



```

1 .
2 . * import data
3 . import excel "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
Method: principal-component factors      Number of obs   =      80,164
Rotation: (unrotated)                   Retained factors =         1
                                         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: $\chi^2(10) = 4.7e+04$ Prob> $\chi^2 = 0.0000$

Factor loadings (pattern matrix) and unique variances

Variable	Factor1	Uniqueness
interest_q_c	0.6435	0.5859
inflation_q_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 .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 "Output/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 Output/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

```

retire_dummy	Coef.	Robust 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

```

	dy/dx	Delta-method 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 "Output/SVM", tex word replace addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
>      ctitle("Readiness")
Output/SVM.tex
Output/SVM.rtf
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

```

retire_dummy	Coef.	Robust 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 "Output/SVM", tex word append addstat(Pseudo R-squared, r2) ///

> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///

> ctitle("Readiness")

Output/SVM.tex

Output/SVM.rtf

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

precaution_dummy	Coef.	Robust 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 : $\Pr(\text{precaution_dummy})$, $\text{predict}()$
 dy/dx w.r.t. : overconfidence svm fin lit

	dy/dx	Delta-method 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 "Output/SVM", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Precaution")
Output/SVM.tex
Output/SVM.rtf
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 "Output/SVM", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Precaution")
Output/SVM.tex
Output/SVM.rtf
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
Pseudo R2 = 0.1870

```

-----
      |               Robust
      |      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 "Output/SVM", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Participation")
Output/SVM.tex
Output/SVM.rtf
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

fin_par_dummy		Coef.	Robust 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

```

73. outreg2 using "Output/SVM", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Participation")
Output/SVM.tex
Output/SVM.rtf
dir : seeout

```

```

74.
75. * baseline regressions with forest
76. *** retirement readiness
77. ***** without state dummies
78. 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

```

```

-----
> -

```

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

```

-----
> -

```

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 "Output/Forest", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Readiness")
Output/Forest.tex
Output/Forest.rtf
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

```
-----
> -
      retire_dummy |               Robust
      |               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
```

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

```

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

```

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 "Output/Forest", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Readiness")
Output/Forest.tex
Output/Forest.rtf
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

-----
> -
precaution_dummy |      Coef.      Robust      z      P>|z|      [95% Conf. Interval
> ]               |      Std. Err.
-----+-----
> -
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 "Output/Forest", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Precaution")
Output/Forest.tex
Output/Forest.rtf
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

```
-----
> -
precaution_dummy |               Robust
      |               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
-----
```



```

> 8 high_school_dummy | .4452626 .060162 7.40 0.000 .3273472 .56317
> 8 college_dummy | .3415947 .0204335 16.72 0.000 .3015458 .381643
> 6
      year |
> 2 2015 | .2019923 .0233676 8.64 0.000 .1561926 .24779
> 3 2018 | .3027281 .0238837 12.68 0.000 .2559169 .349539
      state_cate |
> 8 2 | -.0395779 .0850978 -0.47 0.642 -.2063666 .127210
> 4 3 | -.1267204 .0850663 -1.49 0.136 -.2934473 .040006
> 4 4 | -.0440982 .0839881 -0.53 0.600 -.2087119 .120515
> 5 5 | .0664975 .0831393 0.80 0.424 -.0964525 .229447
> 3 6 | -.0803476 .0845352 -0.95 0.342 -.2460336 .085338
> 9 7 | -.114596 .0851418 -1.35 0.178 -.2814709 .052278
> 5 8 | -.1582367 .0831353 -1.90 0.057 -.3211789 .004705
> 1 9 | -.0596563 .0860834 -0.69 0.488 -.2283767 .109064
> 7 10 | .0841225 .0859206 0.98 0.328 -.0842787 .252523
> 2 11 | .0355004 .0854428 0.42 0.678 -.1319644 .202965
> 3 12 | .1530999 .0855359 1.79 0.073 -.0145474 .320747
> 9 13 | -.169998 .0836934 -2.03 0.042 -.3340342 -.005961
> 2 14 | .1058036 .0815202 1.30 0.194 -.053973 .265580
> 5 15 | -.1804461 .0840702 -2.15 0.032 -.3452207 -.015671
> 2 16 | -.0769581 .0836889 -0.92 0.358 -.2409853 .087069
> 9 17 | -.1669683 .0833109 -2.00 0.045 -.3302547 -.003681
> 8 18 | .0013024 .0838156 0.02 0.988 -.1629732 .16557
> 6 19 | -.0026014 .0835352 -0.03 0.975 -.1663274 .161124
> 3 20 | -.1920886 .0840486 -2.29 0.022 -.3568209 -.027356
> 2 21 | -.233543 .0845735 -2.76 0.006 -.399304 -.06778
> 9 22 | -.0317546 .0858763 -0.37 0.712 -.2000691 .136559
> 9 23 | -.0752897 .0827203 -0.91 0.363 -.2374184 .08683
> 6 24 | .0383073 .0836609 0.46 0.647 -.1256651 .202279
> 5 25 | -.0336672 .0834249 -0.40 0.687 -.1971769 .129842
> 4 26 | -.1955237 .0839589 -2.33 0.020 -.3600801 -.030967
> 1 27 | -.1352159 .0815898 -1.66 0.097 -.295129 .024697
> 8 28 | -.06946 .0838474 -0.83 0.407 -.2337978 .094877
> 1 29 | .0046463 .0848611 0.05 0.956 -.1616784 .17097
> 7 30 | -.0897341 .0833652 -1.08 0.282 -.2531269 .073658
> 31 | -.1172518 .0850213 -1.38 0.168 -.2838905 .04938

```

