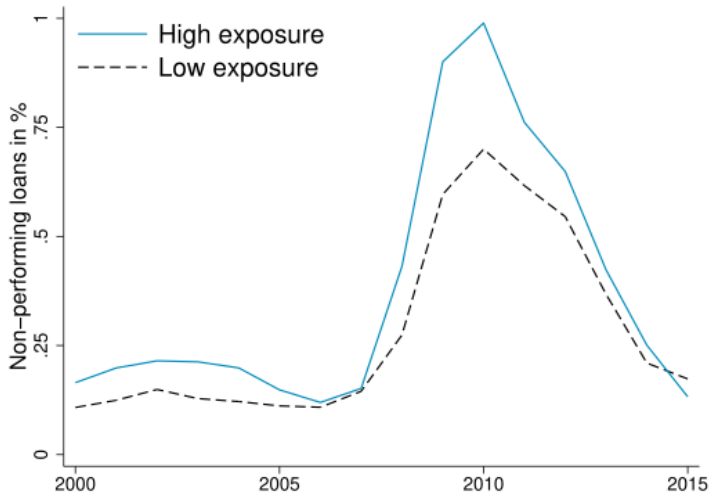


Bank risk-taking increases as the population ages!

	(1)	(2)	(3)	(4)	(5)	(6)
					IV	IV
VARIABLES	Δ LTI	Δ LTI	Δ LTI	Δ LTI	Δ LTI	Δ LTI
exposure	0.443*** (0.068)	0.435*** (0.071)	0.446*** (0.073)	0.406*** (0.076)	0.678*** (0.091)	0.599*** (0.091)
Observations	20,500	20,500	20,500	20,500	20,500	20,500
R-squared	0.002	0.060	0.066	0.110		
Bank Controls	-	✓	✓	✓	✓	Δ
County Controls	-	-	✓	-	-	-
County FE	-	-	-	✓	✓	✓
Bank FE	-	-	-	-	-	-

Banks were more exposed to aging had higher NPL ratios during the GFC



Because seniors (65+) hold more deposits, increasing banks' lending capacity

VARIABLES	(1) Δ deposits	(2) Δ deposits	(3) Δ deposits	(4) Δ deposits	(5) Δ deposits
Δ old	0.793*** (0.294)	0.759*** (0.279)	0.563*** (0.195)	0.640*** (0.203)	0.471** (0.203)
Observations	12,947	12,947	12,947	12,942	12,244
County Controls	✓	✓	✓	✓	Δ
Bank Controls	-	✓	✓	-	-
State FE	-	-	✓	✓	✓
Bank FE	-	-	-	✓	✓

Yet, they borrow less, pushing banks to other markets and riskier borrowers

VARIABLES	(1) never borrow	(2) never borrow	(3) has any debt	(4) has any debt	(5) turned down	(6) turned down
respondent age 65+	0.209*** (0.003)	0.188*** (0.006)	-0.422*** (0.004)	-0.358*** (0.008)	-0.251*** (0.005)	-0.158*** (0.005)
Observations	41,366	41,366	41,366	41,366	41,366	41,366
R-squared	0.080	0.101	0.176	0.247	0.058	0.178
Survey wave FE	-	✓	-	✓	-	✓
Controls	-	✓	-	✓	-	✓