.543    -.1604358    .3048401
              2018 |   .0726672   .1173872     0.62   0.536    -.1574074    .3027418
                   |
       state_cate |
                2 |   .2355467   .3703342     0.64   0.525    -.4902949    .9613883
                3 |  -.4614807   .4040919    -1.14   0.253    -1.253486    .3305248
                4 |  -.4818994   .3855298    -1.25   0.211    -1.237524    .2737251
                5 |  -.2124313   .3093383    -0.69   0.492    -.8187232    .3938605
                6 |   -.405105   .3833184    -1.06   0.291    -1.156395    .3461853
                7 |  -.2882013   .3777937    -0.76   0.446    -1.028663    .4522608
```

8	-.2555508	.389983	-0.66	0.512	-1.019903	.5088019
9	.0585236	.3581687	0.16	0.870	-.6434742	.7605213
10	-.0008352	.3341334	-0.00	0.998	-.6557247	.6540542
11	-.5051446	.342255	-1.48	0.140	-1.175952	.1656629
12	-1.130234	.5521947	-2.05	0.041	-2.212516	-.0479521
13	-1.182191	.6965319	-1.70	0.090	-2.547369	.1829859
14	-.4367084	.3421075	-1.28	0.202	-1.107227	.23381
15	-.579074	.3998576	-1.45	0.148	-1.362781	.2046326
16	-.4957284	.4156932	-1.19	0.233	-1.310472	.3190154
17	-.2895006	.4083691	-0.71	0.478	-1.089889	.5108881
18	.0611544	.3660771	0.17	0.867	-.6563435	.7786524
19	-.5734157	.3765828	-1.52	0.128	-1.311504	.1646731
20	-.4077032	.4029358	-1.01	0.312	-1.197443	.3820365
21	-.4847455	.3782511	-1.28	0.200	-1.226104	.2566131
22	-.0005056	.3735428	-0.00	0.999	-.7326359	.7316248
23	-.1413054	.3320356	-0.43	0.670	-.7920833	.5094724
24	-.5860467	.3789479	-1.55	0.122	-1.328771	.1566775
25	-.6177185	.3596555	-1.72	0.086	-1.32263	.0871933
26	-.8568896	.3977783	-2.15	0.031	-1.636521	-.0772585
27	-.1743065	.4297644	-0.41	0.685	-1.016629	.6680163
28	-.7739848	.4441783	-1.74	0.081	-1.644558	.0965886
29	-.1634951	.3635077	-0.45	0.653	-.8759572	.548967
30	-.1774095	.4352745	-0.41	0.684	-1.030532	.6757129
31	-.3611774	.3381337	-1.07	0.285	-1.023907	.3015524
32	-.0803134	.3999824	-0.20	0.841	-.8642645	.7036378
33	-.4029425	.3153254	-1.28	0.201	-1.020969	.2150839
34	-.9519115	.3936301	-2.42	0.016	-1.723412	-.1804105
35	-.038334	.3801747	-0.10	0.920	-.7834627	.7067947
36	-.6545547	.3980363	-1.64	0.100	-1.434691	.1255821
37	-.4120205	.3793081	-1.09	0.277	-1.155451	.3314097
38	-.5906269	.3643792	-1.62	0.105	-1.304797	.1235432
39	-.6431738	.3705324	-1.74	0.083	-1.369404	.0830564
40	-.8632811	.4075144	-2.12	0.034	-1.661995	-.0645676
41	-.4024164	.353842	-1.14	0.255	-1.095934	.2911011
42	-.207018	.4357013	-0.48	0.635	-1.060977	.646941
43	-.1752765	.3700134	-0.47	0.636	-.9004894	.5499364
44	-.5325388	.3336307	-1.60	0.110	-1.186443	.1213654
45	-.7030822	.4613599	-1.52	0.128	-1.607331	.2011666
46	-.4201756	.4162234	-1.01	0.313	-1.235959	.3956073
47	-.0635581	.3473873	-0.18	0.855	-.7444247	.6173085
48	-.3176102	.3324924	-0.96	0.339	-.9692832	.3340629
49	-.1752228	.3811165	-0.46	0.646	-.9221975	.5717519
50	-.5741681	.4278856	-1.34	0.180	-1.412808	.2644722
51	-.1275844	.4010039	-0.32	0.750	-.9135375	.6583687
_cons	2.068588	5.244527	0.39	0.693	-8.210496	12.34767

```
485 scalar r2 = e(r2_p)

486 margins, dydx(overconfidence_mlp) post

  Average marginal effects                        Number of obs     =      5,886
  Model VCE    : Robust

  Expression   : Pr(retire_dummy), predict()
  dy/dx w.r.t. : overconfidence_mlp
```

	dy/dx	Delta-method Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_mlp	.1453983	.0144946	10.03	0.000	.1169895	.1738071