```

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

```

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 "Output/Forest", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Precaution")
Output/Forest.tex
Output/Forest.rtf
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

```

```

-----
> -
      fin_par_dummy |          Coef.      Robust      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 |
> 9      2015 | -.2362005  .0248599   -9.50   0.000   -.2849251   -.187475
> 8      2018 | -.168032  .0256006   -6.56   0.000   -.2182083   -.117855
> 8      _cons |  1.499968  1.526559    0.98   0.326   -1.492032    4.49196
-----
> -

```

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 "Output/Forest", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Participation")
Output/Forest.tex
Output/Forest.rtf
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
      |               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
-----
```

```

> 4 high_school_dummy | .6965179 .082645 8.43 0.000 .5345366 .858499
> 2 college_dummy | .4135579 .0216814 19.07 0.000 .3710632 .456052
> 6
      year |
      2015 | -.2327339 .0248904 -9.35 0.000 -.2815182 -.183949
> 7      2018 | -.1640055 .0256676 -6.39 0.000 -.2143132 -.113697
> 9
      state_cate |
      2 | .2211765 .0917328 2.41 0.016 .0413836 .400969
> 4      3 | .0505469 .0935862 0.54 0.589 -.1328787 .233972
> 5      4 | .0931431 .0947674 0.98 0.326 -.0925975 .278883
> 7      5 | .3148693 .0915676 3.44 0.001 .1354001 .494338
> 6      6 | .1788415 .0943536 1.90 0.058 -.0060882 .363771
> 2      7 | .3006704 .0916635 3.28 0.001 .1210133 .480327
> 4      8 | .1972877 .0918392 2.15 0.032 .0172861 .377289
> 3      9 | .3477256 .0928401 3.75 0.000 .1657623 .529688
> 9     10 | .2256682 .0949127 2.38 0.017 .0396428 .411693
> 6     11 | .2064106 .0946739 2.18 0.029 .020853 .391968
> 1     12 | .6632853 .0925791 7.16 0.000 .4818336 .844737
> 1     13 | .1115343 .0910248 1.23 0.220 -.066871 .289939
> 6     14 | .1222824 .0877594 1.39 0.164 -.049723 .294287
> 7     15 | -.0112904 .0943565 -0.12 0.905 -.1962257 .173644
> 9     16 | .2316242 .0910393 2.54 0.011 .0531905 .410057
> 8     17 | .1830609 .0924659 1.98 0.048 .0018311 .364290
> 6     18 | .0591989 .0939723 0.63 0.529 -.1249835 .243381
> 2     19 | .1403549 .094257 1.49 0.136 -.0443854 .325095
> 3     20 | .1774304 .0934029 1.90 0.057 -.005636 .360496
> 8     21 | .1142553 .0935514 1.22 0.222 -.069102 .297612
> 6     22 | .1662866 .0931587 1.78 0.074 -.016301 .348874
> 2     23 | .0744529 .0942046 0.79 0.429 -.1101846 .259090
> 5     24 | .2205101 .0928314 2.38 0.018 .038564 .402456
> 3     25 | .1031372 .095777 1.08 0.282 -.0845824 .290856
> 7     26 | .123446 .0931912 1.32 0.185 -.0592055 .306097
> 4     27 | .322414 .0918028 3.51 0.000 .1424838 .502344
> 2     28 | .1844246 .0916923 2.01 0.044 .0047111 .364138
> 2     29 | .0455499 .0950568 0.48 0.632 -.1407581 .231857
> 8     30 | .0345174 .091713 0.38 0.707 -.1452368 .214271
> 6     31 | .2375317 .0918596 2.59 0.010 .0574901 .417573

```

```

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

```

```
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]
-----+-----
> 1
> -
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 "Output/Forest", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Participation")
Output/Forest.tex
Output/Forest.rtf
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

```

retire_dummy	Coef.	Robust 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

