

Online Appendix

(For “Behavior of Corporate Depositors during a Bank Panic”
by Lucy Chernykh and Sergey Mityakov)

Appendix A1. Offshore fraction calculation (from Chernykh and Mityakov (2017))

Our measure of bank exposure to offshore operations is based on an intensity of a given bank interaction with less transparent offshore financial centers. To identify less transparent offshore localities, we utilize the official directory of offshore jurisdictions issued by the Central Bank of Russia in 2003. The regulator further subdivided this list into three groups/tiers of countries in the order of less financial disclosure and, therefore, higher loss reserve requirements for banking operations. (see below) Group 1 represents offshores viewed as generally compliant with international monitoring efforts. So, we focus on Group 2 and 3 countries, which represent semi- or outright non-compliant offshore financial centers. Russian Central Bank recognized this heterogeneity by requiring no loss reserves for banking operations in offshore financial centers from Group 1 and 50% and 100% loss reserves for banking operations in offshores from Group 2 and 3 respectively. To measure the amount of interaction between a given bank and offshore jurisdictions we use information from mandatory bank reports to the Central Bank of Russia over the years 2000-2003.¹ Those reports require each bank to provide information about all of its accounts in other banks, including banks in foreign countries. The Central Bank collects detailed information in those reports, including end of the month balances and monthly volume of transactions in each correspondent account.

We construct a measure of offshore activities of a given Russian bank (in a given year) with offshore financial centers from a particular group/tier by taking the annual volume of transactions of this bank through the countries in this offshores group, normalized by the total annual volume of transactions through all foreign countries done by this bank in a given year. Namely, denote $OFV_{i,j,t}$ annual amount of transactions of a Russian bank i through its correspondent accounts in (foreign) bank j in year t . Then we define year t intensity of bank i offshore activity with offshores in group k as:

$$OF_{i,t}^{(k)} = \frac{\sum_{\substack{j \text{ is located in} \\ \text{group } k \text{ offshore}}} OFV_{i,j,t}}{\sum_{\substack{j \text{ is located in} \\ \text{anycountry}}} OFV_{i,j,t}} \quad (\text{A1.1})$$

For a given Russian bank, this measure indicates what fraction of total annual flows through foreign countries occurs via offshore financial centers from a particular group k . As our main measure of offshore activities of a given Russian bank we use combined offshore fraction for offshore localities in groups 2 and 3.

$$OF_{i,t} = OF_{i,t}^{(2)} + OF_{i,t}^{(3)} \quad (\text{A1.2})$$

¹ These reports were purchased from www.rusbd.com as bundle with the wire transfer database utilized in the current study to construct the main dependent variable: the net transfer.

Appendix A2. Measuring Tax Fraud from individual car values and reported incomes (based on Braguinsky, Mityakov, and Liscovich (2014) and Braguinsky and Mityakov (2015)).

This approach to measuring income tax fraud at the level of individual bank starts from the observation that it is relatively easy to misreport earnings, but it is costly to drive an unregistered vehicle.² This difference is the key to the following identification strategy, which employs administrative data on wages and car values to measure hidden earnings. Specifically, Braguinsky et al. consider the following relation between reported and actual earnings:

$$\ln E_{i,t}^R = \ln E_{i,t}^* - T_{j(i,t),t} + \mathbf{g}'_1 \mathbf{X}_{i,t}^{(1)} + \phi_1(t) + u_{i,t}^{(1)}, \quad (\text{A2.1})$$

Here $E_{i,t}^R$ and $E_{i,t}^*$ are reported earnings of individual i in year t respectively. Reported earnings of individual i working in year t for a firm $j(i,t)$ differ from actual earnings depending on individual level controls (such as age, gender, position in the firm's hierarchy $\mathbf{X}_{i,t}^{(1)}$) as well as firm-level (time-varying) propensity to underreport incomes by a certain percentage ($T_{j,t}$) common for all employees of a given company in a given year. Firm-level tax evasion scores $T_{j,t}$ is the main variable of interest. Obviously one cannot use regression (A2.1) to estimate these scores, since actual earnings E^* are not observed. To measure tax evasion at the firm level Braguinsky et al. bring additional information in the form of car values of employees. Namely, they consider the following log-linear relation between car values C and actual incomes E^* :

$$\ln C_{i,t} = \lambda \ln E_{i,t}^* + \mathbf{g}'_2 \mathbf{X}_{i,t}^{(2)} + \phi_2(t) + u_{i,t}^{(2)}. \quad (\text{A2.2})$$

To calculate $T_{j,t}$, Braguinsky et al. combine equations (A2.1) and (A2.2) to get:

$$\ln E_{i,t}^R - \frac{1}{\lambda} \ln C_{i,t} = -T_{j(i,t),t} + \mathbf{g}' \mathbf{X}_{i,t} + \phi(t) + u_{i,t}. \quad (\text{A2.3})$$

In calculation of tax evasion scores $T_{j,t}$ they employ the value of $\lambda=0.35$ which itself is estimated from subsample of employees of foreign multinationals from Western countries assuming that in those cases earnings are unlikely to be falsified and, thus, λ can be estimated on this subsample using specification given in equation (A2.2).

² Moscow police routinely conduct traffic stops to check the paperwork. Unregistered vehicles are impounded and can be recovered only after paying a fine and producing the registration document.