```
. outreg2 using "${tables_dir}/MLP_het.tex", tex replace addstat(Pseudo R-squared, r2)
>  ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Readiness")
../outputs/tables/MLP_het.tex
dir : seeout

.
. ***** with state dummies
. logit retire_dummy overconfidence_mlp `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood =   -7639.91
Iteration 1:   log pseudolikelihood = -6361.7492
Iteration 2:   log pseudolikelihood = -6348.4995
Iteration 3:   log pseudolikelihood = -6348.4614
Iteration 4:   log pseudolikelihood = -6348.4614

Logistic regression                                     Number of obs     =     12,539
                                                        Wald chi2(62)     =    1620.38
                                                        Prob > chi2       =     0.0000
Log pseudolikelihood = -6348.4614                       Pseudo R2         =     0.1690

------------------------------------------------------------------------------
             |               Robust
retire_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------+----------------------------------------------------------------
overconfidence_mlp |  -2.887484   .4583877    -6.30   0.000    -3.785907    -1.98906
         age |   .2141091   .0128901    16.61   0.000     .188845    .2393731
        age2 |  -.0026431   .0001268   -20.84   0.000    -.0028917   -.0023946
   logincome |  -1.859784   .7074471    -2.63   0.009    -3.246355   -.4732134
  logincome2 |   .1089742   .0322736     3.38   0.001     .0457192    .1722293
female_dummy |  -.0016763   .0507904    -0.03   0.974    -.1012236    .0978711
nonwhite_dummy |   .1141245   .0705861     1.62   0.106    -.0242216    .2524707
marital_dummy |  -.0360676    .060867    -0.59   0.553    -.1553648    .0832296
high_school_dummy |   .2781726   .4005815     0.69   0.487    -.5069527    1.063298
college_dummy |   .2726206   .0543293     5.02   0.000     .1661371     .379104
              |
         year |
         2015 |   .0170995   .0590733     0.29   0.772     -.098682    .1328811
         2018 |   .0872466   .0623161     1.40   0.161    -.0348908    .2093839
              |
   state_cate |
            2 |  -.0233148     .21565    -0.11   0.914     -.445981    .3993515
            3 |  -.1455934   .2290077    -0.64   0.525    -.5944403    .3032534
            4 |  -.5388589   .2335149    -2.31   0.021    -.9965396   -.0811781
            5 |  -.3821021   .2232873    -1.71   0.087    -.8197371     .055533
            6 |  -.1071486   .2239655    -0.48   0.632    -.5461129    .3318157
            7 |  -.0497642   .2192843    -0.23   0.820    -.4795535    .3800251
            8 |  -.3064692   .2173495    -1.41   0.159    -.7324663    .1195279
            9 |  -.0927559   .2255901    -0.41   0.681    -.5349043    .3493926
           10 |  -.4645945   .2544677    -1.83   0.068    -.9633421    .0341531
           11 |  -.3319947    .235475    -1.41   0.159    -.7935172    .1295279
           12 |   -.314095   .2126094    -1.48   0.140    -.7308018    .1026118
           13 |  -.2922428    .222756    -1.31   0.190    -.7288366     .144351
           14 |  -.0634157    .215491    -0.29   0.769    -.4857704     .358939
           15 |   .2464212   .2287279     1.08   0.281    -.2018772    .6947196
           16 |  -.1080482   .2210693    -0.49   0.625    -.5413361    .3252397
           17 |  -.1813155   .2188344    -0.83   0.407     -.610223     .247592
           18 |    .064051   .2334335     0.27   0.784    -.3934703    .5215723
           19 |  -.0517154   .2676386    -0.19   0.847    -.5762774    .4728466
           20 |   .2319824   .2172144     1.07   0.286      -.19375    .6577147
           21 |   -.206106   .2265923    -0.91   0.363    -.6502188    .2380067
           22 |  -.1446702   .2177375    -0.66   0.506    -.5714279    .2820874
           23 |  -.3139709   .2339623    -1.34   0.180    -.7725285    .1445867
           24 |  -.3684769   .2134384    -1.73   0.084    -.7868084    .0498546
           25 |  -.0194047   .2318639    -0.08   0.933    -.4738496    .4350402
           26 |  -.3425807   .2281577    -1.50   0.133    -.7897616    .1046003
           27 |   .1615902   .2117332     0.76   0.445    -.2533992    .5765796
           28 |  -.0067552    .218305    -0.03   0.975    -.4346251    .4211146
           29 |  -.3300306   .2346627    -1.41   0.160     -.789961    .1298997
```

