Code Appendix for

"Trade Policy Uncertainty and Global Stock Returns:
Evidence from the 2016 US Presidential Election"

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This is code appendix to construct and analyze the project. It required data from **data** folder. In the folder, we have these code files:

To construct data: using R programming

1. **01_construct_tps_panel.qmd**: to construct panel data of TPS from 1995-2018.
    a. Part 1.1: This file will rolling estimate the TPS by using the previous 5 years of data. Also, it also constructs alternative TPS using the previous 1 to 4 years of data.
    b. Part 1.2: It also provides several tests to compare the TPS (using previous 5 years of data) with other existing uncertainty indices such as TPS or political risk.
2. **02_construct_abnormal_returns.qmd**: to construct abnormal returns. We have 3 different pricing models: CAPM, Dimson 1979, and FF3. Each model will have raw or excess returns (after minus risk-free rate). Totally, we have 6 alternative measure of abnormal returns. We will use CAPM with raw return as the main result. Other specifications are in robustness checks and will be used in **t6_alter_CARs.do**.
3. **03_construct_trump_regdata**.qmd: to construct Trump's event regression data by merging between TPS, abnormal returns, and control data.

To analyze the Trump 2016 event study: using Stata programming

4. **main.do**: run regressions to use Trump 2016 election as the event and analyze if firms with high TPS will have a more negative returns. This file will call and run several below tests:
    a. **t1_bystats.do** and **t2_summary_stats.do**: Summary Statistics and univariate t-tests by groups.
    b. **t3_main.do**: Main regressions
    c. **t4_more_country_controls.do**: Control for other policies
    d. **t5_longterm.do**: Long-term performance to one year
    e. **t6_alter_CARs.do**: Robustness for alternative CAR specification. It will run five **t6sub** files for five alternative specifications.
    f. **t7_alterTPS.do**: Robustness for alternative TPS specification
    g. **t_excludeChina.do**: Exclude China and only-China sample
    h. **t_positive_vs_negativeTPS.do**: Positive versus negative TPS
    i. **t_no_beta_control.do**: Other robustness checks

After running these codes, the results will be in **output** folder.