Appendix A3. Saturated specification with depositorXbank FE

Table A3.1: Saturated FE specification: depositorXbank fixed effects. Single bank characteristic regressions

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Dependent variable: normalized transfer of a depositor into the bank</i>							
<i>Panel A: Offshore fraction</i>							
Offshore X 1(Phase1)	0.008** (0.004)	0.003 (0.004)	0.026** (0.013)	0.003 (0.005)	0.003 (0.026)	0.004 (0.005)	0.035** (0.015)
Offshore X 1(Phase2)	0.026*** (0.004)	0.026*** (0.005)	0.022 (0.014)	0.012* (0.007)	-0.043 (0.028)	0.035*** (0.006)	0.045*** (0.016)
Offshore X 1(After)	0.026*** (0.005)	0.023*** (0.005)	0.035** (0.015)	0.010 (0.007)	-0.029 (0.030)	0.031*** (0.006)	0.059*** (0.017)
Observations	2,724,928	2,245,804	479,124	848,554	130,384	1,397,250	348,740
<i>Panel B: Risk-weighted assets</i>							
RWA X 1(Phase1)	-0.024*** (0.004)	-0.018*** (0.004)	-0.056*** (0.016)	0.001 (0.006)	-0.037 (0.031)	-0.028*** (0.006)	-0.063*** (0.019)
RWA X 1(Phase2)	-0.060*** (0.005)	-0.052*** (0.005)	-0.098*** (0.017)	-0.024*** (0.008)	-0.095*** (0.033)	-0.069*** (0.007)	-0.099*** (0.020)
RWA X 1(After)	-0.059*** (0.006)	-0.056*** (0.006)	-0.072*** (0.018)	-0.025*** (0.008)	-0.059* (0.035)	-0.074*** (0.008)	-0.077*** (0.022)
Observations	2,908,117	2,407,827	500,290	904,008	135,790	1,503,819	364,500
<i>Panel C: "Blacklist" dummy</i>							
Blacklist X 1(Phase1)	-0.000 (0.002)	0.001 (0.002)	-0.004 (0.006)	-0.002 (0.003)	-0.006 (0.012)	0.003 (0.002)	-0.003 (0.007)
Blacklist X 1(Phase2)	-0.017*** (0.002)	-0.010*** (0.002)	-0.046*** (0.007)	-0.010*** (0.004)	-0.050*** (0.014)	-0.010*** (0.003)	-0.044*** (0.008)
Blacklist X 1(After)	-0.017*** (0.002)	-0.010*** (0.002)	-0.047*** (0.007)	-0.011*** (0.004)	-0.068*** (0.015)	-0.009*** (0.003)	-0.039*** (0.009)
Observations	2,724,928	2,245,804	479,124	848,554	130,384	1,397,250	348,740
Bank-firm pairs	All	Non-connected	Connected	Non-connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
DepositorXBank FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by average of the year total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. In Panel A explanatory variable is Offshore fraction defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. In Panel B dependent variable is RWA: risk weighted assets to total assets ratio in 2003. In Panel C dependent variable is "Blacklist" dummy, which is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. All specifications are estimated by FE-OLS with bank-depositor fixed effects. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Appendix A4. Robustness to outliers.

Table A4.1: Depositors dealing with fewer than 10 banks: no bank FE specification

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<i>Dependent variable: normalized transfer of a depositor into the bank</i>						
Offshore X 1(Phase1)	0.007* (0.004)	0.001 (0.004)	0.026* (0.014)	0.005 (0.007)	-0.003 (0.029)	-0.000 (0.005)	0.037** (0.016)
Offshore X 1(Phase2)	0.030*** (0.005)	0.030*** (0.005)	0.026* (0.015)	0.021** (0.008)	-0.069** (0.032)	0.036*** (0.007)	0.056*** (0.017)
Offshore X 1(After)	0.028*** (0.005)	0.023*** (0.006)	0.042** (0.016)	0.015* (0.009)	-0.031 (0.033)	0.027*** (0.007)	0.067*** (0.019)
Offshore	-0.015** (0.006)	-0.011* (0.006)	0.030 (0.019)	-0.007 (0.009)	0.016 (0.040)	-0.016** (0.008)	0.030 (0.022)
RWA X 1(Phase1)	-0.027*** (0.006)	-0.019*** (0.006)	-0.054*** (0.019)	0.005 (0.010)	-0.022 (0.036)	-0.031*** (0.008)	-0.066*** (0.022)
RWA X 1(Phase2)	-0.056*** (0.007)	-0.053*** (0.007)	-0.064*** (0.020)	-0.021* (0.012)	-0.065* (0.039)	-0.070*** (0.009)	-0.063*** (0.023)
RWA X 1(After)	-0.052*** (0.008)	-0.053*** (0.008)	-0.040* (0.021)	-0.013 (0.012)	-0.029 (0.039)	-0.075*** (0.010)	-0.044* (0.025)
RWA	0.025*** (0.009)	0.028*** (0.008)	-0.008 (0.026)	-0.006 (0.014)	-0.081* (0.049)	0.046*** (0.011)	0.016 (0.030)
Blacklist X 1(Phase1)	-0.002 (0.002)	0.000 (0.002)	-0.007 (0.007)	-0.004 (0.004)	-0.011 (0.013)	0.002 (0.003)	-0.006 (0.008)
Blacklist X 1(Phase2)	-0.021*** (0.003)	-0.011*** (0.003)	-0.051*** (0.008)	-0.013*** (0.004)	-0.054*** (0.015)	-0.010*** (0.003)	-0.049*** (0.009)
Blacklist X 1(After)	-0.022*** (0.003)	-0.012*** (0.003)	-0.053*** (0.008)	-0.013*** (0.005)	-0.072*** (0.016)	-0.010*** (0.004)	-0.045*** (0.009)
Blacklist	0.017*** (0.003)	0.009*** (0.003)	0.033*** (0.009)	0.015*** (0.005)	0.037** (0.018)	0.005 (0.004)	0.030*** (0.010)
Observations	2,514,215	2,035,135	479,080	734,392	130,384	1,300,743	348,696
Bank-firm pairs	All	Non-connected	Connected	Non-connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Bank FE	No	No	No	No	No	No	No
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004 and includes depositorsXbanks only for firms that deal with fewer than 10 banks during that time period. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. Offshore fraction and its interactions with time period dummies are included in all specifications. Offshore fraction is defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. RWA ratios are measured as a ratio of risk-weighted-assets of total assets in 2003. "Blacklist" is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. All specifications are estimated by OLS. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Table A4.2: Depositors sending/receiving money with their bank at least 12 times per year: no bank FE specification