```

	dy/dx	Delta-method 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 "Output/Logit", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Readiness")
Output/Logit.tex
Output/Logit.rtf
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

```

retire_dummy	Coef.	Robust 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	.0911101
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 "Output/Logit", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Readiness")
Output/Logit.tex
Output/Logit.rtf
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
```

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
-----

```

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

```
139 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
-----

```

```

140 outreg2 using "Output/Logit", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Precaution")
Output/Logit.tex
Output/Logit.rtf
dir : seeout

```

```
141
```

```
142 *** financial market participation
```

```
143 ***** without state dummies
```

```
144 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
      |      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      .000005      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 "Output/Logit", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Participation")
Output/Logit.tex
Output/Logit.rtf
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

fin_par_dummy	Coef.	Robust 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


```

153 outreg2 using "Output/Logit", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Participation")
Output/Logit.tex
Output/Logit.rtf
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

```

retire_dummy	Coef.	Robust 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

```

	dy/dx	Delta-method 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 "Output/BNB", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Readiness")
Output/BNB.tex
Output/BNB.rtf
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

```

retire_dummy	Coef.	Robust 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

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

```
166 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

```
167 outreg2 using "Output/BNB", tex word append addstat(Pseudo R-squared, r2) ///
```

```
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
```

```
> ctitle("Readiness")
```

```
Output/BNB.tex
```

```
Output/BNB.rtf
```

```
dir : seeout
```

```
168
```

```
169 *** precautionary saving
```

```
170 ***** without state dummies
```

```
171 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
```

precaution_dummy	Coef.	Robust 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 : $\Pr(\text{precaution_dummy})$, $\text{predict}()$
 dy/dx w.r.t. : overconfidence bnb fin lit

	dy/dx	Delta-method 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 "Output/BNB", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Precaution")
Output/BNB.tex
Output/BNB.rtf
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 "Output/BNB", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Precaution")
Output/BNB.tex
Output/BNB.rtf
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
              |              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 "Output/BNB", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Participation")
Output/BNB.tex
Output/BNB.rtf
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

		Coef.	Robust 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 "Output/BNB", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Participation")
Output/BNB.tex
Output/BNB.rtf
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

```

retire_dummy	Coef.	Robust 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

```

	dy/dx	Delta-method 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 "Output/KNN", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Readiness")
Output/KNN.tex
Output/KNN.rtf
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
Pseudo R2          =      0.1307
Log pseudolikelihood = -43084.731

```

retire_dummy	Coef.	Robust 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

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

precaution_dummy	Coef.	Robust 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

```
212 scalar r2 = e(r2 p)
```

213 margins, dydx(overconfidence knn fin lit) post

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

Expression : $\Pr(\text{precaution_dummy}), \text{predict}()$
 dy/dx w.r.t. : overconfidence knn fin lit

	dy/dx	Delta-method 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

```
214 outreg2 using "Output/KNN", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Precaution")
Output/KNN.tex
Output/KNN.rtf
dir : seeout
```

215

```
216 ***** with state dummies
```

```
217 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
```

	dy/dx	Delta-method 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 "Output/KNN", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Precaution")
Output/KNN.tex
Output/KNN.rtf
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

fin_par_dummy	Coef.	Robust 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 "Output/KNN", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Participation")
Output/KNN.tex
Output/KNN.rtf
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 "Output/KNN", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
>      ctitle("Participation")
Output/KNN.tex
Output/KNN.rtf
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

```

retire_dummy	Coef.	Robust 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

```

	dy/dx	Delta-method 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 "Output/MLP", tex word replace addstat(Pseudo R-squared, r2) ///
>      addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
>      ctitle("Readiness")
Output/MLP.tex
Output/MLP.rtf
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

```

retire_dummy	Coef.	Robust 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				[95% Conf. Interval]	
		dy/dx	Std. Err.	z	P> z		
overconfidence_mlp		.2454381	.0198023	12.39	0.000	.2066263	.28425
fin_lit		.2283132	.0077877	29.32	0.000	.2130495	.2435769

```
247 outreg2 using "Output/MLP", tex word append addstat(Pseudo R-squared, r2) ///
```

```
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
```

```
> ctitle("Readiness")
```

```
Output/MLP.tex
```

```
Output/MLP.rtf
```

```
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
```

precaution_dummy	Coef.	Robust 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

```
252 scalar r2 = e(r2 p)
```

253 margins, dydx(overconfidence mlp fin lit) post

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

Expression : $\Pr(\text{precaution_dummy}), \text{predict}()$
dy/dx w.r.t. : overconfidence mlp fin lit

	dy/dx	Delta-method 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

```
254 outreg2 using "Output/MLP", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Precaution")
Output/MLP.tex
Output/MLP.rtf
dir : seeout
```

255

```
256 ***** with state dummies
```

```
257 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
-----

```

258 scalar r2 = e(r2_p)

259 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
-----

