APPENDIX FOR

"Belief Disagreement and Portfolio Choice"
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A.1. Political Contributions Data

We construct a measure of likely political party affiliation using publicly available campaign finance data from the Federal Election Commission. We consider individual contributions to party committees, campaign committees, and political action committees during the 2015-2016 election cycle and aggregate to the zip code level to calculate the zip code Republican share of donations.

Individual contributions. We use donations from the FEC individual contributions file and limit the sample to contributions of individuals with a valid zip code on record. We impose a standard filter to select actual contribution transactions (transaction types 10, 11, 15, 15E, 21Y, and 22Y) and impose transaction amounts for refunds (types 21Y and 22Y) to be negative.

Party committees. We consider individual contributions to the main party and candidate committees by selecting committees with at least $20 million in contributions, supporting a party or presidential nominee. The restriction to more than $20 million in contributions yields a set of 32 committees for a total of $2.3 billion in individual contributions from 7.8 million transactions. Further restricting the list of committees to those not related to a senator or losing presidential primary candidate leaves 21 committees. Table A.1 provides an overview of the selected and discarded committees with more than $20 million in contributions by individuals. The resulting individual contributions sample includes 1.0 million distinct donors with a total of $1.8 billion in contributions. Of those donors, 672 thousand contribute to the Democratic party or candidate, 340 thousand contribute to the Republican party or candidate, and two thousand to both.

Republican contribution share. We select zip codes with at least 10 donors and construct the zip code Republican contribution share as the number of donors to the Republican party or candidate divided by the number of donors to either party. For robustness checks, we consider two alternative measures of likely party affiliations. First, we also construct the dollar-weighted version of the zip code Republican contribution share. Second, we calculate the county-level Republican vote share as the number of votes for the Republican candidate Donald J. Trump divided by the number of votes for either Trump or the Democratic candidate Hillary Clinton. Aggregating donations from zip codes to counties, the correlation between the Republican contribution share and the Republican vote share across counties is 0.69. For the dollar-weighted contribution share aggregated to the county level, the correlation with the Republican vote share is 0.53.

Likely party affiliations in sample. Figure A.3.a plots the distribution of likely political affiliations measured by the zip code Republican contribution share in our sample of RIs. Figure A.3.b plots the distribution of county vote shares in the sample and population. Republican shares

measured by donations are typically lower than Republican shares measured by votes. Relative to the population, our sample is tilted towards Democrats.

A.2. Household Portfolios Data

Asset classes. Investor portfolios consist of positions in funds, individual securities, and annuities. For some holdings (e.g. some annuities), we do not observe sufficient detail to categorize holdings. Average holdings in these assets are less than 1.5% of total (investable) assets. For 87% of all remaining assets in investor portfolios we observe the CUSIP, and for the other 13% we observe basic characteristics of the fund the wealth is invested in. We assign holdings to four different asset classes based on product descriptions: equity, long-term bonds, short-term bonds, and alternative assets. Equity holdings consist of pure equity funds, directly held equity, and the equity portion of funds that invest across asset classes. The long-term bond category includes bond funds, long-term government and corporate bonds, and the portion of funds that invest across asset classes that is not allocated to equity. The short-term bond category is composed of money market funds, short-term treasury bonds, and CDs. Alternative assets include real estate (REITs), precious metals, and royalty funds.

We split mixed-assets funds, such as lifecycle funds, into equity and long-term bond holdings based on fund equity shares. We use quarterly data on fund asset compositions from the CRSP Survivor-Bias Free US Mutual Fund database if available, and complement this with internally available quarterly target equity shares on other mixed-asset funds.

International exposure. To characterize international equity exposures in investor portfolios, we divide equity holdings into a domestic and an international component. Pure equity funds are characterized as either domestic or international based on internal product descriptions. We consider the equity portion of mixed-asset funds to be a domestic equity investment. For individual securities, we set the location to international if it is a foreign security (i.e., has a foreign ISIN) or if the company is incorporated outside of the US according to Compustat, and to domestic otherwise. We define the international share of equity as the ratio of international equity to total portfolio equity holdings.

Sector exposures. Investors can explicitly load on industries by investing in sector funds or by holding individual equities. We identify sector funds as funds that have a sector index as Morningstar benchmark. These sector indices are defined based on 11 Global Industry Classification Standard (GICS) sectors: energy, materials, industrials, consumer discretionary, consumer staples, health care, financials, information technology, telecommunication services, utilities, and real estate. For individual securities, we assign GICS industry codes to stocks by linking them to Compustat and CRSP data. If a stock can be linked to a Compustat record, we use the Compustat GICS sector code. If no Compustat record is available, we use the North

American Industry Classification System (NAICS) code from CRSP and get the corresponding GICS code from a crosswalk table.[35]

Returns. We link observed portfolio holdings at the CUSIP level to external data on realized returns from CRSP stock, treasury, and mutual fund return files, as well as WRDS corporate bond returns. We complement these returns with internal return data on other products. We treat assets in the short-term bonds category as risk-free assets and assign the risk-free rate (one-month Treasury bill rate) as return. Not available are returns on limited partnerships, options, warrants and rights, TIPS, agency bonds, precious metals, and royalty funds. Together, these form a very small part of total holdings.

Market betas. To calculate CAPM market betas, we use all available return data from 2007 to 2017. We estimate betas from monthly regressions of excess asset returns on excess market returns. We assign a market beta to funds and securities that have at least 24 monthly return observations. We set the market beta of short-term bonds to zero. To deal with missing returns for certain asset types, we use the estimated beta on a corresponding ETF as a proxy for individual betas on agency bonds (ticker: AGZ), municipal bonds (MUB), TIPS (TIP), gold (IAU), silver (SLV), and platinum (PPLT). For mixed-asset funds, we account for time variation in betas due to a changing equity share of the portfolio (especially for lifecycle funds). In particular, we estimate the market beta of a mixed-asset fund with a time-varying equity share by assuming that the fund market beta is affine in the fund equity share with a fund-specific intercept and a common slope. We estimate the common slope in a pooled regression that includes all mixed-asset funds in investor portfolios.

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[35] We use the concordance from NAICS to GICS provided by Alison Weingarden available (July 2018) at sites.google.com/site/alisonweingarden/links/industries.

Figure A.1: Probability of Party Winning the 2016 Presidential Election
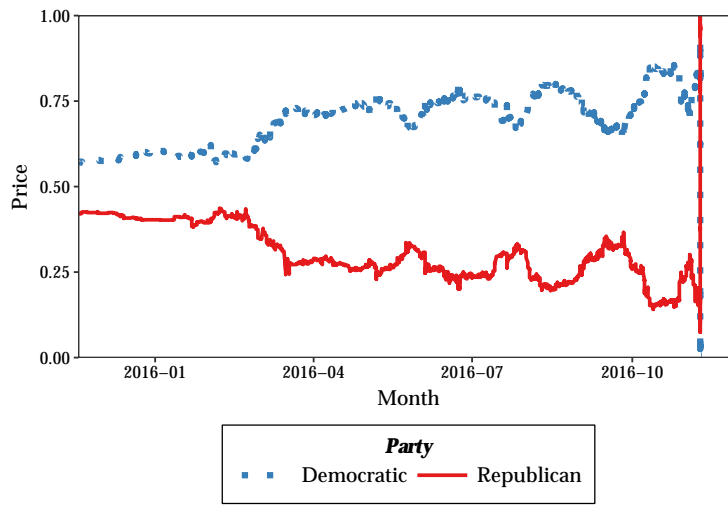
Notes: This figure plots the betting market-implied probabilities of a Democratic versus a Republican win over time. It shows the prices of two contracts traded on UK-based betting exchange Betfair, obtained through PredictWise, that pay $1 conditional on the respective party winning the election.