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Dependent variable: normalized transfer of a depositor into the bank</i>							
Offshore X 1(Phase1)	0.004 (0.004)	0.001 (0.004)	0.018 (0.014)	0.003 (0.006)	-0.029 (0.029)	-0.000 (0.005)	0.033** (0.016)
Offshore X 1(Phase2)	0.024*** (0.005)	0.025*** (0.005)	0.017 (0.016)	0.015** (0.007)	-0.079** (0.033)	0.031*** (0.006)	0.047*** (0.018)
Offshore X 1(After)	0.023*** (0.005)	0.020*** (0.005)	0.032* (0.017)	0.010 (0.008)	-0.037 (0.034)	0.026*** (0.007)	0.056*** (0.020)
Offshore	-0.011* (0.006)	-0.009 (0.006)	0.038* (0.020)	-0.007 (0.008)	0.020 (0.042)	-0.011 (0.007)	0.041* (0.023)
RWA X 1(Phase1)	-0.021*** (0.006)	-0.015*** (0.005)	-0.041** (0.019)	0.002 (0.008)	0.001 (0.036)	-0.025*** (0.007)	-0.057** (0.023)
RWA X 1(Phase2)	-0.046*** (0.006)	-0.045*** (0.007)	-0.050** (0.020)	-0.019** (0.010)	-0.039 (0.040)	-0.060*** (0.009)	-0.055** (0.024)
RWA X 1(After)	-0.042*** (0.007)	-0.045*** (0.007)	-0.024 (0.022)	-0.012 (0.010)	0.002 (0.040)	-0.063*** (0.009)	-0.034 (0.026)
RWA	0.020** (0.008)	0.024*** (0.008)	-0.016 (0.028)	0.001 (0.011)	-0.108** (0.052)	0.037*** (0.010)	0.018 (0.033)
Blacklist X 1(Phase1)	-0.002 (0.002)	-0.001 (0.002)	-0.004 (0.007)	-0.004 (0.003)	-0.001 (0.013)	0.001 (0.003)	-0.005 (0.008)
Blacklist X 1(Phase2)	-0.017*** (0.002)	-0.010*** (0.002)	-0.041*** (0.008)	-0.011*** (0.004)	-0.042*** (0.016)	-0.009*** (0.003)	-0.039*** (0.009)
Blacklist X 1(After)	-0.017*** (0.003)	-0.010*** (0.003)	-0.042*** (0.008)	-0.012*** (0.004)	-0.064*** (0.016)	-0.009** (0.003)	-0.033*** (0.009)
Blacklist	0.014*** (0.003)	0.008*** (0.003)	0.026*** (0.009)	0.012*** (0.004)	0.031* (0.019)	0.004 (0.004)	0.023** (0.011)
Observations	2,620,173	2,179,738	440,435	830,225	121,365	1,349,513	319,070
Bank-firm pairs	All	Non-connected	Connected	Non-connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Bank FE	No	No	No	No	No	No	No
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004 and include depositorXbank pairs where depositor makes transfers in at least 12 weeks per year. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. Offshore fraction and its interactions with time period dummies are included in all specifications. Offshore fraction is defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. RWA ratios are measured as a ratio of risk-weighted-assets of total assets in 2003. "Blacklist" is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. All specifications are estimated by OLS. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Table A4.3: Estimation with first 10 weeks of 2004 dropped: no bank FE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Dependent variable: normalized transfer of a depositor into the bank</i>							
Offshore X 1(Phase1)	0.008** (0.004)	0.004 (0.004)	0.022 (0.015)	0.011* (0.006)	-0.030 (0.030)	-0.000 (0.005)	0.040** (0.017)
Offshore X 1(Phase2)	0.029*** (0.005)	0.030*** (0.005)	0.022 (0.016)	0.024*** (0.007)	-0.095*** (0.034)	0.034*** (0.007)	0.059*** (0.018)
Offshore X 1(After)	0.027*** (0.005)	0.022*** (0.005)	0.038** (0.017)	0.019** (0.008)	-0.057 (0.036)	0.025*** (0.007)	0.070*** (0.020)
Offshore	-0.016*** (0.006)	-0.013** (0.006)	0.034* (0.020)	-0.015* (0.008)	0.043 (0.042)	-0.014* (0.008)	0.028 (0.023)
RWA X 1(Phase1)	-0.020*** (0.006)	-0.014** (0.006)	-0.042** (0.020)	0.000 (0.009)	-0.010 (0.038)	-0.022*** (0.008)	-0.054** (0.024)
RWA X 1(Phase2)	-0.046*** (0.007)	-0.045*** (0.007)	-0.052** (0.021)	-0.022** (0.010)	-0.053 (0.041)	-0.059*** (0.009)	-0.052** (0.025)
RWA X 1(After)	-0.043*** (0.007)	-0.045*** (0.007)	-0.029 (0.023)	-0.015 (0.011)	-0.017 (0.042)	-0.063*** (0.010)	-0.033 (0.027)
RWA	0.019** (0.008)	0.023*** (0.008)	-0.021 (0.027)	0.000 (0.012)	-0.094* (0.051)	0.036*** (0.011)	0.003 (0.032)
Blacklist X 1(Phase1)	-0.003 (0.002)	-0.001 (0.002)	-0.007 (0.007)	-0.005 (0.003)	-0.007 (0.013)	0.001 (0.003)	-0.006 (0.008)
Blacklist X 1(Phase2)	-0.021*** (0.003)	-0.012*** (0.003)	-0.051*** (0.008)	-0.013*** (0.004)	-0.050*** (0.016)	-0.010*** (0.003)	-0.049*** (0.009)
Blacklist X 1(After)	-0.022*** (0.003)	-0.012*** (0.003)	-0.052*** (0.008)	-0.013*** (0.004)	-0.068*** (0.016)	-0.011*** (0.004)	-0.045*** (0.010)
Blacklist	0.017*** (0.003)	0.009*** (0.003)	0.032*** (0.009)	0.014*** (0.005)	0.033* (0.019)	0.005 (0.004)	0.031*** (0.010)
Observations	2,307,695	1,900,406	407,289	718,629	110,934	1,181,777	296,355
Bank-firm pairs	All	Non-connected	Connected	Non-connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Bank FE	No	No	No	No	No	No	No
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of March 2004-Dec 2004 with first 10 weeks of 2004 dropped. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. Offshore fraction and its interactions with time period dummies are included in all specifications. Offshore fraction is defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. RWA ratios are measured as a ratio of risk-weighted-assets of total assets in 2003. “Blacklist” is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as “Transparent” vs “Suspicious” on the basis of tax evasion developed by Braguinsky and Mityakov (2015). “Transparent” indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as “Connected” if in 2003 a given company dealt exclusively with the given bank and “Non-connected” otherwise. All specifications are estimated by OLS. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Appendix A5. Alternative normalization of the net transfer

