**Table 11: Effect of the credit control policy on firm investment: alternative investment measurements**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Investment\_2** | | | **Investment\_3** | | | **Investment\_4** | | |
|  | Full Sample | SOEs | Non-SOEs | Full Sample | SOEs | Non-SOEs | Full Sample | SOEs | Non-SOEs |
|  | [1] | [2] | [3] | [4] | [5] | [6] | [7] | [8] | [9] |
| **Panel A. OLS estimates** | | | | | | | | | |
| After×Treated | -0.035\*\* | -0.012 | -0.038\*\* | -0.048\*\* | -0.005 | -0.053\*\* | -0.046\*\* | -0.007 | -0.050\*\* |
|  | [-2.16] | [-1.60] | [-2.06] | [-2.30] | [-0.37] | [-2.14] | [-2.55] | [-0.51] | [-2.32] |
| After | -0.039 | -0.010 | -0.047 | -0.023 | -0.010 | -0.027 | 0.002 | -0.009 | 0.002 |
|  | [-1.51] | [-1.48] | [-1.56] | [-0.96] | [-1.33] | [-1.01] | [0.18] | [-1.23] | [0.12] |
| Treated | 0.019 | 0.006 | 0.021 | 0.014 | 0.009 | 0.014 | 0.005 | 0.001 | 0.005 |
|  | [1.64] | [1.38] | [1.55] | [1.30] | [1.62] | [1.08] | [0.66] | [0.21] | [0.55] |
| Control | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| N | 5544 | 1040 | 4504 | 5544 | 1040 | 4504 | 5544 | 1040 | 4504 |
| R2 | 0.320 | 0.051 | 0.335 | 0.266 | 0.034 | 0.278 | 0.185 | 0.042 | 0.195 |
| Adjusted R2 | 0.319 | 0.043 | 0.334 | 0.265 | 0.026 | 0.277 | 0.184 | 0.033 | 0.194 |
| Chow test | 9.92\*\* | | | 7.33\*\*\* | | | 5.32\*\*\* | | |
| **Panel B. IV estimates** | | | | | | | | | |
| First stage: using long term loan | -0.052\*\* | -0.002 | -0.064\*\* | -0.052\*\* | -0.002 | -0.064\*\* | -0.052\*\* | -0.002 | -0.064\*\* |
| [-2.37] | [-0.24] | [-2.37] | [-2.37] | [-0.24] | [-2.37] | [-2.37] | [-0.24] | [-2.37] |
| IV: using long term loan | 0.870\* | 5.310 | 0.849\*\*\* | 1.166\*\* | 1.874 | 1.129\*\*\* | 1.030\*\* | 3.874 | 0.967\*\* |
| [3.92] | [0.26] | [3.86] | [2.87] | [0.24] | [2.83] | [2.47] | [0.26] | [2.40] |
| N | 5544 | 1040 | 4504 | 5544 | 1040 | 4504 | 5544 | 1040 | 4504 |

The Table presents the robustness test for CBRC credit control policy impact on firm investment, testing alternative measurements of investment. For Column 1-3, the dependent variable is Investment\_2; for Column 4-6, the dependent variable is Investment\_3; for Column 7-9, the dependent variable is Investment \_4. Panel A reports the OLS regression following Equation (1). Column 1, 4 and 7 report results for all firms; Column 2, 5 and 8 report results for SOEs; Column 3, 6 and 9 report results for non-SOEs. Panel B reports the IV estimates following Equation (2) and (3). Leverage, Cash and Tobin’s Q are one year lagged. Panel B reports the IV estimates following Equation (2) and (3). For variable definitions, see Table 2. T-statistics are in parentheses and computed using the robust standard error clustered by firm. \*, \*\*, and \*\*\* indicate the significance levels at 10%, 5%, and 1% respectively.