## Figure A.2: Age Distribution in Comparison to SCF
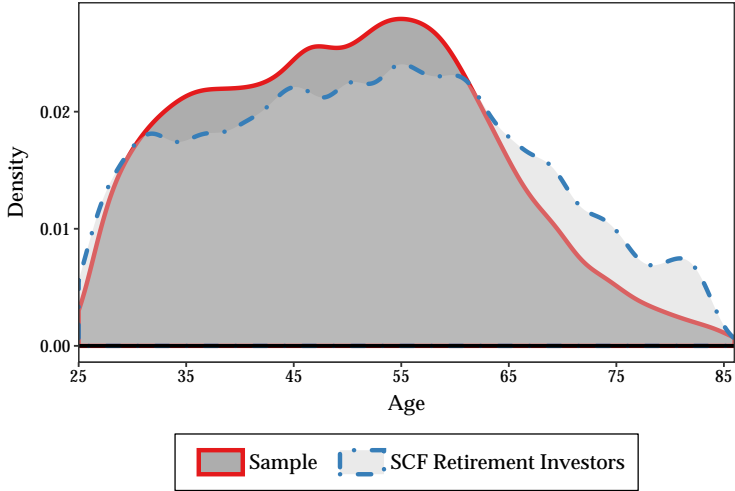
Notes: This figure plots the age distribution in our sample compared to the equivalent sample of RIs in the public version of the 2016 Survey of Consumer Finances (SCF). We select households with quasi-liquid retirement wealth and run quantile regressions of log retirement wealth on a third order polynomial in age for households in the 2016 SCF. We use the fitted 10th and 90th percentiles by age as retirement wealth cutoffs in both datasets. We include households with age of the head between 25 and 85 and filter our sample on households that have portfolio holdings between 20% and 500% of initial assets in every month in the sample.

Figure A.3: Distribution of Likely Political Affiliation Measures

(a) Republican Contribution Share
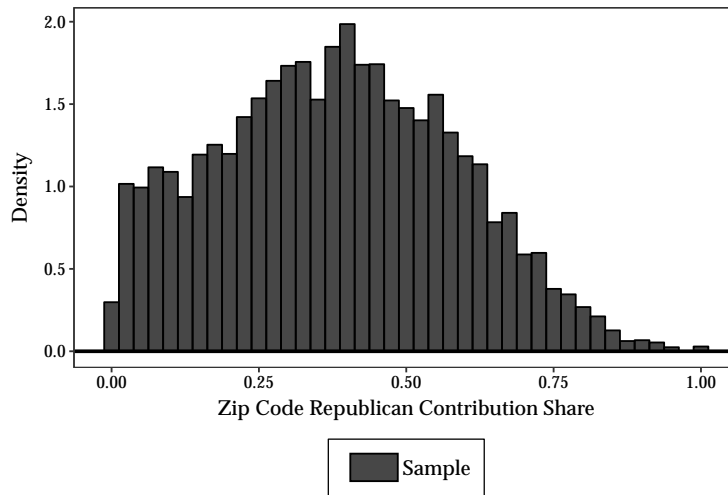
(b) Republican Vote Share
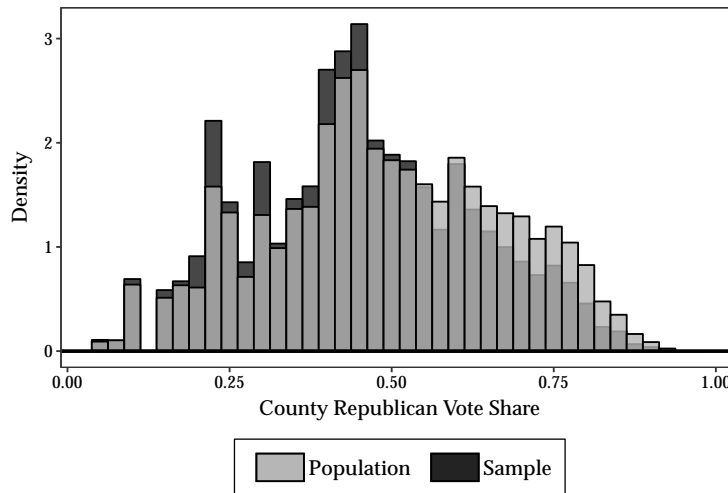
Notes: These graphs plot the distribution of the zip code Republican contribution share and the county Republican vote share, respectively. Panel (a) plots the distribution of the zip code Republican contribution share, defined as the number of individuals with campaign donations to the main Republican party and candidate committees as a fraction of the total number of individuals with campaign donations to the main committees of either party, in our RI sample. We include zip codes with at least 10 donors. Panel (b) plots the county Republican vote share, defined as the number of votes for Republican candidate Donald J. Trump divided by the total number of votes for Trump and for the Democratic candidate Hillary Clinton, in the population (2010 US Census) and in our RI sample.

Figure A.4: Portfolio Bond Shares by Zip Code Party Affiliation (VW)

(a) Long-Term Bond Share (Value Weighted Across Households)

(b) Short-Term Bond Share (Value Weighted Across Households)
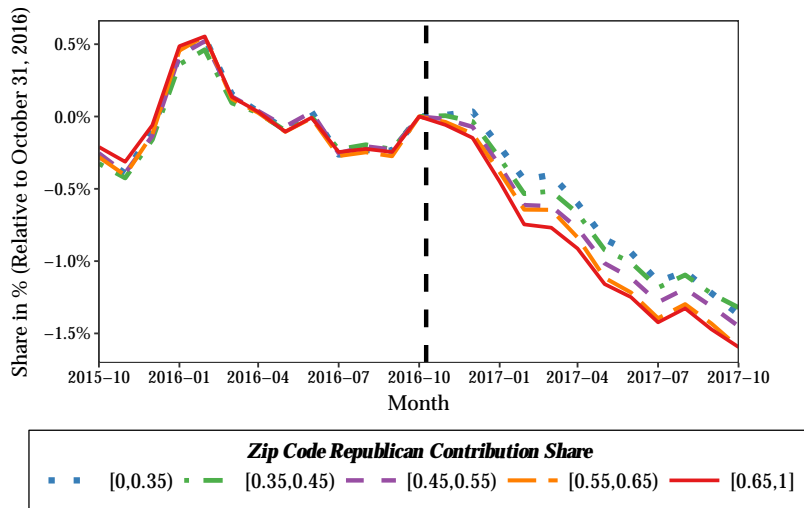
Notes: These graphs plot the average long-term bond share and short-term bond share, respectively, of household portfolio assets in five groups by zip code party affiliation measured from political contributions, relative to the share by the end of October 2016. The portfolio long-term bond share is defined as the sum of individual long-term bonds, pure bond funds, and the bond portion of hybrid funds, relative to total portfolio assets. The portfolio short-term bond share is defined as the sum of money market funds, individual short-term bonds, and CDs, relative to total portfolio assets. The sample is our full set of RI households. Average shares by group are asset weighted across households.