Table A5.1: Estimation with alternative normalization of the net transfer: no bank FE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<i>Dependent variable: normalized transfer of a depositor into the bank</i>						
Offshore X 1(Phase1)	0.006 (0.004)	0.003 (0.004)	0.014 (0.009)	0.011 (0.007)	0.015 (0.021)	-0.001 (0.005)	0.014 (0.010)
Offshore X 1(Phase2)	0.011*** (0.004)	0.016*** (0.005)	-0.002 (0.009)	0.009 (0.007)	-0.039** (0.020)	0.019*** (0.006)	0.009 (0.011)
Offshore X 1(After)	0.011** (0.005)	0.008 (0.005)	0.020** (0.010)	0.012 (0.008)	0.002 (0.022)	0.006 (0.007)	0.028** (0.011)
Offshore	0.001 (0.004)	-0.003 (0.004)	0.023** (0.009)	-0.009 (0.007)	0.017 (0.019)	-0.000 (0.006)	0.025** (0.010)
RWA X 1(Phase1)	-0.016*** (0.005)	-0.017*** (0.006)	-0.010 (0.011)	-0.000 (0.010)	-0.027 (0.022)	-0.026*** (0.007)	-0.003 (0.013)
RWA X 1(Phase2)	-0.022*** (0.005)	-0.025*** (0.006)	-0.010 (0.011)	-0.007 (0.010)	-0.046** (0.023)	-0.035*** (0.008)	0.002 (0.012)
RWA X 1(After)	-0.028*** (0.006)	-0.033*** (0.007)	-0.010 (0.013)	-0.009 (0.011)	-0.031 (0.027)	-0.046*** (0.009)	-0.003 (0.014)
RWA	0.010* (0.005)	0.012** (0.006)	0.000 (0.011)	-0.004 (0.010)	-0.002 (0.024)	0.021*** (0.007)	0.001 (0.013)
Blacklist X 1(Phase1)	0.000 (0.002)	0.003 (0.002)	-0.009** (0.004)	0.001 (0.004)	-0.012 (0.008)	0.005* (0.003)	-0.008* (0.005)
Blacklist X 1(Phase2)	-0.007*** (0.002)	-0.004* (0.002)	-0.013*** (0.004)	-0.007* (0.004)	-0.015* (0.009)	-0.002 (0.003)	-0.012** (0.005)
Blacklist X 1(After)	-0.007*** (0.002)	-0.003 (0.003)	-0.019*** (0.005)	-0.008* (0.004)	-0.026** (0.010)	-0.000 (0.003)	-0.016*** (0.005)
Blacklist	0.006*** (0.002)	0.003 (0.002)	0.012*** (0.004)	0.008** (0.003)	0.012 (0.009)	-0.000 (0.003)	0.012*** (0.005)
Observations	4,159,688	3,091,140	1,068,548	1,088,568	276,848	2,002,572	791,700
Bank-firm pairs	All	Non- connected	Connected	Non- connected	Connected	Non- connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Bank FE	No	No	No	No	No	No	No
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total averaged over the year weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. Offshore fraction and its interactions with time period dummies are included in all specifications. Offshore fraction is defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. Risk-weighted-assets are measured as a fraction of total assets in 2003. "Blacklist" is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. All specifications are estimated by OLS. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Appendix A6: Alternative specifications for blacklist dummy