```

260 outreg2 using "Output/MLP", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Precaution")
Output/MLP.tex
Output/MLP.rtf
dir : seeout

261

262 *** financial market participation

263 ***** without state dummies

264 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
      |              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 "Output/MLP", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, No) ///
> ctitle("Participation")
Output/MLP.tex
Output/MLP.rtf
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

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
```

	dy/dx	Delta-method 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 "Output/MLP", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Demo. chars., Yes, Year dummies, Yes, State dummies, Yes) ///
> ctitle("Participation")
Output/MLP.tex
Output/MLP.rtf
dir : seeout

```

274

275 * generate financial literacy indicators and interactions

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
              Largest      Mean          .603136
75%             .8434286      1      Std. Dev.    .2970519
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

Pseudo R2 = 0.1073

Log pseudolikelihood = -2490.4484

```

-----+-----
retire_dummy |          Coef.      Robust 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	.639798
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				

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 "Output/SVM_het", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Readiness")
Output/SVM_het.tex
Output/SVM_het.rtf
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

```

retire_dummy	Coef.	Robust 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
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```
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 "Output/SVM_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Readiness")
Output/SVM_het.tex
Output/SVM_het.rtf
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_cat						
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 "Output/SVM_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Precaution")
Output/SVM_het.tex
Output/SVM_het.rtf
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

precaution_dummy	Coef.	Robust 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 "Output/SVM_het", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>      ctitle("Precaution")
Output/SVM_het.tex
Output/SVM_het.rtf
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

```

fin_par_dummy	Coef.	Robust 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 "Output/SVM_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Participation")
Output/SVM_het.tex
Output/SVM_het.rtf
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 "Output/SVM het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Participation")
Output/SVM_het.tex
Output/SVM_het.rtf
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
Pseudo R2                =      0.1267
```

```
> -
```

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

```

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

```

```
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 "Output/Forest_het", tex word replace addstat(Pseudo R-squared, r2) //
> /
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Readiness")
Output/Forest_het.tex
Output/Forest_het.rtf
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

```

```

-----
> -

```

	retire_dummy	Coef.	Robust 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					
> 8	2015	.0167751	.0591703	0.28	0.777	-.0991967 .132746
> 9	2018	.09143	.0623771	1.47	0.143	-.030827 .213686
	state_cate					
> 5	2	.0109401	.2159402	0.05	0.960	-.4122948 .43417
> 9	3	-.1212485	.2300591	-0.53	0.598	-.572156 .32965
> 4	4	-.5169526	.2346054	-2.20	0.028	-.9767707 -.057134
> 6	5	-.3339494	.2239005	-1.49	0.136	-.7727864 .104887
> 8	6	-.0820522	.2239419	-0.37	0.714	-.5209703 .356865
> 7	7	-.0291122	.2198913	-0.13	0.895	-.4600912 .401866

> 4	8		-.2775808	.2177714	-1.27	0.202	-.704405	.149243
> 2	9		-.073197	.2264227	-0.32	0.746	-.5169773	.370583
> 9	10		-.4338553	.2541109	-1.71	0.088	-.9319035	.064192
> 3	11		-.3063866	.2364466	-1.30	0.195	-.7698134	.157040
> 4	12		-.2960729	.2137015	-1.39	0.166	-.7149202	.122774
> 3	13		-.276441	.2232257	-1.24	0.216	-.7139553	.161073
> 7	14		-.0426934	.2163617	-0.20	0.844	-.4667546	.381367
> 8	15		.249295	.2297669	1.08	0.278	-.2010398	.699629
> 1	16		-.0863134	.2216901	-0.39	0.697	-.520818	.348191
> 1	17		-.1735066	.2198865	-0.79	0.430	-.6044762	.257463
> 1	18		.0783477	.2337193	0.34	0.737	-.3797337	.536429
> 3	19		-.0115894	.2687252	-0.04	0.966	-.5382812	.515102
> 4	20		.2450724	.2176882	1.13	0.260	-.1815885	.671733
> 4	21		-.1772161	.2276172	-0.78	0.436	-.6233375	.268905
> 3	22		-.1251882	.2184594	-0.57	0.567	-.5533607	.302984
> 3	23		-.2878082	.2348197	-1.23	0.220	-.7480465	.1724
> 9	24		-.3506149	.2134732	-1.64	0.101	-.7690147	.067784
> 6	25		.0104395	.2320849	0.04	0.964	-.4444385	.465317
> 7	26		-.3350907	.2291866	-1.46	0.144	-.7842881	.114106
> 8	27		.1915826	.2122999	0.90	0.367	-.2245177	.607682
> 2	28		.0031915	.2185094	0.01	0.988	-.4250791	.431462
> 3	29		-.310013	.2357616	-1.31	0.189	-.7720972	.152071
> 8	30		-.1788392	.2117534	-0.84	0.398	-.5938681	.236189
> 8	31		-.3280144	.229789	-1.43	0.153	-.7783926	.122363
> 2	32		-.531613	.2284337	-2.33	0.020	-.9793348	-.083891
> 4	33		-.0834698	.2253216	-0.37	0.711	-.525092	.358152
> 3	34		-.0618008	.2275537	-0.27	0.786	-.5077978	.384196
> 4	35		.255777	.2198443	1.16	0.245	-.1751099	.68666
> 9	36		-.1570926	.2363	-0.66	0.506	-.6202321	.306046
> 1	37		-.1852682	.2209307	-0.84	0.402	-.6182844	.247748
> 6	38		-.0522842	.213213	-0.25	0.806	-.470174	.365605
> 5	39		-.2023348	.232082	-0.87	0.383	-.6572072	.252537
> 1	40		-.3674258	.2200999	-1.67	0.095	-.7988137	.063962
> 3	41		-.3203835	.2343486	-1.37	0.172	-.7796983	.138931
> 3	42		.0161563	.2132973	0.08	0.940	-.4018987	.434211
> 8	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
-----
> -

```