Figure A.5: Portfolio Bond Shares by Zip Code Party Affiliation for Active Sample

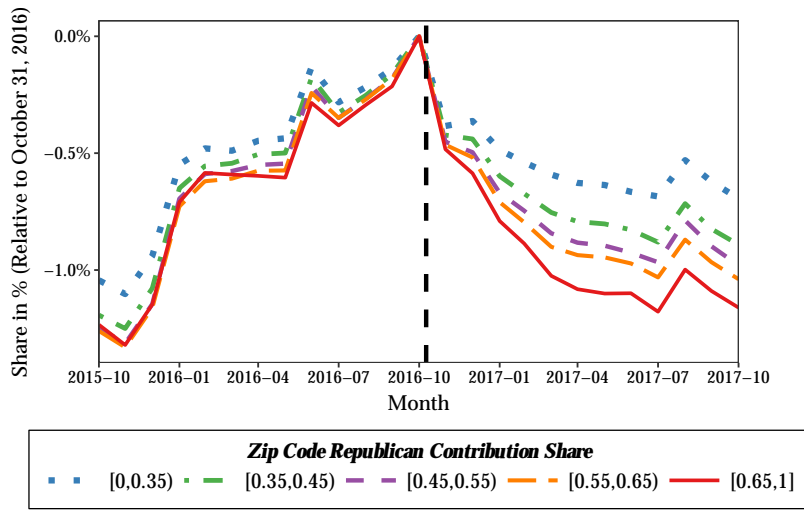## (a) Long-Term Bond Share (Equally Weighted Across Households)

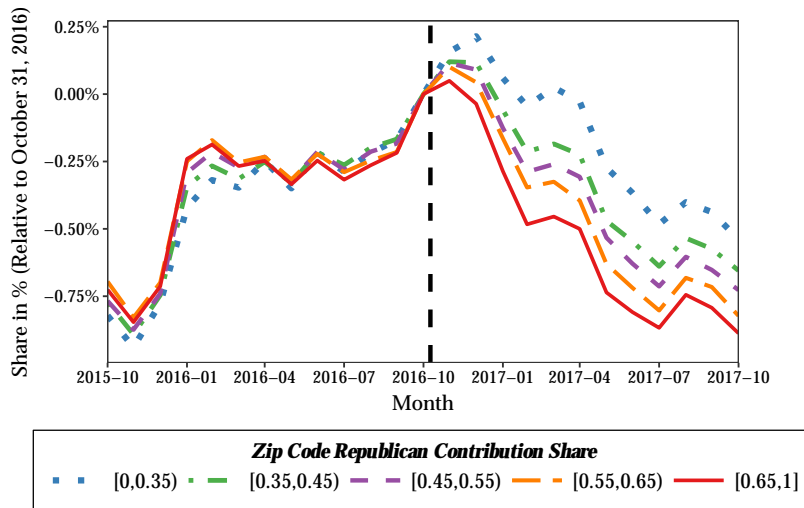## (b) Short-Term Bond Share (Equally Weighted Across Households)

Notes: These graphs plot the average long-term bond share and short-term bond share, respectively, of household portfolio assets in five groups by zip code party affiliation measured from political contributions, relative to the share by the end of October 2016. The portfolio long-term bond share is defined as the sum of individual long-term bonds, pure bond funds, and the bond portion of hybrid funds, relative to total portfolio assets. The portfolio short-term bond share is defined as the sum of money market funds, individual short-term bonds, and CDs, relative to total portfolio assets. The sample is the subset of RI households with active trades or exchanges in the prior year. Average shares by group are equally weighted across households.

Figure A.6: Cumulative Excess Flows into Equity by Zip Code Party Affiliation
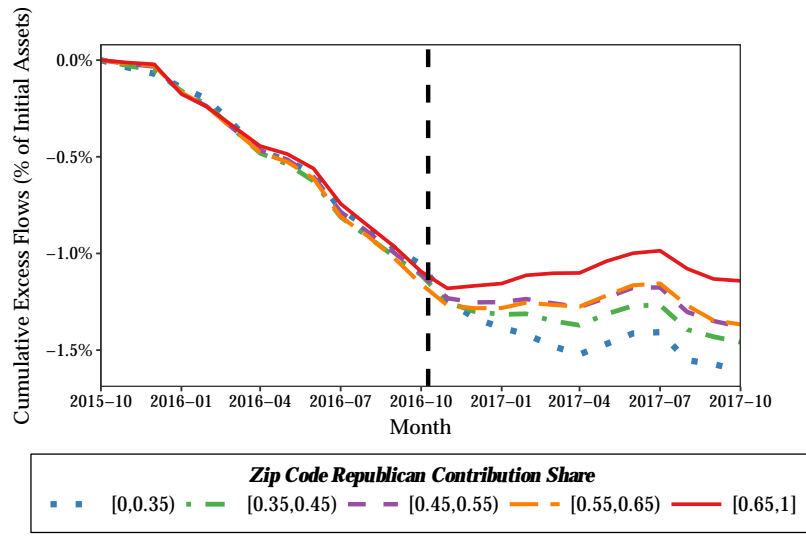
Notes: This figure plots cumulative excess flows into equity in five groups by zip code party affiliation measured from political contributions, starting from October 31, 2015. Excess flows are scaled by initial assets, and are defined as net equity flows minus the equity share from the previous month multiplied by total portfolio net flows. This is a measure of rebalancing into equity, where equity assets are defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds. The sample is our full set of RI households. Average flow rates by group are equally weighted across households.

Figure A.7: Cumulative Excess Flows into Bonds by Zip Code Party Affiliation

(a) Excess Long-Term Bond Trades
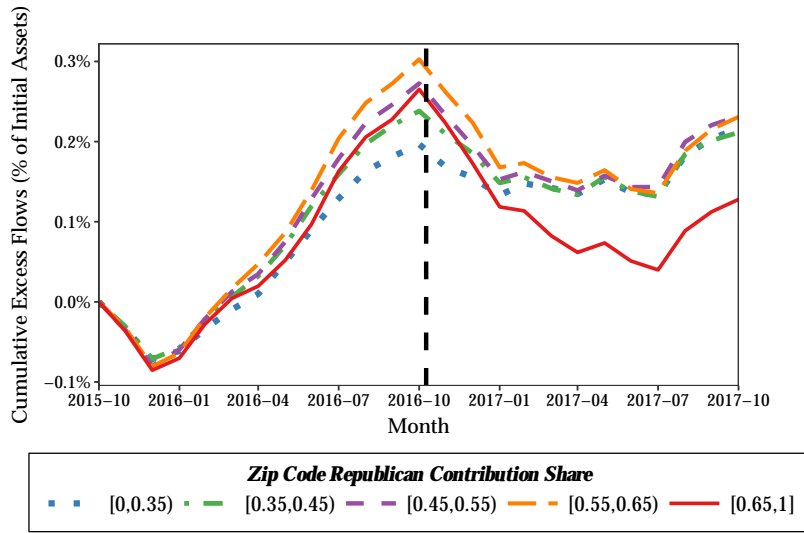
(b) Excess Short-Term Bond Trades
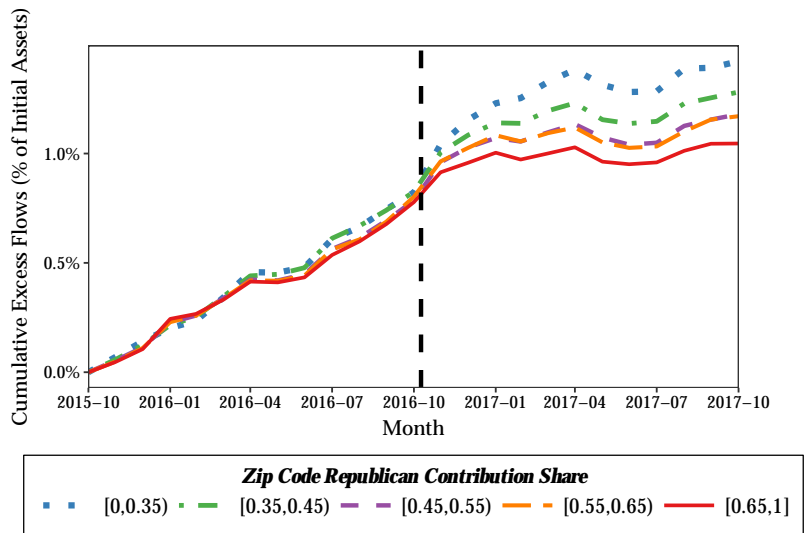
Notes: These graphs plot cumulative excess flows into long-term bonds and short-term bonds, respectively, in five groups by zip code party affiliation measured from political contributions, starting from October 31, 2015. Excess flows are scaled by initial assets, and are defined as net bond flows minus the bond share from the previous month multiplied by total portfolio net flows. This is a measure of rebalancing into long-term bonds and short-term bonds, where long-term bond assets are defined as the sum of individual long-term bonds, pure bond funds, and the bond portion of hybrid funds, and short-term bond assets are defined as the sum of money market funds, individual short-term bonds, and CDs. The sample is our full set of RI households. Average flow rates by group are equally weighted across households.