```
               30  |  -.1954562   .2113287    -0.92   0.355    -.6096528    .2187403
               31  |  -.3401726   .2291759    -1.48   0.138    -.7893492     .109004
               32  |  -.5411953   .2278077    -2.38   0.018    -.9876902   -.0947003
               33  |  -.0959415    .224524    -0.43   0.669    -.5360005    .3441176
               34  |  -.0784265   .2257681    -0.35   0.728     -.520924    .3640709
               35  |   .2316146   .2192936     1.06   0.291     -.198193    .6614222
               36  |  -.1858542   .2363229    -0.79   0.432    -.6490385    .2773301
               37  |  -.2027545    .220019    -0.92   0.357    -.6339838    .2284747
               38  |  -.0854823   .2125973    -0.40   0.688    -.5021654    .3312009
               39  |  -.2256314   .2321333    -0.97   0.331    -.6806044    .2293416
               40  |  -.3822187   .2193708    -1.74   0.081    -.8121775    .0477401
               41  |  -.3368566   .2328396    -1.45   0.148    -.7932139    .1195006
               42  |   .0006179   .2126976     0.00   0.998    -.4162618    .4174976
               43  |  -.1657875   .2370676    -0.70   0.484    -.6304316    .2988565
               44  |  -.4179486   .2296329    -1.82   0.069    -.8680209    .0321236
               45  |   .1655213   .2169989     0.76   0.446    -.2597887    .5908313
               46  |  -.2367851   .2121147    -1.12   0.264    -.6525223    .1789521
               47  |  -.3235365   .2220327    -1.46   0.145    -.7587126    .1116395
               48  |  -.3320531   .2137069    -1.55   0.120     -.750911    .0868047
               49  |   .1894702   .2320929     0.82   0.414    -.2654234    .6443639
               50  |   -.184118   .2171721    -0.85   0.397    -.6097675    .2415315
               51  |   .2037137   .2118147     0.96   0.336    -.2114355    .6188629
                   |
             _cons |   3.319672   3.903887     0.85   0.395    -4.331806    10.97115
------------------------------------------------------------------------------

491 scalar r2 = e(r2_p)

492 margins, dydx(overconfidence_mlp) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(retire_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp

------------------------------------------------------------------------------
                   |            Delta-method
                   |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-------------------+----------------------------------------------------------------
overconfidence_mlp |   -.558836   .0879363    -6.36   0.000    -.7311881    -.386484
------------------------------------------------------------------------------

493 outreg2 using "${tables_dir}/MLP_het.tex", tex append addstat(Pseudo R-squared, r2)
> ///
>         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>         ctitle("Readiness")
../outputs/tables/MLP_het.tex
dir : seeout

494
495 *** precautionary saving
496 ***** low true literacy subgroup
497 logit precaution_dummy overconfidence_mlp `household_X' ///
>         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -3717.9486
Iteration 1:   log pseudolikelihood = -3356.6527
Iteration 2:   log pseudolikelihood =   -3344.63
Iteration 3:   log pseudolikelihood = -3344.5865
Iteration 4:   log pseudolikelihood = -3344.5865