```
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 "Output/Forest_het", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Sample, High_Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>      ctitle("Readiness")
Output/Forest_het.tex
Output/Forest_het.rtf
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

```

```

-----
> -
      precaution_dummy |
> ]      Coef.      Robust      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 |
> 8      2015 |   .0022487  .0974355   0.02  0.982  -.1887213   .193218
> 3      2018 |   .075828  .0943953   0.80  0.422  -.1091834   .260839
>
      state_cate |
> 2      2 |   .3179701  .3455682   0.92  0.358  -.3593311   .995271
> 3      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

```

```

> 9
> 3      21 | -.7762086 .3217167 -2.41 0.016 -1.406762 -.145655
> 6      22 | -.4713641 .3280712 -1.44 0.151 -1.114372 .171643
> 5      23 | -.3236362 .2972816 -1.09 0.276 -.9062974 .25902
> 7      24 | -.196108 .3147051 -0.62 0.533 -.8129187 .420702
> 3      25 | -.2613692 .2923009 -0.89 0.371 -.8342684 .3115
> 2      26 | -.4956681 .3145681 -1.58 0.115 -1.11221 .120874
> 8      27 | -1.101057 .4430067 -2.49 0.013 -1.969334 -.232779
> 8      28 | -.0557815 .338489 -0.16 0.869 -.7192078 .607644
> 4      29 | -.4162472 .3180095 -1.31 0.191 -1.039534 .2070
> 1      30 | .2384561 .3232249 0.74 0.461 -.395053 .871965
> 6      31 | -.8687563 .3008656 -2.89 0.004 -1.458442 -.279070
> 6      32 | -.084855 .3535307 -0.24 0.810 -.7777625 .608052
> 8      33 | -.2847474 .2672019 -1.07 0.287 -.8084535 .238958
> 9      34 | -.0139291 .2829802 -0.05 0.961 -.5685601 .540701
> 5      35 | .5093844 .3277309 1.55 0.120 -.1329565 1.15172
> 4      36 | -.1352302 .3093989 -0.44 0.662 -.7416409 .471180
> 3      37 | -.8240401 .3395102 -2.43 0.015 -1.489468 -.158612
> 8      38 | -.2880193 .3158038 -0.91 0.362 -.9069835 .330944
> 5      39 | -.7450696 .3082955 -2.42 0.016 -1.349318 -.140821
> 4      40 | -.4660642 .3207664 -1.45 0.146 -1.094755 .162626
> 7      41 | -.1681139 .3001956 -0.56 0.575 -.7564865 .420258
> 7      42 | -.6770455 .3753488 -1.80 0.071 -1.412716 .058624
> 9      43 | -.2138924 .29895 -0.72 0.474 -.7998237 .372038
> 4      44 | -.0782135 .2759535 -0.28 0.777 -.6190724 .462645
> 5      45 | -.5981305 .3757717 -1.59 0.111 -1.334629 .138368
> 3      46 | -.4456954 .3628147 -1.23 0.219 -1.156799 .265408
> 5      47 | -.4267911 .3170546 -1.35 0.178 -1.048207 .194624
> 3      48 | -.3771083 .2907898 -1.30 0.195 -.9470458 .192829
> 2      49 | -.6155179 .3218641 -1.91 0.056 -1.24636 .015324
> 7      50 | -.7129492 .3458204 -2.06 0.039 -1.390745 -.035153
> 3      51 | -.7913704 .3793628 -2.09 0.037 -1.534908 -.04783
> 4      _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 "Output/Forest_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Precaution")
Output/Forest_het.tex
Output/Forest_het.rtf
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
      |               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 |  -0.1229549   .0137828   -8.92   0.000   -0.1499687   -0.095941
> 1
      age2 |   .0015178   .0001367   11.10   0.000   .0012498   .001785
> 7
      logincome |  -0.734722   .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 |  -0.1878196   .0736315   -2.55   0.011   -0.3321347   -0.043504
> 4
      marital_dummy |  -0.0516529   .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
> 4      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
-----
> -

```

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