Figure A.8: Decomposition of Price-Constant Equity Share Changes by Zip Code Party Affiliation

(a) Average Six-Month Change in Equity Share by Maximum Size of Change
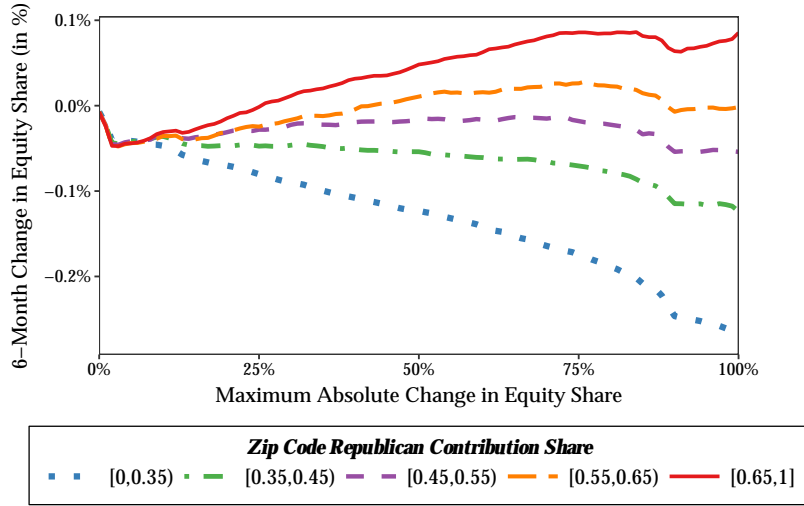
(b) Cumulative Difference in Equity Share of Republicans Versus Democrats by Type of Adjustment
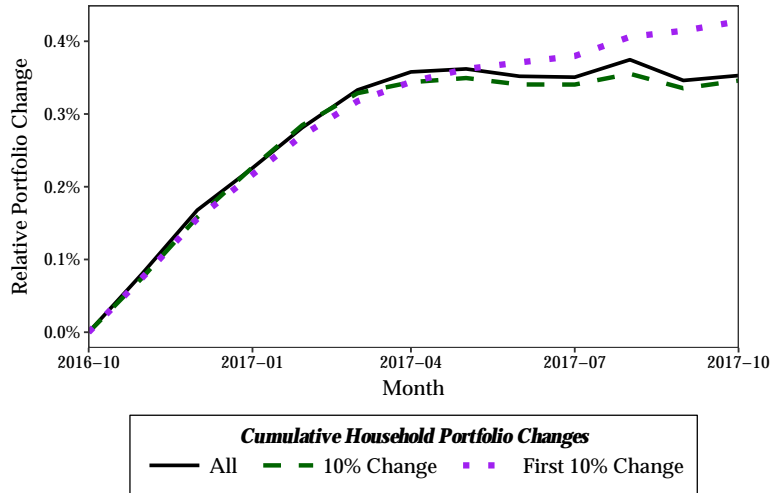
Notes: The graph in panel (a) breaks down changes in the equity share of hypothetical price-constant household portfolios over the six months post election, for five groups by zip code party affiliation measured from political contributions. We plot average changes in equity shares, only including changes that are smaller than $k\%$, as a function of k. Changes bigger than $k\%$ are set to zero. In panel (b) we plot the average cumulative change in the equity share of price-constant portfolios after the election for households in zip codes with a Republican contribution share of at least 65% relative to the average cumulative change for households in zip codes with a Republican contribution share of at most 35%. The solid line includes all changes in portfolio equity shares, the dashed line includes only changes that are at least 10% relative to the share at the end of October 2016 (and sets the change to zero otherwise), and the dashed line includes only the first change of at least 10% since October 2016.

Figure A.9: Trading Activity in US Markets

(a) US Equity Market Volume
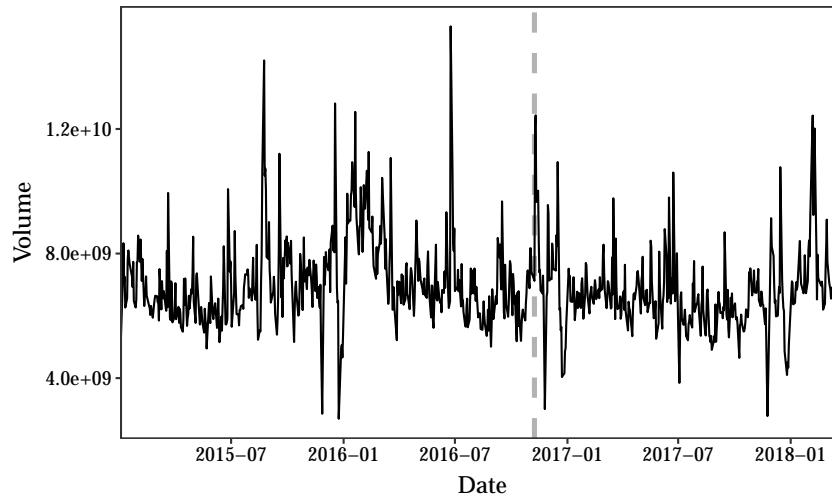
(b) US ETF Market Volume
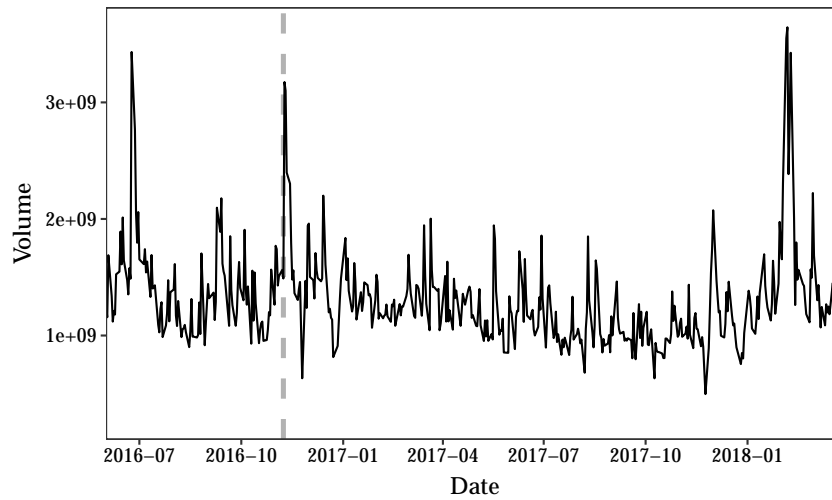
Notes: This figure plots total trading volume on US markets. The upper panel plots total US equity market volume. The lower panel plots the narrower ETF market volume. The data is sourced from the CBOE.