Logistic regression                             Number of obs     =      5,886
                                                Wald chi2(62)     =     460.39
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -3344.5865               Pseudo R2         =     0.1004
```

precaution_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_mlp	1.211505	.1195971	10.13	0.000	.9770993	1.445911
age	-.0959209	.0139865	-6.86	0.000	-.123334	-.0685078
age2	.00107	.0001575	6.79	0.000	.0007613	.0013787
logincome	-1.592923	.8432183	-1.89	0.059	-3.2456	.0597549
logincome2	.104181	.041095	2.54	0.011	.0236362	.1847258
female_dummy	-.0924097	.0782245	-1.18	0.237	-.2457269	.0609076
nonwhite_dummy	-.0125998	.082474	-0.15	0.879	-.1742458	.1490462
marital_dummy	.2053835	.0835496	2.46	0.014	.0416294	.3691377
high_school_dummy	.4004828	.1372764	2.92	0.004	.131426	.6695395
college_dummy	.3804322	.0885501	4.30	0.000	.2068773	.5539871
year						
2015	.0063033	.0973488	0.06	0.948	-.1844967	.1971034
2018	.0685241	.0942289	0.73	0.467	-.1161611	.2532093
state_cate						
2	.2552015	.3427682	0.74	0.457	-.4166118	.9270147
3	-.2206791	.3296846	-0.67	0.503	-.866849	.4254907
4	-.5203241	.3050877	-1.71	0.088	-1.118285	.0776368
5	-.1866646	.2761714	-0.68	0.499	-.7279505	.3546213
6	-.3426026	.3287832	-1.04	0.297	-.9870058	.3018005
7	-.5586142	.3355268	-1.66	0.096	-1.216235	.0990062
8	-.4653541	.3456557	-1.35	0.178	-1.142827	.2121186
9	-.1195212	.3140887	-0.38	0.704	-.7351238	.4960814
10	-.4056005	.2959976	-1.37	0.171	-.9857451	.1745441
11	-.3510255	.2951494	-1.19	0.234	-.9295076	.2274566
12	-.3422186	.3449189	-0.99	0.321	-1.018247	.33381
13	-.2415747	.3551402	-0.68	0.496	-.9376366	.4544872
14	-.0284683	.2891515	-0.10	0.922	-.5951949	.5382582
15	-.8233804	.3442973	-2.39	0.017	-1.498191	-.14857
16	-.4333541	.3430522	-1.26	0.207	-1.105724	.2390159
17	-.1528935	.3212354	-0.48	0.634	-.7825032	.4767163
18	-.2552875	.3114752	-0.82	0.412	-.8657676	.3551927
19	-.2638638	.3041203	-0.87	0.386	-.8599287	.3322011
20	-.5828899	.3351416	-1.74	0.082	-1.239755	.0739755
21	-.8205489	.3212106	-2.55	0.011	-1.45011	-.1909877
22	-.5483845	.3286789	-1.67	0.095	-1.192583	.0958143
23	-.381792	.2968274	-1.29	0.198	-.963563	.199979
24	-.2387003	.3148033	-0.76	0.448	-.8557034	.3783028
25	-.3230135	.2917791	-1.11	0.268	-.8948901	.248863
26	-.5533768	.313458	-1.77	0.077	-1.167743	.0609896
27	-1.164028	.4481177	-2.60	0.009	-2.042323	-.2857336
28	-.1165231	.3370374	-0.35	0.730	-.7771042	.544058
29	-.4972777	.3188085	-1.56	0.119	-1.122131	.1275756
30	.1873365	.3235175	0.58	0.563	-.4467461	.821419
31	-.9185374	.3010555	-3.05	0.002	-1.508595	-.3284795
32	-.1279191	.3529238	-0.36	0.717	-.8196371	.5637989
33	-.3124952	.2698722	-1.16	0.247	-.8414351	.2164446
34	-.0372202	.2837706	-0.13	0.896	-.5934003	.5189598
35	.4387103	.3231718	1.36	0.175	-.1946948	1.072115
36	-.1669092	.3076775	-0.54	0.587	-.769946	.4361276
37	-.8790974	.3375979	-2.60	0.009	-1.540777	-.2174177
38	-.3520992	.3140307	-1.12	0.262	-.9675881	.2633897
39	-.7667095	.3092349	-2.48	0.013	-1.372799	-.1606203
40	-.5327512	.3206777	-1.66	0.097	-1.161268	.0957656
41	-.217654	.2991473	-0.73	0.467	-.8039719	.3686638
42	-.7284791	.3763047	-1.94	0.053	-1.466023	.0090646
43	-.2377349	.297708	-0.80	0.425	-.8212319	.3457621
44	-.1273077	.2758566	-0.46	0.644	-.6679767	.4133613
45	-.6637909	.3754329	-1.77	0.077	-1.399626	.0720441
46	-.5261251	.3607941	-1.46	0.145	-1.233269	.1810184
47	-.4343371	.3193626	-1.36	0.174	-1.060276	.1916022
48	-.4343053	.2910675	-1.49	0.136	-1.004787	.1361765
49	-.6917077	.319964	-2.16	0.031	-1.318826	-.0645898
50	-.786955	.3452116	-2.28	0.023	-1.463557	-.1103526
51	-.8592398	.3771471	-2.28	0.023	-1.598435	-.1200451
_cons	5.442046	4.307491	1.26	0.206	-3.000482	13.88457

```
------------------------------------------------------------------------------

498 scalar r2 = e(r2_p)

499 margins, dydx(overconfidence_mlp) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_mlp |    .201378   .0191309    10.53   0.000     .1638821    .2388738
------------------------------------------------------------------------------

500 outreg2 using "${tables_dir}/MLP_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
  > s, Yes) ///
  >         ctitle("Precaution")
../outputs/tables/MLP_het.tex
dir : seeout

501
502 ***** high true literacy subgroup
503 logit precaution_dummy overconfidence_mlp `household_X' ///
  >         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -6836.5088
Iteration 1:   log pseudolikelihood = -5934.1703
Iteration 2:   log pseudolikelihood = -5909.6227
Iteration 3:   log pseudolikelihood = -5909.5251
Iteration 4:   log pseudolikelihood = -5909.5251

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =    1134.39
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -5909.5251               Pseudo R2         =     0.1356