Table A6.1: Depositors transfers and bank's inclusion in a blacklist: Blacklist dummy with no other bank-level characteristics.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Dependent variable: normalized transfer of a depositor into the bank</i>							
<i>Panel A: OLS without bank FE</i>							
Blacklist X 1(Phase1)	-0.005** (0.002)	-0.002 (0.002)	-0.011* (0.006)	-0.003 (0.003)	-0.018 (0.012)	-0.002 (0.003)	-0.008 (0.007)
Blacklist X 1(Phase2)	-0.022*** (0.002)	-0.012*** (0.002)	-0.055*** (0.007)	-0.012*** (0.004)	-0.068*** (0.015)	-0.012*** (0.003)	-0.050*** (0.008)
Blacklist X 1(After)	-0.023*** (0.002)	-0.013*** (0.003)	-0.054*** (0.007)	-0.012*** (0.004)	-0.079*** (0.015)	-0.013*** (0.003)	-0.046*** (0.008)
Blacklist	0.019*** (0.003)	0.010*** (0.003)	0.038*** (0.008)	0.013*** (0.004)	0.039** (0.017)	0.007** (0.004)	0.036*** (0.009)
Observations	2,908,117	2,407,827	500,290	904,008	135,790	1,503,819	364,500
R-squared	0.003	0.002	0.009	0.002	0.009	0.002	0.009
<i>Panel B: OLS with bank FE</i>							
Blacklist X 1(Phase1)	-0.005** (0.002)	-0.002 (0.002)	-0.012** (0.006)	-0.003 (0.003)	-0.017 (0.012)	-0.002 (0.003)	-0.010 (0.007)
Blacklist X 1(Phase2)	-0.022*** (0.002)	-0.013*** (0.002)	-0.056*** (0.007)	-0.012*** (0.004)	-0.069*** (0.015)	-0.012*** (0.003)	-0.051*** (0.008)
Blacklist X 1(After)	-0.023*** (0.002)	-0.013*** (0.003)	-0.055*** (0.007)	-0.012*** (0.004)	-0.078*** (0.015)	-0.014*** (0.003)	-0.047*** (0.008)
Observations	2,908,117	2,407,827	500,290	904,008	135,790	1,503,819	364,500
R-squared	0.010	0.011	0.025	0.012	0.044	0.013	0.029
Bank-firm pairs	All	Non-connected	Connected	Non-connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Offshore fraction, RWA, and their interactions	No	No	No	No	No	No	No
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. "Blacklist" is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. Panel A specifications are estimated by OLS, while Panel B is estimated by FE-OLS with deposit-holding bank fixed effects. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Table A6.2: Full set of controls results (same regression as in the main text in Table 7 Panel A). No bank FE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Dependent variable: normalized transfer of a depositor into the bank</i>							
Blacklist X 1(Phase1)	-0.002 (0.002)	-0.000 (0.002)	-0.007 (0.007)	-0.003 (0.003)	-0.011 (0.013)	0.002 (0.003)	-0.006 (0.008)
Blacklist X 1(Phase2)	-0.020*** (0.002)	-0.010*** (0.002)	-0.051*** (0.008)	-0.012*** (0.004)	-0.054*** (0.015)	-0.009*** (0.003)	-0.049*** (0.009)
Blacklist X 1(After)	-0.021*** (0.003)	-0.011*** (0.003)	-0.053*** (0.008)	-0.012*** (0.004)	-0.072*** (0.016)	-0.010*** (0.003)	-0.045*** (0.009)
Blacklist	0.016*** (0.003)	0.008*** (0.003)	0.033*** (0.009)	0.013*** (0.004)	0.037** (0.018)	0.004 (0.004)	0.030*** (0.010)
Offshore X 1(Phase1)	0.007* (0.004)	0.001 (0.004)	0.027* (0.014)	0.004 (0.006)	-0.003 (0.029)	-0.000 (0.005)	0.037** (0.016)
Offshore X 1(Phase2)	0.028*** (0.005)	0.028*** (0.005)	0.026* (0.015)	0.017** (0.007)	-0.069** (0.032)	0.034*** (0.006)	0.056*** (0.017)
Offshore X 1(After)	0.025*** (0.005)	0.020*** (0.005)	0.042** (0.016)	0.012 (0.008)	-0.031 (0.033)	0.025*** (0.007)	0.067*** (0.019)
Offshore	-0.014** (0.006)	-0.010* (0.006)	0.030 (0.019)	-0.008 (0.008)	0.016 (0.040)	-0.014* (0.007)	0.031 (0.022)
RWA X 1(Phase1)	-0.025*** (0.006)	-0.017*** (0.005)	-0.054*** (0.019)	0.004 (0.008)	-0.022 (0.036)	-0.029*** (0.007)	-0.066*** (0.022)
RWA X 1(Phase2)	-0.051*** (0.006)	-0.048*** (0.007)	-0.064*** (0.020)	-0.018* (0.010)	-0.065* (0.039)	-0.065*** (0.009)	-0.064*** (0.023)
RWA X 1(After)	-0.048*** (0.007)	-0.048*** (0.007)	-0.041* (0.021)	-0.012 (0.010)	-0.029 (0.039)	-0.069*** (0.009)	-0.045* (0.025)
RWA	0.024*** (0.008)	0.026*** (0.008)	-0.009 (0.026)	-0.003 (0.011)	-0.081* (0.049)	0.042*** (0.010)	0.016 (0.030)
Observations	2,724,928	2,245,804	479,124	848,554	130,384	1,397,250	348,740
Bank-firm pairs	All	Non-connected	Connected	Non-Connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Bank FE	No	No	No	No	No	No	No
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. Offshore fraction and its interactions with time period dummies are included in all specifications. Offshore fraction is defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. RWA ratios are measured as a ratio of risk-weighted-assets of total assets in 2003. “Blacklist” is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as “Transparent” vs “Suspicious” on the basis of tax evasion developed by Braguinsky and Mityakov (2015). “Transparent” indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as “Connected” if in 2003 a given company dealt exclusively with the given bank and “Non-connected” otherwise. All specifications are estimated by OLS. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.

Table A6.3: Full set of controls results (same regression as in the main text in Table 7 Panel B). With bank FE

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<i>Dependent variable: normalized transfer of a depositor into the bank</i>							
Blacklist X 1(Phase1)	-0.002 (0.002)	-0.000 (0.002)	-0.008 (0.007)	-0.003 (0.003)	-0.010 (0.013)	0.002 (0.003)	-0.007 (0.008)
Blacklist X 1(Phase2)	-0.020*** (0.002)	-0.011*** (0.002)	-0.052*** (0.008)	-0.012*** (0.004)	-0.055*** (0.015)	-0.009*** (0.003)	-0.049*** (0.009)
Blacklist X 1(After)	-0.021*** (0.003)	-0.011*** (0.003)	-0.054*** (0.008)	-0.012*** (0.004)	-0.072*** (0.016)	-0.010*** (0.003)	-0.046*** (0.009)
Offshore X 1(Phase1)	0.007* (0.004)	0.002 (0.004)	0.030** (0.014)	0.004 (0.006)	-0.001 (0.028)	0.000 (0.005)	0.042*** (0.016)
Offshore X 1(Phase2)	0.029*** (0.005)	0.028*** (0.005)	0.032** (0.015)	0.017** (0.007)	-0.062** (0.031)	0.035*** (0.006)	0.064*** (0.017)
Offshore X 1(After)	0.026*** (0.005)	0.021*** (0.005)	0.048*** (0.016)	0.012* (0.008)	-0.021 (0.033)	0.026*** (0.007)	0.075*** (0.019)
RWA X 1(Phase1)	-0.025*** (0.006)	-0.017*** (0.005)	-0.058*** (0.019)	0.002 (0.008)	-0.025 (0.035)	-0.030*** (0.007)	-0.070*** (0.022)
RWA X 1(Phase2)	-0.052*** (0.006)	-0.049*** (0.007)	-0.069*** (0.020)	-0.020** (0.010)	-0.061 (0.038)	-0.066*** (0.009)	-0.067*** (0.023)
RWA X 1(After)	-0.049*** (0.007)	-0.050*** (0.007)	-0.044** (0.021)	-0.014 (0.010)	-0.024 (0.039)	-0.070*** (0.009)	-0.047* (0.025)
Observations	2,724,928	2,245,804	479,124	848,554	130,384	1,397,250	348,740
R-squared	0.003	0.002	0.009	0.002	0.009	0.002	0.010
Bank-firm pairs	All	Non-connected	Connected	Non-Connected	Connected	Non-connected	Connected
Depositor type	Any	Any	Any	Transparent	Transparent	Suspicious	Suspicious
Bank FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Week FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. Offshore fraction and its interactions with time period dummies are included in all specifications. Offshore fraction is defined as fraction of foreign operations of a given bank going through non-transparent offshore zones. Non-transparent offshore zones are defined from Russian Central Bank 2003 list of offshore localities. Risk-weighted-assets are measured as a fraction of total assets in 2003. "Blacklist" is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. All specifications are estimated by FE-OLS with bank fixed effects. Time (week) fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, And * indicate statistical significance at 1%, 5%, and 10%, respectively.