```
345 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 "Output/Forest_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High_Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Precaution")
Output/Forest_het.tex
Output/Forest_het.rtf
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
Pseudo R2         =      0.1816
Log pseudolikelihood = -1764.2862

```

```

-----
> -
      fin_par_dummy |           Coef.   Robust 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    -1.060488     .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	8		-.29316	.5468784	-0.54	0.592	-1.365022 .778701
> 4	9		.5335606	.4193565	1.27	0.203	-.288363 1.35548
> 1	10		-.0626342	.4659898	-0.13	0.893	-.9759575 .850689
> 7	11		-.1225966	.4726624	-0.26	0.795	-1.048998 .803804
> 1	12		-.681132	.7050737	-0.97	0.334	-2.063051 .700787
> 2	13		-1.083757	.6199909	-1.75	0.080	-2.298916 .131403
> 1	14		-.0844319	.4163867	-0.20	0.839	-.9005349 .731671
> 9	15		-1.496947	.6872649	-2.18	0.029	-2.843962 -.149932
> 9	16		-.1445555	.5301181	-0.27	0.785	-1.183568 .894456
> 4	17		-.1789583	.5090551	-0.35	0.725	-1.176688 .818771
> 1	18		.1250341	.4621191	0.27	0.787	-.7807027 1.03077
> 7	19		-.5817604	.5459279	-1.07	0.287	-1.651759 .488238
> 3	20		.1851262	.5153499	0.36	0.719	-.8249411 1.19519
> 7	21		.4185025	.4389083	0.95	0.340	-.4417419 1.27874
> 2	22		-.4124891	.5296548	-0.78	0.436	-1.450593 .625615
> 5	23		.2884798	.4375106	0.66	0.510	-.5690252 1.14598
> 8	24		-.0734154	.4777905	-0.15	0.878	-1.009868 .863036
> 9	25		-.3267492	.4866458	-0.67	0.502	-1.280558 .62705
> 4	26		.2884174	.4478736	0.64	0.520	-.5893989 1.16623
> 3	27		.4649792	.5159028	0.90	0.367	-.5461718 1.4761
> 5	28		.9482354	.4629575	2.05	0.041	.0408555 1.85561
> 5	29		.0640754	.4943048	0.13	0.897	-.9047442 1.03289
> 1	30		.0542781	.4715633	0.12	0.908	-.869969 .978525
> 4	31		-.4078727	.4525226	-0.90	0.367	-1.294801 .479055
> 9	32		-.0826245	.5736351	-0.14	0.885	-1.206929 1.04167
> 2	33		.259807	.3882035	0.67	0.503	-.5010578 1.02067
> 2	34		-.1479475	.4695702	-0.32	0.753	-1.068288 .772393
> 1	35		.478367	.4482248	1.07	0.286	-.4001375 1.35687
> 2	36		-.0938226	.4650901	-0.20	0.840	-1.005382 .817737
> 2	37		.1774145	.4640938	0.38	0.702	-.7321927 1.08702
> 5	38		.4250024	.4717038	0.90	0.368	-.49952 1.34952
> 6	39		.0853464	.4360342	0.20	0.845	-.7692649 .939957
> 9	40		-.3917825	.4974247	-0.79	0.431	-1.366717 .583151
> 7	41		.4381103	.4371188	1.00	0.316	-.4186267 1.29484
> 4	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
-----
> -

```

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

```
352 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
-----
> -

```

```

353 outreg2 using "Output/Forest het", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
>      ctitle("Participation")
Output/Forest_het.tex
Output/Forest_het.rtf
dir : seeout

```

```
354
```

```
355 ***** high true literacy subgroup
```

```
356 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
```

```
Pseudo R2          =      0.1121
```

```
Log pseudolikelihood = -6602.7603
```

```

-----
> -
      fin_par_dummy |
> |               Coef.   Robust   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

```