------------------------------------------------------------------------------
                  |               Robust
  precaution_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_mlp |  -3.342448   .4216142    -7.93   0.000    -4.168796   -2.516099
               age |  -.1058024   .0135144    -7.83   0.000    -.1322902   -.0793146
              age2 |   .0013866   .0001349    10.28   0.000     .0011222    .0016511
         logincome |  -.7558812   .7548318    -1.00   0.317    -2.235324    .7235619
        logincome2 |   .0673102   .0348393     1.93   0.053    -.0009737     .135594
      female_dummy |   .0584901   .0535939     1.09   0.275     -.046552    .1635321
   nonwhite_dummy |  -.2297895   .0729833    -3.15   0.002     -.372834   -.0867449
    marital_dummy |  -.0366953   .0609208    -0.60   0.547    -.1560979    .0827072
 high_school_dummy |   .8385769   .3178104     2.64   0.008     .2156799    1.461474
     college_dummy |   .3608536   .0565328     6.38   0.000     .2500513    .4716558
                   |
              year |
             2015  |   .3099929   .0609035     5.09   0.000     .1906242    .4293616
             2018  |   .3627851   .0650636     5.58   0.000     .2352628    .4903075
                   |
        state_cate |
                2  |   .1364926    .239435     0.57   0.569    -.3327914    .6057767
                3  |   .1832841    .239085     0.77   0.443     -.285314    .6518822
                4  |   .2088238   .2546647     0.82   0.412    -.2903098    .7079573
                5  |   .0531415   .2386805     0.22   0.824    -.4146636    .5209466
                6  |    .292889   .2381179     1.23   0.219    -.1738135    .7595914
                7  |   .2455155   .2499472     0.98   0.326     -.244372    .7354031
                8  |   .2442496   .2532621     0.96   0.335     -.252135    .7406342
                9  |  -.0946485   .2371615    -0.40   0.690    -.5594764    .3701795
               10  |   .2189003   .2710891     0.81   0.419    -.3124246    .7502251
```

```
          11 |  -.0195894   .2619846    -0.07   0.940    -.5330697     .493891
          12 |   .3507737   .2429614     1.44   0.149    -.1254219    .8269693
          13 |  -.0311274   .2361447    -0.13   0.895    -.4939626    .4317078
          14 |   .2499787   .2354425     1.06   0.288    -.2114801    .7114376
          15 |   .0700292   .2545404     0.28   0.783    -.4288607    .5689191
          16 |   .3017164   .2417761     1.25   0.212    -.1721561    .7755889
          17 |   .2076119   .2413498     0.86   0.390    -.2654251    .6806488
          18 |   .1987323   .2580973     0.77   0.441    -.3071292    .7045937
          19 |   .0525261   .2640995     0.20   0.842    -.4650994    .5701517
          20 |   -.271392    .239871    -1.13   0.258    -.7415305    .1987464
          21 |  -.0632029   .2346403    -0.27   0.788    -.5230894    .3966835
          22 |   .3821916   .2496399     1.53   0.126    -.1070935    .8714768
          23 |   .1817391   .2532485     0.72   0.473    -.3146189    .6780971
          24 |   .2173272   .2399812     0.91   0.365    -.2530274    .6876818
          25 |  -.1604534   .2572302    -0.62   0.533    -.6646154    .3437087
          26 |   .1757645   .2483416     0.71   0.479     -.310976    .6625051
          27 |   .2933145   .2323737     1.26   0.207    -.1621296    .7487587
          28 |   .0276571    .235929     0.12   0.907    -.4347553    .4900695
          29 |   .1680958   .2570724     0.65   0.513    -.3357568    .6719483
          30 |  -.0760017   .2266772    -0.34   0.737    -.5202809    .3682775
          31 |   .0265205   .2435531     0.11   0.913    -.4508347    .5038757
          32 |   .1491188   .2436282     0.61   0.540    -.3283837    .6266213
          33 |    .208223   .2502123     0.83   0.405     -.282184    .6986301
          34 |    .077346   .2508674     0.31   0.758     -.414345    .5690371
          35 |   .2725092    .236989     1.15   0.250    -.1919807    .7369992
          36 |  -.0717481    .251457    -0.29   0.775    -.5645948    .4210986
          37 |  -.0326976   .2479241    -0.13   0.895    -.5186199    .4532246
          38 |  -.0449313   .2364137    -0.19   0.849    -.5082936     .418431
          39 |   .0687758   .2436739     0.28   0.778    -.4088162    .5463679
          40 |   .1349272   .2409356     0.56   0.575    -.3372979    .6071523
          41 |   .0202035   .2570026     0.08   0.937    -.4835123    .5239194
          42 |   .4396595   .2371728     1.85   0.064    -.0251906    .9045095
          43 |  -.0613349   .2603365    -0.24   0.814    -.5715849    .4489152
          44 |   .0696411   .2487842     0.28   0.780     -.417967    .5572493
          45 |  -.0318061   .2382921    -0.13   0.894    -.4988501    .4352379
          46 |   -.005151   .2322148    -0.02   0.982    -.4602837    .4499817
          47 |  -.0460992   .2467243    -0.19   0.852    -.5296698    .4374715
          48 |   .3057998   .2402747     1.27   0.203    -.1651298    .7767295
          49 |   .3068676    .265899     1.15   0.248    -.2142848      .82802
          50 |  -.1039844   .2333948    -0.45   0.656    -.5614298    .3534611
          51 |   .1926083   .2365884     0.81   0.416    -.2710965    .6563131
             |
       _cons |   1.151917   4.094438     0.28   0.778    -6.873035    9.176868
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_mlp) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(precaution_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_mlp |  -.5901815   .0735401    -8.03   0.000    -.7343175   -.4460455
------------------------------------------------------------------------------
```