Appendix A7. Flexible time-horizon specification

In the main text above, we studied the impact of the banking crisis by interacting dummies for pre-defined time periods with various bank level characteristics (See equation (2)). These dummies were defined based on key events, such as Central Bank announcements, during our study period. In this section, we use an alternative more flexible specification, where we interact various bank-level characteristics with a full set of monthly dummies to see what time patterns would emerge and whether those would coincide with the time periods that we identified in the main text. We consider the following regression equation:

$$NetTR_{i,j,t} = f_t + \sum_{m=1}^{12} \beta_m D_m(t) BC_i + \gamma X_{i,t} + \epsilon_{i,j,t} \quad (A7.1)$$

where $NetTR_{i,j,t}$ is the net transfer by corporate depositor j in bank i in week t , BC_i is bank i risk/quality characteristic under consideration, and $\beta_m, m=1, \dots, 12$ are coefficients on twelve (i.e., January – December) monthly time dummies $D_m(t)$. Estimated coefficients show the effect of bank level characteristic, BC_i , on the depositor net transfer of funds in various months over 2004. As in the main text, we estimate equation (6) separately for various groups of corporate depositors, depending on their: 1) connection to a bank, and 2) own involvement in suspicious operations. We omit tables with the estimated coefficients and instead focus on plots of coefficients β_m for various groups of depositors.

Figures 2–5 plot time-varying responses to “offshore measure”, RWA, CAR, and “blacklist” dummy by various groups of depositors. We clearly see the impact of the Central Bank’s announcement in corporate depositors’ responses over time, which support the definitions of time period dummies used in the main text. “Suspicious-connected” depositors intensify contacts with offshore-active banks in the June – August 2004 timeframe, while “transparent-connected” depositors tend to cut ties with such banks. As before, we do not find economically significant depositor responses to “offshore measure” for “transparent-non-connected” corporate depositors. There is also some evidence of a positive response by “suspicious-non-connected” depositors, but the magnitude of the effect is somewhat more modest compared to the “suspicious-connected” ones (See Figure 2).

We do see evidence of “flight to safety” by all groups of depositors, as corporate depositors tend to intensify withdrawals from banks with higher pre-banking crisis RWA (Figure 3). We also observe the same heterogeneity among “transparent” vs “suspicious” depositors, with “transparent” depositors avoiding risky banks even before the bank panic. However, during the bank panic all groups withdraw funds from such banks. As in the main text above, we find that the response to CAR (Figure 4) is mostly pronounced among the “non-connected” depositors and this change happens around the start of the bank panic.

We also see a very sharp impact of the “blacklist” dummy variable around July – August 2004 timeframe, with all groups of depositors starting to withdraw quickly from blacklisted banks (Figure 5). Note that the crisis began in May 2004, but the impact of a “blacklist” dummy becomes negative only two months later. Interestingly, in May – June 2004, during the initial period of the panic before any “blacklists” appeared, there is an increased flow of funds into the banks that would be subsequently blacklisted. This is consistent with such riskier banks taking preemptive actions to retain or attract new depositor’s funds while information about their risk type has not been revealed to the whole market. However, once they do appear on one of the “blacklists”, the response of the depositors seems to be very swift.

Overall, we argue that the more flexible monthly time dummies in equation (A7.1) portrays the picture consistent with our more parsimonious equation (2) in the main text.