```

> 4
> 5      21 | .3262415 .2174586 1.50 0.134 -.0999696 .752452
> 6      22 | .4963776 .2154999 2.30 0.021 .0740056 .918749
> 9      23 | .2191826 .2183246 1.00 0.315 -.2087258 .647090
> 3      24 | .1441353 .2071502 0.70 0.487 -.2618717 .550142
> 6      25 | .0658824 .2311081 0.29 0.776 -.3870812 .51884
> 5      26 | .3148666 .2144554 1.47 0.142 -.1054582 .735191
> 2      27 | .4510394 .2049878 2.20 0.028 .0492707 .852808
> 6      28 | .2128415 .2044397 1.04 0.298 -.1878529 .61353
> 6      29 | .2804437 .2193259 1.28 0.201 -.1494271 .710314
> 1      30 | .0551644 .1982219 0.28 0.781 -.3333433 .443672
> 5      31 | .8136944 .2190657 3.71 0.000 .3843335 1.24305
> 9      32 | .1763702 .2146283 0.82 0.411 -.2442934 .597033
> 4      33 | .3933432 .2143612 1.83 0.067 -.026797 .813483
> 4      34 | .6004024 .2246633 2.67 0.008 .1600705 1.04073
> 9      35 | .4385052 .2063261 2.13 0.034 .0341135 .842896
> 9      36 | .3664138 .2230771 1.64 0.100 -.0708093 .803636
> 5      37 | .1273092 .2181572 0.58 0.560 -.300271 .554889
> 9      38 | .3289474 .2045847 1.61 0.108 -.0720312 .729925
> 6      39 | .5146215 .2167183 2.37 0.018 .0898614 .939381
> 4      40 | .4089934 .2082145 1.96 0.049 .0009004 .817086
> 1      41 | .0317988 .2200552 0.14 0.885 -.3995015 .463099
> 9      42 | .605748 .2071984 2.92 0.003 .1996466 1.01184
> 7      43 | .1978648 .2252706 0.88 0.380 -.2436575 .63938
> 2      44 | .0834331 .2161448 0.39 0.699 -.340203 .507069
> 1      45 | .1721668 .2080438 0.83 0.408 -.2355916 .579925
> 5      46 | .2599077 .2061606 1.26 0.207 -.1441595 .66397
> 2      47 | .4146284 .2120865 1.95 0.051 -.0010535 .830310
> 2      48 | .5731425 .2085093 2.75 0.006 .1644719 .981813
> 8      49 | .2945631 .2253678 1.31 0.191 -.1471496 .736275
> 4      50 | .4894627 .2086006 2.35 0.019 .080613 .898312
> 8      51 | .279991 .204321 1.37 0.171 -.1204707 .680452
> 9      _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 "Output/Forest_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High_Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Participation")
Output/Forest_het.tex
Output/Forest_het.rtf
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
      |               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
Model VCE : Robust

Number of obs = 5,886

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

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

```

367 outreg2 using "Output/Logit_het", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Readiness")
Output/Logit_het.tex
Output/Logit_het.rtf
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

```

retire_dummy	Coef.	Robust 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
-------	--	----------	----------	------	-------	-----------	----------

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

```
372 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

```
373 outreg2 using "Output/Logit_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Readiness")
Output/Logit_het.tex
Output/Logit_het.rtf
dir : seeout
```

```
374
```

```
375 *** precautionary saving
```

```
376 ***** low true literacy subgroup
```

```
377 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

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

```
379 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
```

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

```
380 outreg2 using "Output/Logit_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Precaution")
Output/Logit_het.tex
Output/Logit_het.rtf
dir : seeout
```

```
381
```

```
382 ***** high true literacy subgroup
```

```
383 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
Pseudo R2                =      0.1296
```

precaution_dummy	Coef.	Robust 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

cons	-.0829342	4.152836	-0.02	0.984	-8.222342	8.056474
------	-----------	----------	-------	-------	-----------	----------

385 margins, dydx(overconfidence logit) post

```
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 "Output/Logit_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Precaution")
Output/Logit_het.tex
Output/Logit_het.rtf
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

```

fin_par_dummy	Coef.	Robust 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 "Output/Logit_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Participation")
Output/Logit_het.tex
Output/Logit_het.rtf
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 "Output/Logit_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Participation")
Output/Logit_het.tex
Output/Logit_het.rtf
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
Pseudo R2               =      0.1186
```

retire_dummy	Coef.	Robust 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 "Output/BNB_het", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Readiness")
Output/BNB_het.tex
Output/BNB_het.rtf
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

```

retire_dummy	Coef.	Robust 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 "Output/BNB_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Readiness")
Output/BNB_het.tex
Output/BNB_het.rtf
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 "Output/BNB_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Precaution")
Output/BNB_het.tex
Output/BNB_het.rtf
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 [pweight=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
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

cons	.2771577	4.157928	0.07	0.947	-7.872232	8.426548
------	----------	----------	------	-------	-----------	----------

```
425 margins, dydx(overconfidence bnb) post
```

```
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 "Output/BNB_het", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>      ctitle("Precaution")
Output/BNB_het.tex
Output/BNB_het.rtf
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
                                Pseudo R2             =       0.1770

Log pseudolikelihood = -1774.3602