```
506 outreg2 using "${tables_dir}/MLP_het.tex", tex append addstat(Pseudo R-squared, r2)
  > ///
  >         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
  > es, Yes) ///
  >         ctitle("Precaution")
  ../outputs/tables/MLP_het.tex
  dir : seeout

507
508 *** financial market participation
509 ***** low true literacy subgroup
510 logit fin_par_dummy overconfidence_mlp `household_X' ///
  >         i.year i.state_cate if fin_low_dummy == 1 [pw=weights]

  Iteration 0:   log pseudolikelihood =  -2155.857
  Iteration 1:   log pseudolikelihood = -1889.6565
  Iteration 2:   log pseudolikelihood = -1769.0621
  Iteration 3:   log pseudolikelihood = -1764.7839
  Iteration 4:   log pseudolikelihood = -1764.7713
  Iteration 5:   log pseudolikelihood = -1764.7713

  Logistic regression                             Number of obs     =      5,886
                                                  Wald chi2(62)     =     560.00
                                                  Prob > chi2       =     0.0000
  Log pseudolikelihood = -1764.7713               Pseudo R2         =     0.1814

  ------------------------------------------------------------------------------
                       |               Robust
            fin_par_dummy |      Coef.   Std. Err.      z    P>|z|     [95% Conf. Interval]
  ---------------------+--------------------------------------------------------------------
  overconfidence_mlp |   1.221932   .1446435     8.45   0.000     .9384358    1.505428
                  age |  -.0759012   .0199939    -3.80   0.000    -.1150885   -.0367139
                 age2 |   .0009612   .0002226     4.32   0.000      .000525    .0013975
            logincome |   .8112102   1.303301     0.62   0.534    -1.743213    3.365634
           logincome2 |   .0075895   .0615644     0.12   0.902    -.1130745    .1282535
          female_dummy |  -.3506369   .1103996    -3.18   0.001    -.5670161   -.1342577
       nonwhite_dummy |  -.2155583   .1249376    -1.73   0.084    -.4604315     .029315
        marital_dummy |   .1055676   .1239057     0.85   0.394    -.1372832    .3484184
    high_school_dummy |   .9432488   .2703892     3.49   0.000     .4132957    1.473202
        college_dummy |   .4389791   .1225075     3.58   0.000     .1988688    .6790894
                      |
                 year |
                 2015 |  -.1811338   .1370752    -1.32   0.186    -.4497963    .0875288
                 2018 |   -.294723    .136133    -2.16   0.030    -.5615388   -.0279072
                      |
           state_cate |
                    2 |   .2921624   .4642662     0.63   0.529    -.6177825    1.202107
                    3 |  -.1371507   .4825827    -0.28   0.776    -1.082995     .808694
                    4 |  -.3948859   .5018032    -0.79   0.431    -1.378402    .5886303
                    5 |   .2773621   .4081924     0.68   0.497    -.5226804    1.077405
                    6 |   .2117023   .4882742     0.43   0.665    -.7452975    1.168702
                    7 |  -.1154424   .4790155    -0.24   0.810    -1.054296    .8234108
                    8 |  -.3066438   .5519078    -0.56   0.578    -1.388363    .7750755
                    9 |   .5150382   .4242285     1.21   0.225    -.3164345    1.346511
                   10 |  -.1037386   .4705453    -0.22   0.826     -1.02599    .8185133
                   11 |  -.1795828   .4767672    -0.38   0.706    -1.114029    .7548637
                   12 |  -.7448725   .7095255    -1.05   0.294    -2.135517    .6457719
                   13 |  -1.167294   .6333217    -1.84   0.065    -2.408581    .0739939
                   14 |  -.1272223   .4231036    -0.30   0.764      -.95649    .7020455
                   15 |  -1.549403   .6957541    -2.23   0.026    -2.913056   -.1857502
                   16 |  -.1975152   .5313563    -0.37   0.710    -1.238954    .8439239
                   17 |  -.2233605    .513316    -0.44   0.663    -1.229441    .7827204
                   18 |    .072784   .4669893     0.16   0.876    -.8424982    .9880662
                   19 |  -.6171549   .5505785    -1.12   0.262    -1.696269    .4619591
                   20 |   .1246501   .5128874     0.24   0.808    -.8805908    1.129891
                   21 |   .3813363   .4423782     0.86   0.389    -.4857091    1.248382
                   22 |  -.4889344   .5350099    -0.91   0.361    -1.537535    .5596657
                   23 |   .2306577   .4408721     0.52   0.601    -.6334357    1.094751
                   24 |  -.1191915   .4790846    -0.25   0.804     -1.05818    .8197972
                   25 |  -.3827288   .4909813    -0.78   0.436    -1.345034    .5795769
                   26 |   .2294384   .4501069     0.51   0.610    -.6527548    1.111632
                   27 |   .4039637   .5220341     0.77   0.439    -.6192043    1.427132
```

