**DATA APPENDIX**

* We collected monthly returns data for all the Japanese banks listed on the Tokyo Stock Exchange from Bloomberg. From this list, there were some banks that had missing data or were recently listed. We kept data from the 21 banks that had at least 100 observations.
* We collected Fama-French factors for Japan, specifically their 5 Factor and momentum factor returns, from Kenneth R. French’s Data Library. (<http://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library.html>)
* The returns in data downloaded were in the percentage points format (such as 5% was written as 5) so we divided everything by hundred to convert it to number form. This data included a risk-free rate, which we used in the excess returns calculation for our bank stocks.
* Monthly data for the relevant policy rate in Japan, the monthly overnight unsecured interbank lending rate (which we will be referring to as the Bank of Japan (BOJ) rate), was collected from Bloomberg. We then construct a dummy variable, Negative Interest Rate (NIR), which is equal to 1 when the BOJ rate is negative.
* For our analysis on the 4 different bank types, the classification of the banks is done using Bloomberg’s GICS Sub-Industry identifier.
* We also created a value weighted portfolio using Market Capitalizations of the 21 bank stocks taken from Bloomberg. Weight for stock j is equal to market capitalization of stock j over the sum of market capitalization of all stocks. We use these weights to calculate the monthly historical returns of the value weighted portfolio and included that in the dataset.
* We also put the dates in yyyymm format so it can be sorted easily within Stata (if needed).
* We named the stocks excess returns so that each variable is unique and can be traced back to the stock. Since Japanese stocks have 4 digit tickers of the format ####, we simply named the variables as s#### for simplicity.