```

fin_par_dummy	Coef.	Robust 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
-------	--	-----------	----------	-------	-------	-----------	----------

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

```
432 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

```
433 outreg2 using "Output/BNB_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Participation")
Output/BNB_het.tex
Output/BNB_het.rtf
dir : seeout
```

```
434
```

```
435 ***** high true literacy subgroup
```

```
436 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 "Output/BNB het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Participation")
Output/BNB_het.tex
Output/BNB_het.rtf
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
Pseudo R2               =      0.1183
```

		Robust				
	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


```

447 outreg2 using "Output/KNN_het", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Readiness")
Output/KNN_het.tex
Output/KNN_het.rtf
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

```

retire_dummy	Coef.	Robust 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 "Output/KNN_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Readiness")
Output/KNN_het.tex
Output/KNN_het.rtf
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
Pseudo R2                =      0.0986
```

```
Log pseudolikelihood = -3351.1849
```


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
```

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

```
460 outreg2 using "Output/KNN_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Precaution")
Output/KNN_het.tex
Output/KNN_het.rtf
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
Pseudo R2                =      0.1305
```

precaution_dummy	Coef.	Robust 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

cons		2.704193	4.187738	0.65	0.518	-5.503622	10.91201
------	--	----------	----------	------	-------	-----------	----------

```
465 margins, dydx(overconfidence knn) post
```

```
Number of obs      =    12,539
```

```
Expression      : Pr(precaution_dummy), predict()
dy/dx w.r.t.   : overconfidence knn
```

overconfidence_knn		-.2642313	.076214	-3.47	0.001	-.4136079	-.1148546
--------------------	--	-----------	---------	-------	-------	-----------	-----------

```

466 outreg2 using "Output/KNN_het", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>      ctitle("Precaution")
Output/KNN_het.tex
Output/KNN_het.rtf
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

```

fin_par_dummy	Coef.	Robust 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
-------	--	----------	----------	-------	-------	----------	----------

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

```
472 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

```
473 outreg2 using "Output/KNN_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Participation")
Output/KNN_het.tex
Output/KNN_het.rtf
dir : seeout
```

```
474
```

```
475 ***** high true literacy subgroup
```

```
476 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

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

```
478 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

```
479 outreg2 using "Output/KNN_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Participation")
Output/KNN_het.tex
Output/KNN_het.rtf
dir : seeout
```

```
480
```

```
481 * heterogeneous effects with MLP
```

```
482 *** retirement readiness
```

```
483 ***** without state dummies
```

```
484 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
Pseudo R2                =      0.1241
```

		Robust				
	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	.508801
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	-1.322263	.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

Model VCE : Robust

Number of obs

$$=$$

5,886

Expression : `Pr(retire_dummy), predict()`

 $\frac{dy}{dx}$ w.r.t. : overconfidence_mlp

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


```

487 outreg2 using "Output/MLP_het", tex word replace addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Readiness")
Output/MLP_het.tex
Output/MLP_het.rtf
dir : seeout

```

488

489 ***** with state dummies

490 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

```

retire_dummy	Coef.	Robust 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 "Output/MLP_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
> ctitle("Readiness")
Output/MLP_het.tex
Output/MLP_het.rtf
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 "Output/MLP_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Precaution")
Output/MLP_het.tex
Output/MLP_het.rtf
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 [pweight=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
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

504 scalar r2 = e(r2_p)

505 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 "Output/MLP_het", tex word append addstat(Pseudo R-squared, r2) ///
>      addtext(Sample, High Lit., Demo. chars., Yes, Year dummies, Yes, State dummi
> es, Yes) ///
>      ctitle("Precaution")
Output/MLP_het.tex
Output/MLP_het.rtf
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

```

fin_par_dummy	Coef.	Robust 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
-------	--	-----------	----------	-------	-------	-----------	----------

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

```
512 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

```
513 outreg2 using "Output/MLP_het", tex word append addstat(Pseudo R-squared, r2) ///
> addtext(Sample, Low Lit., Demo. chars., Yes, Year dummies, Yes, State dummie
> s, Yes) ///
> ctitle("Participation")
Output/MLP_het.tex
Output/MLP_het.rtf
dir : seeout
```

```
514
```

```
515 ***** high true literacy subgroup
```

```
516 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


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

```
518 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	-0.5662993	.0825256	-6.86	0.000	-.7280466	-.4045521

```
-----+-----
```

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

```
520
```

```
521 * stop capturing log and translate into pdf
```

```
522 log close analysis_NFCS
```

```
name: analysis_NFCS
```

```
log: D:\□□□□\□□□□□\Perspective\Analysis\analysis_log.smcl
```

```
log type: text
```

```
closed on: 2 Jun 2020, 14:14:50
```

```
> -----
```