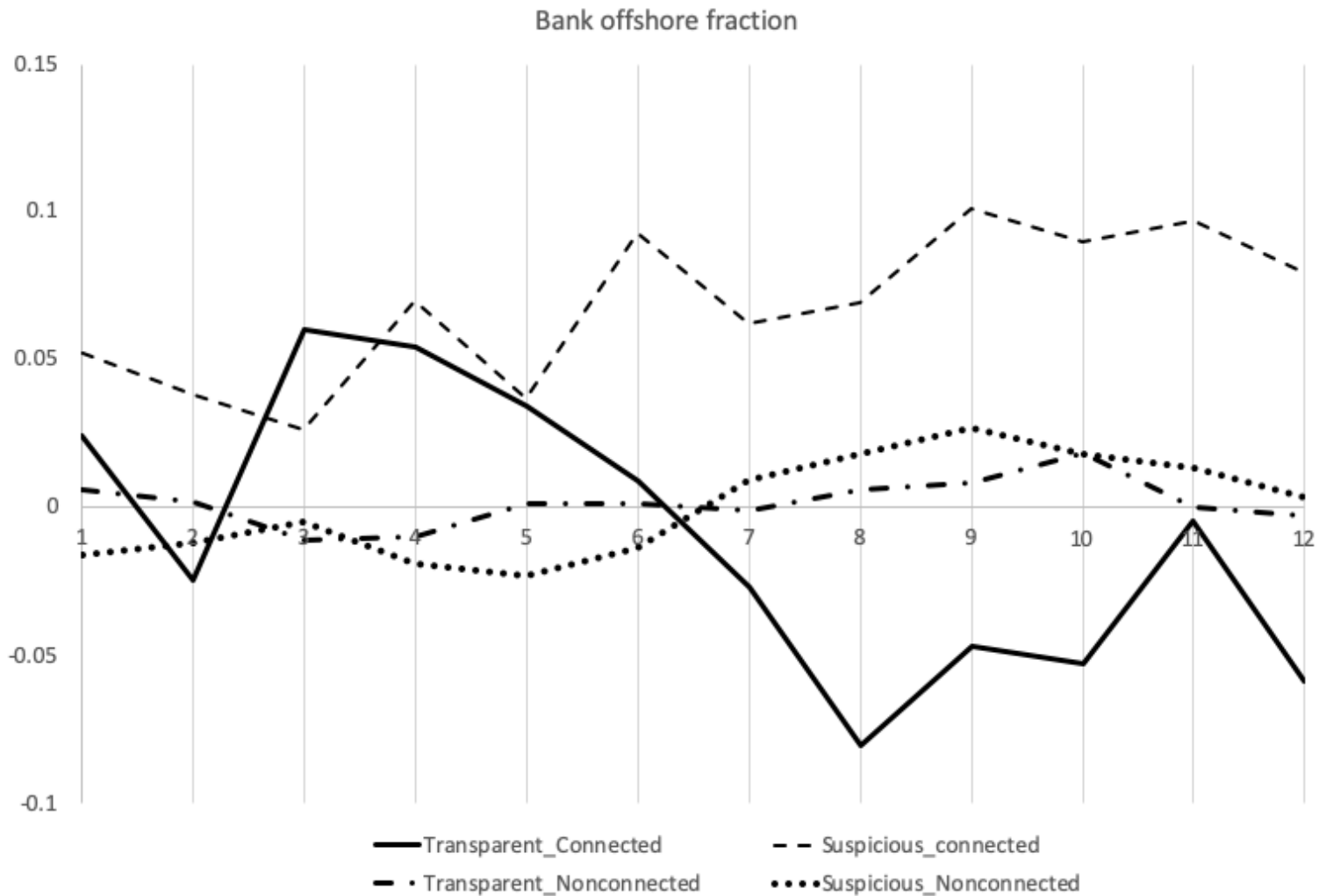


Figure 2: Impact of bank risk variables over time: Effect of bank offshore activities

This figure shows estimated coefficients of “offshore fraction” interacted with monthly dummies for the 12 months of 2004. “Offshore fraction” is defined as a fraction of all activities with foreign countries that a given bank conducted through offshore financial centers over 2000-2003. (See Chernykh and Mityakov (2017) for more details on this measure). Depositor is classified as “Transparent” vs “Suspicious” on the basis of tax evasion developed by Braguinsky and Mityakov (2015). “Transparent” indicates sample of depositors below the mean tax evasion score, “suspicious” indicates a sample of depositors with above the mean tax evasion scores. Depositors are called “Connected” to a given bank if in 2003 a given company dealt exclusively with the given bank and “Non-connected” otherwise.