Table A.1: Party Committees

A. Included committees

Name	Amount (in USD)
HILLARY VICTORY FUND	418,127,519
HILLARY FOR AMERICA	281,412,789
PRIORITIES USA ACTION	151,702,351
TRUMP VICTORY	106,907,122
NEXTGEN CLIMATE ACTION COMMITTEE	90,834,927
REPUBLICAN NATIONAL COMMITTEE	89,493,374
DSCC	74,197,205
SENATE LEADERSHIP FUND	74,165,450
DCCC	73,561,758
TRUMP MAKE AMERICA GREAT AGAIN COMMITTEE	68,604,341
SENATE MAJORITY PAC	58,688,399
HILLARY ACTION FUND	45,522,557
NRSC	44,563,979
CONGRESSIONAL LEADERSHIP FUND	44,138,600
DONALD J. TRUMP FOR PRESIDENT, INC.	43,918,500
DNC SERVICES CORP./DEM. NAT'L COMMITTEE	41,855,861
HOUSE MAJORITY PAC	36,078,425
FUTURE45	24,555,649
REBUILDING AMERICA NOW	23,071,271
NRCC	22,773,247
MAKE AMERICA NUMBER 1	20,126,000

B. Excluded committees

Name	Amount (in USD)
RIGHT TO RISE USA	91,047,726
BERNIE 2016	73,961,700
TEAM RYAN	53,432,005
CRUZ FOR PRESIDENT	47,481,222
CONSERVATIVE SOLUTIONS PAC	46,066,194
JEB 2016, INC.	31,080,894
MARCO RUBIO FOR PRESIDENT	30,833,321
VAN HOLLEN FOR SENATE	25,652,235
CARSON AMERICA	24,901,494
INDEPENDENCE USA PAC	21,665,124
UNINTIMIDATED PAC INC	20,717,593

Notes: This table lists all 32 campaign committees with at least $20 million in contributions during the 2015–2016 election cycle from individuals with a valid zip code on record. To construct our Republican contribution share measure for the 2016 presidential election at the zip code level, we include the subset of 21 committees that support a party or presidential nominee and exclude committees that are related to a senator or losing presidential primary candidate.

Table A.2: Equity Share Regressions with Alternative Political Affiliation Measures

A. 2016 Measures	Portfolio equity share (in %), all households				
	Zip donations (nbr)	Zip donations (amt)	County votes	County donations (nbr)	County donations (amt)
	(1)	(2)	(3)	(4)	(5)
Republican share × Pre 3 quarters	0.107 (0.026)	0.086 (0.022)	-0.004 (0.031)	0.082 (0.029)	0.089 (0.024)
Republican share × Pre 2 quarters	0.195 (0.019)	0.125 (0.016)	0.140 (0.022)	0.204 (0.021)	0.137 (0.017)
Republican share × Pre 1 quarter	0.103 (0.014)	0.070 (0.011)	0.113 (0.015)	0.095 (0.014)	0.074 (0.012)
Republican share × Post 1 quarter	0.521 (0.019)	0.327 (0.016)	0.532 (0.021)	0.539 (0.019)	0.389 (0.017)
Republican share × Post 2 quarters	0.811 (0.024)	0.509 (0.020)	0.782 (0.027)	0.827 (0.025)	0.612 (0.022)
Republican share × Post 3 quarters	0.679 (0.029)	0.410 (0.024)	0.516 (0.034)	0.591 (0.031)	0.438 (0.026)
Republican share × Post 4 quarters	0.810 (0.032)	0.511 (0.027)	0.676 (0.038)	0.735 (0.035)	0.563 (0.029)
Quarterly controls					
Initial equity share (2nd order)	Y	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y	Y
Percentage of RI sample	90.9%	90.9%	99.2%	99.0%	99.0%

Table continues on next page.

Table A.2 (continued): Equity Share Regressions with Alternative Political Affiliation Measures

B. Adding 2012 Measures	Portfolio equity share (in %), all households		
	(1)	(2)	(3)
County Republican vote share 2016 × Post 1 quarter	0.531 (0.021)		
County Republican vote share 2016 × Post 2 quarters	0.802 (0.027)		
County Republican vote share 2016 × Post 3 quarters	0.529 (0.033)		
County Republican vote share 2016 × Post 4 quarters	0.688 (0.037)		
County Republican vote share 2012 × Post 1 quarter		0.581 (0.024)	0.535 (0.026)
County Republican vote share 2012 × Post 2 quarters		0.898 (0.031)	0.846 (0.033)
County Republican vote share 2012 × Post 3 quarters		0.644 (0.039)	0.656 (0.041)
County Republican vote share 2012 × Post 4 quarters		0.806 (0.043)	0.793 (0.045)
County Republican vote share 2016-2012 × Post 1 quarter			0.507 (0.080)
County Republican vote share 2016-2012 × Post 2 quarters			0.577 (0.099)
County Republican vote share 2016-2012 × Post 3 quarters			-0.125 (0.114)
County Republican vote share 2016-2012 × Post 4 quarters			0.145 (0.133)
Quarterly controls			
Initial equity share (2nd order)	Y	Y	Y
Age (2nd order)	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y
Percentage of RI sample	99.2%	99.2%	99.2%

Notes: This table presents regression coefficients of quarterly household portfolio equity shares on the zip code or county Republican share, interacted by quarterly dummies, for various sets of party affiliation measures: zip code share of contributions in numbers and in dollars, county share of votes in 2016 or 2012, and county share of contributions in numbers and in dollars. In column (3) of panel B we report quarterly coefficients on the county Republican vote share in 2012, as well as the difference in county vote share between 2016 and 2012. The portfolio equity share is defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds, relative to total portfolio assets. We report results relative to allocations just before the election. We control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. The sample is our full set of RI households. Standard errors are clustered at the zip code level.

