Now, to explore the impact of the update in expectations in the settlement rate, we perform a 2SLS instrumenting the immediate decrease in expectations with treatment.

$$\text{settlement} = \alpha_{IV} + \beta_{IV}\text{Decrease } \hat{\text{e}}\text{xpectation} + \gamma_{IV}X$$

$$\text{Decrease expectation} = \alpha_{FS} + \beta_{FS}\text{Treatment} + \gamma_{FS}X$$

where decrease expectations is either

1. Dummy: 1(immediate expectation $<$ baseline)
2. Continuous: immediate expectation $-$ baseline

It is important to mention that for the control group the dummy and continuous variable is a 0 whenever they have a baseline expectation at all (This is because for the control group we don't ask immediately their expectations).

Table 46: Immediate updating in 2M settlement

	Settlement 2M							
	Probability				Amount			
	Dummy		Continuous		Dummy		Continuous	
	2S	FS	2S	FS	2S	FS	2S	FS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Decrease exp	0.18**		-0.82*		0.27**		0.000013	
	(0.084)		(0.43)		(0.14)		(0.000016)	
Treatment 1		0.0058		-0.0044		-0.0027		-3278.7
		(0.0078)		(0.0030)		(0.010)		(7093.5)
Treatment 2		0.30***		-0.061***		0.25***		2644.8
		(0.020)		(0.0076)		(0.028)		(3147.5)
Treatment 3		0.28***		-0.053***		0.26***		9504.5
		(0.024)		(0.0091)		(0.034)		(10876.0)
Constant	0.51***		0.51***		0.55***		0.59***	
	(0.024)		(0.025)		(0.031)		(0.072)	
Observations	2164	2164	2164	2164	1062	1062	1062	1062
R-squared	0.010	0.18	.	0.057	.	0.16	.	0.016
BVC	YES	YES	YES	YES	YES	YES	YES	YES
Source	2m	2m	2m	2m	2m	2m	2m	2m

Notes: *Do file:* `iv_update_exp.do`

Table 47: Immediate updating in 2W settlement

	Settlement 2W							
	Probability				Amount			
	Dummy		Continuous		Dummy		Continuous	
	2S	FS	2S	FS	2S	FS	2S	FS
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Decrease exp	0.16*		-0.75*		0.34**		0.000018	
	(0.081)		(0.42)		(0.15)		(0.000025)	
Treatment 1		0.015**		-0.0083***		0.0056		-2272.7
		(0.0074)		(0.0030)		(0.010)		(5924.5)
Treatment 2		0.32***		-0.063***		0.28***		1838.6
		(0.022)		(0.0081)		(0.033)		(3440.9)
Treatment 3		0.29***		-0.052***		0.24***		8607.8
		(0.028)		(0.012)		(0.037)		(12570.9)
Constant	0.29***		0.28***		0.29***		0.34***	
	(0.021)		(0.022)		(0.029)		(0.072)	
Observations	2149	2149	2149	2149	1064	1064	1064	1064
R-squared	0.0039	0.21	.	0.058	.	0.19	.	0.012
BVC	YES	YES	YES	YES	YES	YES	YES	YES
Source	2w	2w	2w	2w	2w	2w	2w	2w

Notes: *Do file:* `iv_update_exp.do`

To see that only immediate updating is relevant, consider updating from 2 weeks with respect to baseline with settlement rates for 2 months.