```
              28 |   .8900913   .4637028     1.92   0.055    -.0187495    1.798932
              29 |  -.0247758   .4909682    -0.05   0.960    -.9870558    .9375043
              30 |   .0116015   .4777255     0.02   0.981    -.9247232    .9479262
              31 |  -.4419893   .4545806    -0.97   0.331    -1.332951    .4489723
              32 |  -.1225554   .5764977    -0.21   0.832     -1.25247    1.007359
              33 |   .2184653   .3951135     0.55   0.580    -.5559429    .9928735
              34 |  -.1843216   .4742479    -0.39   0.698     -1.11383    .7451872
              35 |   .4247102   .4524049     0.94   0.348    -.4619871    1.311408
              36 |  -.1128315   .4675319    -0.24   0.809    -1.029177    .8035141
              37 |   .1266882   .4665478     0.27   0.786    -.7877287    1.041105
              38 |    .365641   .4723115     0.77   0.439    -.5600724    1.291354
              39 |   .0597444   .4410622     0.14   0.892    -.8047216    .9242103
              40 |  -.4406176   .5017983    -0.88   0.380    -1.424124    .5428889
              41 |   .3996997   .4396089     0.91   0.363     -.461918    1.261317
              42 |   -.080358   .5132367    -0.16   0.876    -1.086284    .9255674
              43 |  -.0008866   .5111006    -0.00   0.999    -1.002625    1.000852
              44 |  -.2534673   .4244851    -0.60   0.550    -1.085443    .5785083
              45 |  -.0543282   .6114456    -0.09   0.929     -1.25274    1.144083
              46 |   .3676504     .47608     0.77   0.440    -.5654492     1.30075
              47 |  -.2293676   .4874843    -0.47   0.638    -1.184819    .7260841
              48 |   .2466238   .4246094     0.58   0.561    -.5855953    1.078843
              49 |  -.2007999   .4849284    -0.41   0.679    -1.151242    .7496422
              50 |  -.4626029   .5378183    -0.86   0.390    -1.516707    .5915016
              51 |   .3596227   .5499265     0.65   0.513    -.7182134    1.437459
                 |
           _cons |  -11.37756   6.921158    -1.64   0.100    -24.94278    2.187663
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_mlp) post

Average marginal effects                        Number of obs     =      5,886
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp

------------------------------------------------------------------------------
                             |            Delta-method
                             |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
-----------------------------+------------------------------------------------------------------
overconfidence_mlp |   .0943189   .0110886     8.51   0.000     .0725856    .1160523
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/MLP_het.tex", tex append addstat(Pseudo R-squared, r2)
> ///
>         addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>         ctitle("Participation")
../outputs/tables/MLP_het.tex
dir : seeout

.
. ***** high true literacy subgroup
. logit fin_par_dummy overconfidence_mlp `household_X' ///
>         i.year i.state_cate if fin_high_dummy == 1 [pw=weights]

Iteration 0:   log pseudolikelihood = -7436.5574
Iteration 1:   log pseudolikelihood = -6619.5792
Iteration 2:   log pseudolikelihood = -6615.6214
Iteration 3:   log pseudolikelihood = -6615.6202
Iteration 4:   log pseudolikelihood = -6615.6202