Table A.3: Regressions of Equity Share on Likely Political Affiliation

	Portfolio equity share (in %), all households						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Zip code Republican contribution share × Pre 3 quarters	0.308 (0.029)	0.107 (0.026)	0.027 (0.032)	0.071 (0.037)	0.186 (0.035)	0.197 (0.036)	0.163 (0.040)
Zip code Republican contribution share × Pre 2 quarters	0.287 (0.021)	0.195 (0.019)	0.087 (0.023)	0.245 (0.030)	0.136 (0.027)	0.151 (0.028)	0.124 (0.033)
Zip code Republican contribution share × Pre 1 quarter	0.126 (0.014)	0.103 (0.014)	0.024 (0.017)	0.070 (0.022)	0.104 (0.018)	0.091 (0.020)	0.058 (0.040)
Zip code Republican contribution share × Post 1 quarter	0.510 (0.019)	0.521 (0.019)	0.516 (0.024)	0.357 (0.028)	0.385 (0.025)	0.351 (0.025)	0.274 (0.029)
Zip code Republican contribution share × Post 2 quarters	0.727 (0.025)	0.811 (0.024)	0.749 (0.031)	0.623 (0.035)	0.654 (0.030)	0.589 (0.032)	0.440 (0.036)
Zip code Republican contribution share × Post 3 quarters	0.540 (0.035)	0.679 (0.029)	0.671 (0.035)	0.657 (0.041)	0.604 (0.037)	0.655 (0.038)	0.502 (0.040)
Zip code Republican contribution share × Post 4 quarters	0.561 (0.036)	0.810 (0.032)	0.980 (0.040)	0.730 (0.044)	0.656 (0.041)	0.688 (0.043)	0.571 (0.045)
Quarterly controls							
Initial equity share (2nd order)		Y	Y	Y	Y	Y	Y
Age (2nd order)		Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)		Y	Y	Y	Y	Y	Y
Employer industry (3-digit NAICS)			Y	Y			
Log labor income in 2015 (2nd order)				Y			
Labor income growth (2016-17)				Y			
Urbanicity					Y		
Zip code house price growth (2010-15, 2015-17)					Y		
State					Y		
County manufacturing share					Y		
County shipping costs					Y		
County						Y	
Employer × county							Y
Percentage of RI sample	90.9%	90.9%	55.8%	25.3%	83.9%	90.6%	56.7%

Notes: This table presents regression coefficients of quarterly household portfolio equity shares on the zip code Republican contribution share, interacted by quarterly dummies, for various sets of controls. The portfolio equity share is defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds, relative to total portfolio assets. We report the full set of results for the three quarters prior to the election and the four quarters following the election, relative to allocations just before the election. In the baseline specification (2), we control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. In specifications (3)-(8) we consider alternative sets of controls (interacted by a full set of quarterly dummies) that include employer industry dummies (3-digit NAICS), a second-order polynomial in log labor income over 2015, income growth over 2016–2017 (for the subset available as of June 2018), urbanicity (metropolitan, micropolitan, or non-CBSA), zip code house price growth from 2010–2015 and 2015–2017 (Zillow), state dummies, county manufacturing share (QCEW), county shipping costs (CBP), and county dummies. The sample is our full set of RI households. Standard errors are clustered at the zip code level.

Table A.4: Regressions of Equity Share on Likely Political Affiliation for 2012 Election Cycle

	Portfolio equity share (in %), all households						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Zip code Republican contribution share × Pre 3 quarters	0.216 (0.030)	0.009 (0.029)	-0.128 (0.038)	-0.273 (0.047)	-0.061 (0.032)	-0.066 (0.032)	-0.050 (0.036)
Zip code Republican contribution share × Pre 2 quarters	0.194 (0.026)	0.062 (0.026)	-0.072 (0.034)	-0.206 (0.044)	0.027 (0.028)	0.045 (0.027)	0.032 (0.028)
Zip code Republican contribution share × Pre 1 quarter	0.078 (0.020)	0.016 (0.020)	-0.092 (0.027)	-0.180 (0.033)	0.041 (0.022)	0.062 (0.021)	0.036 (0.023)
Zip code Republican contribution share × Post 1 quarter	-0.515 (0.025)	-0.413 (0.024)	-0.435 (0.031)	-0.488 (0.033)	-0.183 (0.022)	-0.050 (0.025)	-0.032 (0.027)
Zip code Republican contribution share × Post 2 quarters	-0.588 (0.030)	-0.414 (0.027)	-0.387 (0.035)	-0.422 (0.040)	-0.161 (0.027)	-0.019 (0.031)	-0.008 (0.034)
Zip code Republican contribution share × Post 3 quarters	-0.529 (0.036)	-0.335 (0.033)	-0.200 (0.040)	-0.230 (0.048)	-0.063 (0.033)	0.122 (0.036)	0.132 (0.039)
Zip code Republican contribution share × Post 4 quarters	-0.531 (0.041)	-0.272 (0.037)	-0.152 (0.044)	-0.173 (0.052)	0.032 (0.038)	0.233 (0.041)	0.227 (0.045)
Quarterly controls							
Initial equity share (2nd order)		Y	Y	Y	Y	Y	Y
Age (2nd order)		Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)		Y	Y	Y	Y	Y	Y
Employer industry (3-digit NAICS)			Y	Y			
Log labor income in 2011 (2nd order)				Y			
Labor income growth (2012-13)				Y			
Urbanicity					Y		
Zip code house price growth (2006-11, 2011-13)					Y		
State					Y		
County manufacturing share					Y		
County shipping costs					Y		
County						Y	
Employer × county							Y
Percentage of RI sample	83.3%	83.3%	54.3%	31.8%	77.2%	83.0%	54.5%

Notes: This table presents regression coefficients of quarterly household portfolio equity shares on the zip code Republican contribution share, interacted by quarterly dummies, for various sets of controls. The sample covers the 2012 presidential election. The portfolio equity share is defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds, relative to total portfolio assets. We report the full set of results for the three quarters prior to the election and the four quarters following the election, relative to allocations just before the election. In the baseline specification (2), we control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2011. In specifications (3)-(8) we consider alternative sets of controls (interacted by a full set of quarterly dummies) that include employer industry dummies (3-digit NAICS), a second-order polynomial in log labor income over 2011, income growth over 2012–2013, urbanicity (metropolitan, micropolitan, or non-CBSA), zip code house price growth from 2006–2011 and 2011–2013 (Zillow), state dummies, county manufacturing share (QCEW), county shipping costs (CBP), and county dummies. The sample is the full set of RI households constructed using our same procedure four years earlier. Standard errors are clustered at the zip code level.

Table A.6: Regressions of Equity Share on Likely Political Affiliation for Active Investors

	Portfolio equity share (in %), active households						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Zip code Republican contribution share × Pre 3 quarters	0.142 (0.055)	0.162 (0.055)	-0.058 (0.080)	-0.098 (0.106)	0.315 (0.070)	0.581 (0.080)	0.554 (0.122)
Zip code Republican contribution share × Pre 2 quarters	0.401 (0.041)	0.398 (0.040)	0.138 (0.059)	0.291 (0.084)	0.329 (0.053)	0.422 (0.062)	0.398 (0.100)
Zip code Republican contribution share × Pre 1 quarter	0.224 (0.030)	0.226 (0.030)	0.149 (0.045)	0.204 (0.064)	0.210 (0.041)	0.214 (0.047)	0.232 (0.076)
Zip code Republican contribution share × Post 1 quarter	1.189 (0.036)	1.069 (0.036)	0.968 (0.053)	1.007 (0.078)	0.786 (0.048)	0.681 (0.055)	0.624 (0.089)
Zip code Republican contribution share × Post 2 quarters	1.791 (0.045)	1.655 (0.044)	1.494 (0.065)	1.556 (0.095)	1.315 (0.057)	1.171 (0.068)	1.037 (0.106)
Zip code Republican contribution share × Post 3 quarters	1.769 (0.055)	1.588 (0.050)	1.404 (0.074)	1.624 (0.105)	1.275 (0.066)	1.294 (0.078)	1.080 (0.118)
Zip code Republican contribution share × Post 4 quarters	1.680 (0.062)	1.555 (0.056)	1.562 (0.080)	1.646 (0.112)	1.297 (0.072)	1.379 (0.083)	1.187 (0.128)
Quarterly controls							
Initial equity share (2nd order)		Y	Y	Y	Y	Y	Y
Age (2nd order)		Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)		Y	Y	Y	Y	Y	Y
Employer industry (3-digit NAICS)			Y	Y			
Log labor income in 2015 (2nd order)				Y			
Labor income growth (2016-17)				Y			
Urbanicity					Y		
Zip code house price growth (2010-15, 2015-17)					Y		
State					Y		
County manufacturing share					Y		
County shipping costs					Y		
County						Y	
Employer × county							Y
Percentage of RI sample	27.5%	27.5%	12.8%	5.8%	25.6%	27.5%	13.0%

