

Table 1: Cost-side regressions with elasticity interactions (levels, domestic vehicles)

| Dependent Variable: | ln_costs | | | | | | |
|--|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Model: | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| <i>Variables</i> | | | | | | | |
| ln(size) | 0.5184*** (0.1904) | 0.4933** (0.1985) | 0.5052** (0.1962) | 0.4617** (0.1901) | 0.4854** (0.1903) | 0.4515** (0.1900) | 0.4789** (0.1902) |
| ln(weight) | 0.4592* (0.2724) | 0.4700* (0.2556) | 0.4769* (0.2603) | 0.4375 (0.2640) | 0.4649* (0.2663) | 0.4227 (0.2632) | 0.4579* (0.2673) |
| ln(hp) | 0.2233** (0.0867) | 0.2192** (0.0882) | 0.2221** (0.0870) | 0.2272*** (0.0861) | 0.2298*** (0.0838) | 0.2345*** (0.0837) | 0.2350*** (0.0827) |
| ln(mpg) | -0.0878 (0.0736) | -0.0697 (0.0722) | -0.0779 (0.0728) | -0.0382 (0.0671) | -0.0595 (0.0706) | -0.0437 (0.0664) | -0.0628 (0.0692) |
| $\rho_{j,t-1} \times \log(RER_{jt})$ | 0.7148*** (0.2577) | 1.474*** (0.3926) | 1.294*** (0.4028) | 2.546*** (0.7657) | 2.051*** (0.6867) | 4.488*** (1.402) | 3.477*** (1.268) |
| $\varepsilon_{j,t} \times \log(RER_{jt})$ | | 0.0382*** (0.0131) | | 0.0199 (0.0138) | | 0.0158 (0.0130) | |
| $\varepsilon_{j,t-1} \times \log(RER_{jt})$ | | | 0.0291** (0.0132) | | 0.0167 (0.0133) | | 0.0134 (0.0130) |
| $\rho_{j,t-1} \times \varepsilon_{j,t} \times \log(RER_{jt})$ | | | | 0.2035* (0.1112) | | | |
| $\rho_{j,t-1} \times \varepsilon_{j,t-1} \times \log(RER_{jt})$ | | | | | 0.1415 (0.0891) | | |
| $\rho_{j,t-1} \times \log \varepsilon_{j,t} \times \log(RER_{jt})$ | | | | | | -1.817** (0.7477) | |
| $\rho_{j,t-1} \times \log \varepsilon_{j,t-1} \times \log(RER_{jt})$ | | | | | | | -1.308* (0.6604) |
| <i>Fixed-effects</i> | | | | | | | |
| make_model | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| year | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| <i>Fit statistics</i> | | | | | | | |
| Observations | 323 | 323 | 323 | 323 | 323 | 323 | 323 |
| R ² | 0.98572 | 0.98644 | 0.98612 | 0.98695 | 0.98639 | 0.98711 | 0.98648 |
| Within R ² | 0.30631 | 0.34167 | 0.32580 | 0.36622 | 0.33894 | 0.37407 | 0.34343 |

Clustered (make_model) standard-errors in parentheses

Signif. Codes: ***: 0.01, **: 0.05, *: 0.1

Table 2: Cost-side regressions with elasticity interactions (first differences, domestic vehicles)

| Dependent Variable: | ln_costs | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Model: | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| <i>Variables</i> | | | | | | | |
| ln(size) | 0.5745*** (0.1910) | 0.5715*** (0.1985) | 0.5731*** (0.1934) | 0.5757*** (0.1942) | 0.5710*** (0.1944) | 0.5741*** (0.1957) | 0.5701*** (0.1967) |
| ln(weight) | 0.7051** (0.3330) | 0.6982** (0.3348) | 0.7028** (0.3354) | 0.6991** (0.3361) | 0.7018** (0.3362) | 0.6988** (0.3359) | 0.7013** (0.3358) |
| ln(hp) | 0.2647** (0.1014) | 0.2642** (0.1017) | 0.2647** (0.1016) | 0.2622** (0.1034) | 0.2657** (0.1020) | 0.2628** (0.1034) | 0.2663** (0.1015) |
| ln(mpg) | -0.0249 (0.0632) | -0.0211 (0.0619) | -0.0236 (0.0621) | -0.0176 (0.0614) | -0.0253 (0.0626) | -0.0186 (0.0615) | -0.0267 (0.0627) |
| $\rho_{j,t-1} \times \log(RER_{jt})$ | 0.6618** (0.2575) | 0.9500* (0.5223) | 0.7751 (0.4892) | 1.186 (0.9136) | 0.6525 (0.7246) | 1.489 (1.851) | 0.0905 (1.385) |
| $\varepsilon_{j,t} \times \log(RER_{jt})$ | | 0.0131 (0.0200) | | 0.0066 (0.0217) | | 0.0075 (0.0216) | |
| $\varepsilon_{j,t-1} \times \log(RER_{jt})$ | | | 0.0051 (0.0187) | | 0.0080 (0.0221) | | 0.0112 (0.0233) |
| $\rho_{j,t-1} \times \varepsilon_{j,t} \times \log(RER_{jt})$ | | | | 0.0523 (0.1234) | | | |
| $\rho_{j,t-1} \times \varepsilon_{j,t-1} \times \log(RER_{jt})$ | | | | | -0.0255 (0.0990) | | |
| $\rho_{j,t-1} \times \log \varepsilon_{j,t} \times \log(RER_{jt})$ | | | | | | -0.3438 (0.9859) | |
| $\rho_{j,t-1} \times \log \varepsilon_{j,t-1} \times \log(RER_{jt})$ | | | | | | | 0.4207 (0.8072) |
| <i>Fixed-effects</i> | | | | | | | |
| year | Yes |
| <i>Fit statistics</i> | | | | | | | |
| Observations | 207 | 207 | 207 | 207 | 207 | 207 | 207 |
| R ² | 0.36219 | 0.36415 | 0.36248 | 0.36474 | 0.36262 | 0.36457 | 0.36308 |
| Within R ² | 0.27203 | 0.27427 | 0.27236 | 0.27494 | 0.27252 | 0.27475 | 0.27304 |

Clustered (make_model) standard-errors in parentheses

Signif. Codes: ***: 0.01, **: 0.05, *: 0.1