Logistic regression                             Number of obs     =     12,539
                                                Wald chi2(62)     =     998.71
                                                Prob > chi2       =     0.0000
Log pseudolikelihood = -6615.6202               Pseudo R2         =     0.1104
```

fin_par_dummy	Coef.	Robust Std. Err.	z	P>|z|	[95% Conf.	Interval]
overconfidence_mlp	-2.779501	.4095552	-6.79	0.000	-3.582215	-1.976788
age	-.0563994	.0128267	-4.40	0.000	-.0815393	-.0312594
age2	.0007927	.0001257	6.30	0.000	.0005462	.0010391
logincome	-.9248809	.7596623	-1.22	0.223	-2.413792	.5640299
logincome2	.0759426	.034669	2.19	0.028	.0079925	.1438926
female_dummy	-.0939651	.0490411	-1.92	0.055	-.1900838	.0021537
nonwhite_dummy	-.0401568	.06962	-0.58	0.564	-.1766094	.0962958
marital_dummy	-.0283851	.0564096	-0.50	0.615	-.1389459	.0821757
high_school_dummy	.8734539	.3775462	2.31	0.021	.133477	1.613431
college_dummy	.3655745	.0522449	7.00	0.000	.2631764	.4679725
year						
2015	-.2374994	.0570099	-4.17	0.000	-.3492366	-.1257621
2018	-.1881656	.0605795	-3.11	0.002	-.3068993	-.069432
state_cate						
2	.3970909	.2084789	1.90	0.057	-.0115203	.8057021
3	.4233541	.2078666	2.04	0.042	.015943	.8307652
4	.4435931	.2200477	2.02	0.044	.0123075	.8748786
5	.3387508	.2063825	1.64	0.101	-.0657514	.743253
6	.4366868	.2107326	2.07	0.038	.0236584	.8497152
7	.7186175	.2161137	3.33	0.001	.2950424	1.142193
8	.4553638	.2147707	2.12	0.034	.0344209	.8763067
9	.4313807	.2174279	1.98	0.047	.0052298	.8575316
10	.5453723	.2429855	2.24	0.025	.0691295	1.021615
11	.3301649	.2345169	1.41	0.159	-.1294798	.7898096
12	.9217929	.2191649	4.21	0.000	.4922377	1.351348
13	.4179062	.2108538	1.98	0.047	.0046403	.831172
14	.4630563	.2050144	2.26	0.024	.0612355	.8648771
15	.2767734	.2206759	1.25	0.210	-.1557435	.7092903
16	.5535863	.2081052	2.66	0.008	.1457076	.9614651
17	.5644273	.2141399	2.64	0.008	.1447209	.9841337
18	.275854	.2234695	1.23	0.217	-.1621382	.7138462
19	.2634133	.2454755	1.07	0.283	-.2177097	.7445364
20	.2368691	.209083	1.13	0.257	-.172926	.6466642
21	.2979009	.2169305	1.37	0.170	-.127275	.7230768
22	.4793823	.2157046	2.22	0.026	.056609	.9021556
23	.1966976	.2192179	0.90	0.370	-.2329615	.6263567
24	.1294722	.2072807	0.62	0.532	-.2767905	.5357349
25	.0364574	.2313736	0.16	0.875	-.4170265	.4899412
26	.308692	.215192	1.43	0.151	-.1130765	.7304605
27	.4192668	.2052831	2.04	0.041	.0169194	.8216143
28	.2051065	.2044046	1.00	0.316	-.1955192	.6057322
29	.2590154	.2196549	1.18	0.238	-.1715002	.6895311
30	.0395954	.198543	0.20	0.842	-.3495417	.4287325
31	.8009598	.2192466	3.65	0.000	.3712443	1.230675
32	.1671853	.2152373	0.78	0.437	-.2546721	.5890427
33	.384376	.2138425	1.80	0.072	-.0347477	.8034997
34	.57842	.224084	2.58	0.010	.1392234	1.017617
35	.4154105	.2070834	2.01	0.045	.0095345	.8212865
36	.3371063	.2241162	1.50	0.133	-.1021534	.7763659
37	.1102809	.2181448	0.51	0.613	-.3172751	.5378369
38	.2980071	.2042643	1.46	0.145	-.1023437	.6983578
39	.4932492	.2174382	2.27	0.023	.0670781	.9194202
40	.3971042	.2082811	1.91	0.057	-.0111193	.8053276
41	.0149421	.219969	0.07	0.946	-.4161891	.4460734
42	.5953941	.2076909	2.87	0.004	.1883274	1.002461
43	.1695556	.2248627	0.75	0.451	-.2711672	.6102784
44	.0347581	.215808	0.16	0.872	-.3882178	.4577341
45	.1360563	.2075249	0.66	0.512	-.270685	.5427976
46	.2279477	.2063972	1.10	0.269	-.1765834	.6324788
47	.399401	.2126193	1.88	0.060	-.0173252	.8161271
48	.5465855	.2086638	2.62	0.009	.137612	.9555591
49	.270688	.226254	1.20	0.232	-.1727616	.7141376
50	.4588318	.2085986	2.20	0.028	.049986	.8676776
51	.2613401	.2050589	1.27	0.202	-.140568	.6632482
_cons	.7085018	4.219762	0.17	0.867	-7.56208	8.979083

```
------------------------------------------------------------------------------

. scalar r2 = e(r2_p)

. margins, dydx(overconfidence_mlp) post

Average marginal effects                        Number of obs     =     12,539
Model VCE    : Robust

Expression   : Pr(fin_par_dummy), predict()
dy/dx w.r.t. : overconfidence_mlp

------------------------------------------------------------------------------
                  |            Delta-method
                  |      dy/dx   Std. Err.      z    P>|z|     [95% Conf. Interval]
------------------+-----------------------------------------------------------------
overconfidence_mlp |  -.5662993   .0825256    -6.86   0.000    -.7280466   -.4045521
------------------------------------------------------------------------------

. outreg2 using "${tables_dir}/MLP_het.tex", tex word append addstat(Pseudo R-squared,
>  r2) ///
>         addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>         ctitle("Participation")
../outputs/tables/MLP_het.tex
../outputs/tables/MLP_het.rtf
dir : seeout

.
. * stop capturing log and translate into pdf
. log close analysis_NFCS
       name:  analysis_NFCS
        log:  C:\Users\Thinkpad\Perspective\Overconfidence-Financial-Behaviors\codes\..
> /outputs/log
> s/analysis_log.smcl
  log type:  text
 closed on:  11 Jun 2020, 19:05:23
------------------------------------------------------------------------------------------
> ------------
```