Notes: This table presents regression coefficients of quarterly household portfolio equity shares on the zip code Republican contribution share, interacted by quarterly dummies, for various sets of controls. The portfolio equity share is defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds, relative to total portfolio assets. We report the full set of results for the three quarters prior to the election and the four quarters following the election, relative to allocations just before the election. In the baseline specification (2), we control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. In specifications (3)-(8) we consider alternative sets of controls (interacted by a full set of quarterly dummies) that include employer industry dummies (3-digit NAICS), a second-order polynomial in log labor income over 2015, income growth over 2016–2017 (for the subset available as of June 2018), urbanicity (metropolitan, micropolitan, or non-CBSA), zip code house price growth from 2010–2015 and 2015–2017 (Zillow), state dummies, county manufacturing share (QCEW), county shipping costs (CBP), and county dummies. The sample is the subset of households with active trades or exchanges in the prior year. Standard errors are clustered at the zip code level.

Table A.8: Equity Share Regressions on Subsamples

	Portfolio equity share (in %)						
	All (1)	Advised account (2)	Single (3)	Personal account (4)	Personal wealth only (5)	Brokerage account (6)	Brokerage wealth only (7)
Zip code Republican contribution share × Pre 3 quarters	0.107 (0.026)	-0.082 (0.084)	-0.012 (0.044)	0.132 (0.044)	0.310 (0.047)	0.145 (0.059)	-0.209 (0.089)
Zip code Republican contribution share × Pre 2 quarters	0.195 (0.019)	0.093 (0.069)	0.097 (0.035)	0.350 (0.030)	0.392 (0.035)	0.380 (0.048)	-0.021 (0.072)
Zip code Republican contribution share × Pre 1 quarter	0.103 (0.014)	0.040 (0.051)	0.074 (0.026)	0.204 (0.022)	0.285 (0.026)	0.224 (0.036)	0.111 (0.057)
Zip code Republican contribution share × Post 1 quarter	0.521 (0.019)	0.317 (0.057)	0.379 (0.032)	0.605 (0.026)	0.432 (0.033)	0.763 (0.041)	0.567 (0.061)
Zip code Republican contribution share × Post 2 quarters	0.811 (0.024)	0.592 (0.071)	0.598 (0.042)	0.956 (0.032)	0.653 (0.040)	1.155 (0.051)	0.612 (0.078)
Zip code Republican contribution share × Post 3 quarters	0.679 (0.029)	0.663 (0.080)	0.547 (0.050)	0.811 (0.037)	0.459 (0.045)	1.020 (0.058)	0.224 (0.092)
Zip code Republican contribution share × Post 4 quarters	0.810 (0.032)	0.688 (0.089)	0.674 (0.054)	0.777 (0.042)	0.411 (0.053)	0.921 (0.065)	0.567 (0.110)
Quarterly controls							
Initial equity share (2nd order)	Y	Y	Y	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y	Y	Y	Y
Percentage of RI sample	90.9%	3.6%	20.0%	36.8%	34.2%	15.6%	12.5%

Notes: This table presents regression coefficients of quarterly household portfolio equity shares on the zip code Republican contribution share, interacted by quarterly dummies, in various subsamples of the population: households with advised accounts (column 2), households with a single (not married) head of household (column 3), households with a personal brokerage or retirement account (column 4), wealth in personal accounts only (column 5), households with a personal non-retirement brokerage account (column 6), and wealth in personal brokerage accounts only (column 7). The portfolio equity share is defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds, relative to total portfolio assets. We report the full set of results for the three quarters prior to the election and the four quarters following the election, relative to allocations just before the election. We control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. The sample is our full set of RI households. Standard errors are clustered at the zip code level.

Table A.9: Regressions of Saving Behavior on Likely Political Affiliation

	Net flow rate (in %)		Net saving rate (in %)		Contribution
	All	Age 45-54	Household	Account	rate (in %)
	(1)	(2)	(3)	(4)	(5)
Zip code Republican contribution share × Pre 3 quarters					0.169 (0.012)
Zip code Republican contribution share × Pre 2 quarters					0.151 (0.010)
Zip code Republican contribution share × Pre 1 quarter					0.109 (0.008)
Zip code Republican contribution share × Post 1 quarter	0.080 (0.027)	0.070 (0.040)	-0.398 (0.345)	-0.335 (0.119)	-0.041 (0.008)
Zip code Republican contribution share × Post 2 quarters	-0.028 (0.039)	0.068 (0.044)	-0.297 (0.346)	-0.238 (0.162)	-0.028 (0.009)
Zip code Republican contribution share × Post 3 quarters	0.023 (0.027)	0.071 (0.041)	-0.571 (0.377)	-0.029 (0.115)	-0.056 (0.010)
Zip code Republican contribution share × Post 4 quarters	-0.030 (0.031)	0.027 (0.042)	1.310 (0.275)	0.091 (0.136)	-0.178 (0.014)
Quarterly controls					
Initial equity share (2nd order)	Y	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y	Y
Log labor income in 2015 (2nd order)			Y	Y	
Initial contribution rate (2nd order)					Y
Default annual increase of rate					Y
Percentage of RI sample	90.9%	23.8%	22.8%	22.8%	45.4%

Notes: This table presents regression coefficients of quarterly household saving measures on the zip code Republican contribution share, interacted by quarterly dummies. The net flow rate is constructed as deposits minus withdrawals as a fraction of initial balances. The net saving rate is defined as deposits minus withdrawals as a fraction of quarterly income (derived from dividing annual income evenly over the year). The contribution rate applies only to households actively contributing to a retirement account. To account for seasonality, we report coefficients in columns (1)–(4) relative to the same quarter in the year prior to the election. The coefficients in column (5) are relative to the contribution rate just before the election. We control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. We additionally control for a second-order polynomial in log 2015 labor income when estimating the effects on saving rates, and we control for the initial elected contribution rate and personalized default annual increases of contribution rates in column (5). The sample is our full set of households. Standard errors are clustered at the zip code level.

Table A.10: Regressions of Portfolio Characteristics on Likely Political Affiliation

A. Market betas	Beta of portfolio		Beta of equity	
	All	Active	All	Active
	(1)	(2)	(3)	(4)
Zip code Republican contribution share × Pre 3 quarters	-0.181 (0.036)	-0.160 (0.073)	-0.258 (0.036)	-0.300 (0.068)
Zip code Republican contribution share × Pre 2 quarters	0.074 (0.027)	0.305 (0.056)	-0.032 (0.029)	-0.039 (0.056)
Zip code Republican contribution share × Pre 1 quarter	0.054 (0.017)	0.208 (0.041)	0.001 (0.022)	-0.004 (0.042)
Zip code Republican contribution share × Post 1 quarter	0.414 (0.024)	1.017 (0.051)	0.131 (0.025)	0.256 (0.050)
Zip code Republican contribution share × Post 2 quarters	0.575 (0.031)	1.511 (0.060)	0.146 (0.029)	0.331 (0.056)
Zip code Republican contribution share × Post 3 quarters	0.538 (0.037)	1.306 (0.068)	0.083 (0.039)	0.161 (0.064)
Zip code Republican contribution share × Post 4 quarters	0.568 (0.044)	1.180 (0.078)	0.031 (0.043)	0.036 (0.071)
Quarterly controls				
Initial allocation (2nd order)	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y
Percentage of RI sample	71.2%	21.8%	44.2%	19.3%

Table continues on next page.

Table A.10 (continued): Regressions of Portfolio Characteristics on Likely Political Affiliation

B. Sector and global allocations	Winning sectors share of equity		Losing sectors share of equity		International share of equity	
	All	Active	All	Active	All	Active
	(5)	(6)	(7)	(8)	(9)	(10)
Zip code Republican contribution share × Pre 3 quarters	-0.241 (0.014)	-0.411 (0.031)	0.108 (0.013)	0.211 (0.031)	-0.122 (0.014)	-0.167 (0.029)
Zip code Republican contribution share × Pre 2 quarters	-0.039 (0.011)	-0.141 (0.023)	0.084 (0.011)	0.144 (0.028)	-0.084 (0.011)	-0.104 (0.023)
Zip code Republican contribution share × Pre 1 quarter	0.011 (0.008)	-0.004 (0.017)	0.070 (0.010)	0.145 (0.024)	-0.083 (0.009)	-0.118 (0.018)
Zip code Republican contribution share × Post 1 quarter	0.025 (0.008)	0.049 (0.021)	-0.078 (0.008)	-0.181 (0.022)	0.055 (0.012)	0.048 (0.021)
Zip code Republican contribution share × Post 2 quarters	0.020 (0.011)	-0.034 (0.025)	-0.153 (0.011)	-0.307 (0.028)	0.115 (0.013)	0.125 (0.026)
Zip code Republican contribution share × Post 3 quarters	-0.004 (0.015)	-0.050 (0.028)	-0.196 (0.013)	-0.374 (0.033)	0.157 (0.017)	0.228 (0.032)
Zip code Republican contribution share × Post 4 quarters	-0.040 (0.019)	-0.139 (0.033)	-0.204 (0.018)	-0.396 (0.042)	0.080 (0.020)	0.203 (0.035)
Quarterly controls						
Initial allocation (2nd order)	Y	Y	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y	Y	Y
Percentage of RI sample	84.4%	26.2%	84.4%	26.2%	84.3%	26.2%

Notes: This table presents regression coefficients of various quarterly household portfolio measures on the zip code Republican contribution share, interacted by quarterly dummies, for the full sample and for the subsample of households with active trading in the prior year. Market betas are obtained by regressing monthly fund or security excess returns on the value-weighted CRSP market excess return over the period 2007–2017 with at least 24 observations. We calculate portfolio betas for households that have at least 75% of risky assets in assets with observed betas. Winning sectors are defined as the top five sectors based on stock market returns from the election date until the end of 2016: financials, telecommunication services, energy, materials, and industrials. Losing sectors are defined as the bottom five sectors based on stock market returns from the election date until the end of 2016: consumer staples, utilities, information technology, health care, and real estate. Consumer discretionary is in the middle and is considered neither. The portfolio international share of equity is defined as the sum of international equity securities and funds relative to total equity products. We control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. Standard errors are clustered at the zip code level.

Table A.11: Regressions of Equity Share on Likely Political Affiliation for Active Investors (Alternative Definitions)

| | Portfolio equity share (in %) | | | | | |
| | All | TDF share < 50% | Contribution not default | Trade any past 5 years | Trade past year | Trade all past 3 years |
	(1)	(2)	(3)	(4)	(5)	(6)
Zip code Republican contribution share × Post 1 quarter	0.518 (0.019)	0.593 (0.023)	0.559 (0.031)	0.880 (0.028)	1.063 (0.036)	1.220 (0.049)
Zip code Republican contribution share × Post 2 quarters	0.826 (0.024)	0.961 (0.028)	0.876 (0.040)	1.402 (0.035)	1.657 (0.044)	1.772 (0.060)
Zip code Republican contribution share × Post 3 quarters	0.690 (0.029)	0.917 (0.032)	0.883 (0.046)	1.327 (0.041)	1.588 (0.051)	1.763 (0.068)
Zip code Republican contribution share × Post 4 quarters	0.820 (0.032)	0.968 (0.038)	1.029 (0.052)	1.374 (0.046)	1.556 (0.056)	1.654 (0.074)
Quarterly controls						
Initial equity share (2nd order)	Y	Y	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y	Y	Y
Percentage of RI sample	90.9%	57.2%	32.7%	40.7%	27.4%	15.1%

| | Trade in empl. acc. any past 5 years | Trade in empl. acc. past year | Trade in empl. acc. all past 3 years | Portfolio change any past 5 years | Portfolio change past year | Portfolio change all past 3 years |
	(7)	(8)	(9)	(10)	(11)	(12)
Zip code Republican contribution share × Post 1 quarter	1.081 (0.044)	1.281 (0.069)	1.715 (0.140)	1.141 (0.038)	1.728 (0.072)	2.965 (0.193)
Zip code Republican contribution share × Post 2 quarters	1.633 (0.054)	1.963 (0.085)	2.582 (0.168)	1.800 (0.047)	2.646 (0.085)	4.245 (0.223)
Zip code Republican contribution share × Post 3 quarters	1.606 (0.062)	1.966 (0.095)	2.803 (0.186)	1.740 (0.053)	2.564 (0.095)	4.086 (0.240)
Zip code Republican contribution share × Post 4 quarters	1.730 (0.068)	2.017 (0.102)	2.688 (0.200)	1.745 (0.059)	2.444 (0.103)	3.532 (0.254)
Quarterly controls						
Initial equity share (2nd order)	Y	Y	Y	Y	Y	Y
Age (2nd order)	Y	Y	Y	Y	Y	Y
Log initial wealth (2nd order)	Y	Y	Y	Y	Y	Y
Percentage of RI sample	19.2%	9.3%	3.1%	26.7%	10.9%	2.7%

Notes: This table presents regression coefficients of quarterly household portfolio equity shares on the zip code Republican contribution share, interacted by quarterly dummies, in various subsamples of the population: households with less than 50% of assets in target date funds (TDFs, column 2), households with prior-year contributions that are not invested fully in either a TDF or a fixed-income fund (column 3), households with active trades in preceding years (columns 4–6), households with active trades in employer-linked accounts in preceding years (columns 7–9), and households with active portfolio equity share changes in preceding years (columns 10–12). An active portfolio equity share change is defined as a change of at least 5% caused by active trading. The portfolio equity share is defined as the sum of equity securities, pure equity funds, and the equity portion of hybrid funds, relative to total portfolio assets. We report the results for the four quarters following the election, relative to allocations just before the election. We control for quarterly second-order polynomials in initial share and log financial wealth, a second-order polynomial in age below 65, a dummy for age above 65, as well as individual and time fixed effects. Financial wealth is defined as the total amount of household financial assets in retirement and non-retirement accounts. Wealth and the initial equity share are measured as of October 31, 2015. Standard errors are clustered at the zip code level.