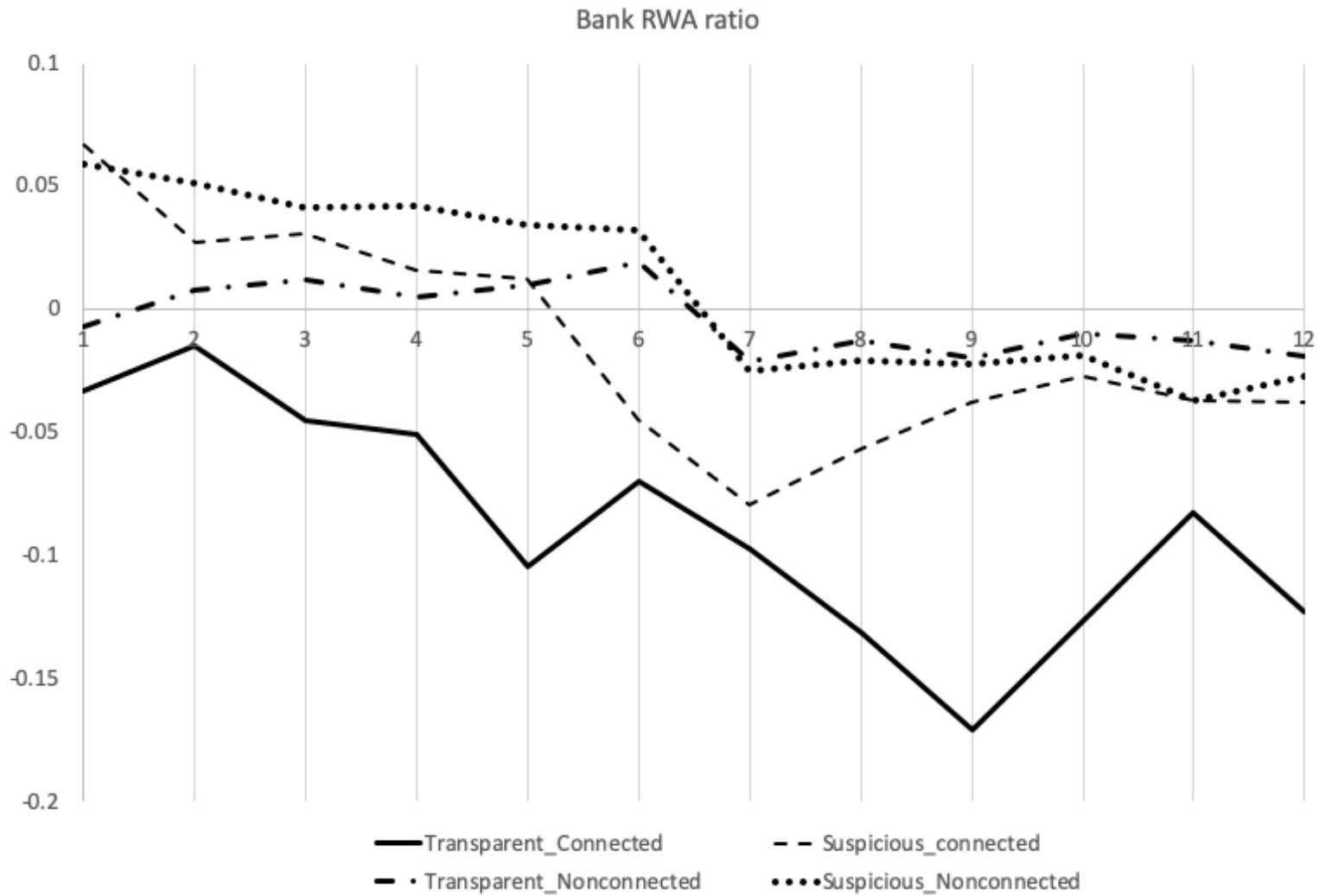


Figure 3: Impact of bank risk variables over time: Effect of bank risk-weighted-assets to assets ratios

This figure shows estimated coefficients of bank risk-weighted-assets to assets ratio (as of the end of 2003) interacted with monthly dummies for the 12 months of 2004. Depositor is classified as “Transparent” vs “Suspicious” on the basis of tax evasion developed by Braguinsky and Mityakov (2015). “Transparent” indicates sample of depositors below the mean tax evasion score, “suspicious” indicates a sample of depositors with above the mean tax evasion scores. Depositors are called “Connected” to a given bank if in 2003 a given company dealt exclusively with the given bank and “Non-connected” otherwise.

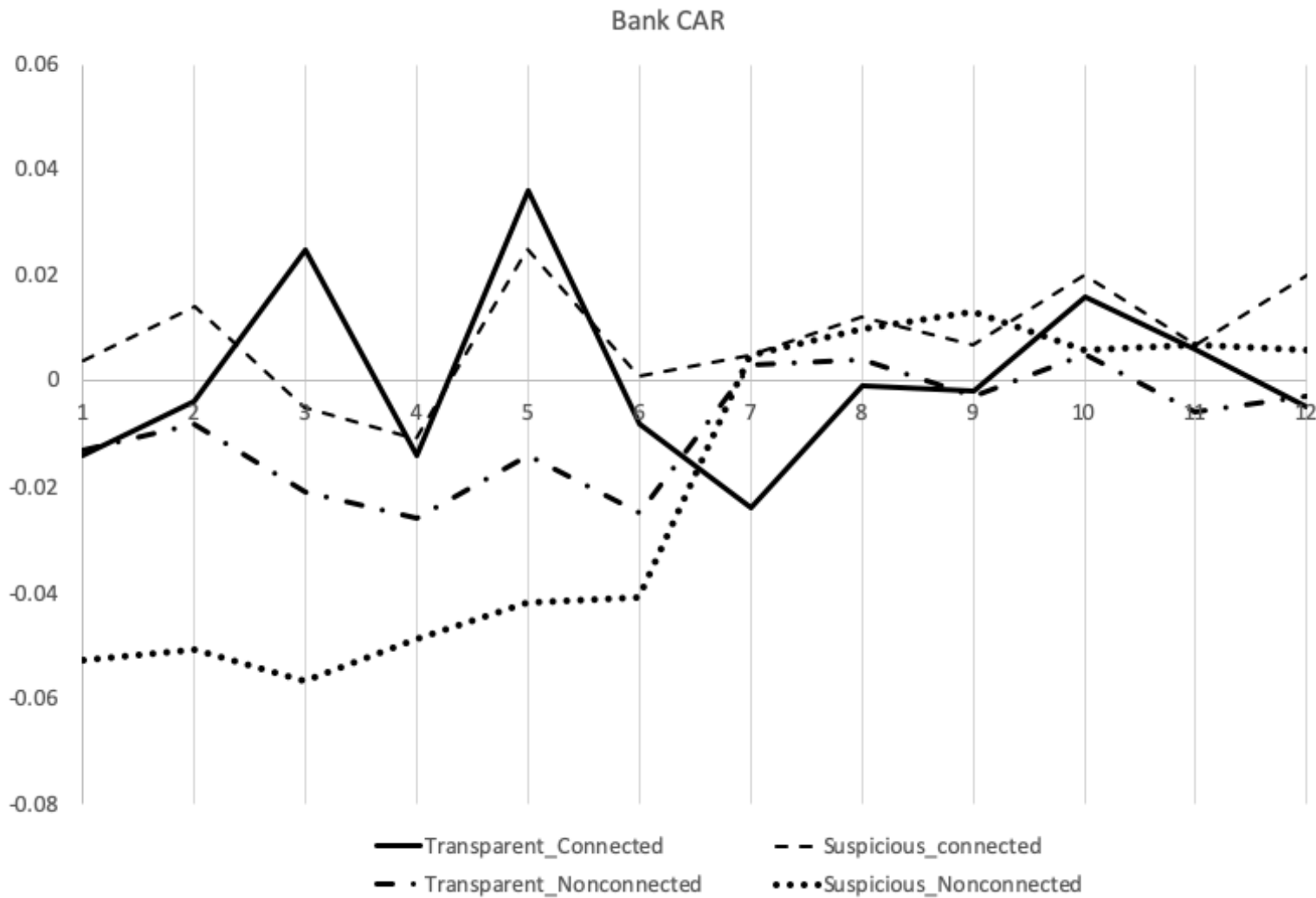


Figure 4: Impact of bank risk variables over time: Impact of CAR

This figure shows estimated coefficients of “Blacklist” dummy interacted with monthly dummies for the 12 months of 2004. “Blacklist” is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as “Transparent” vs “Suspicious” on the basis of tax evasion developed by Braguinsky and Mityakov (2015). “Transparent” indicates sample of depositors below the mean tax evasion score, “suspicious” indicates a sample of depositors with above the mean tax evasion scores. Depositors are called “Connected” to a given bank if in 2003 a given company dealt exclusively with the given bank and “Non-connected” otherwise.

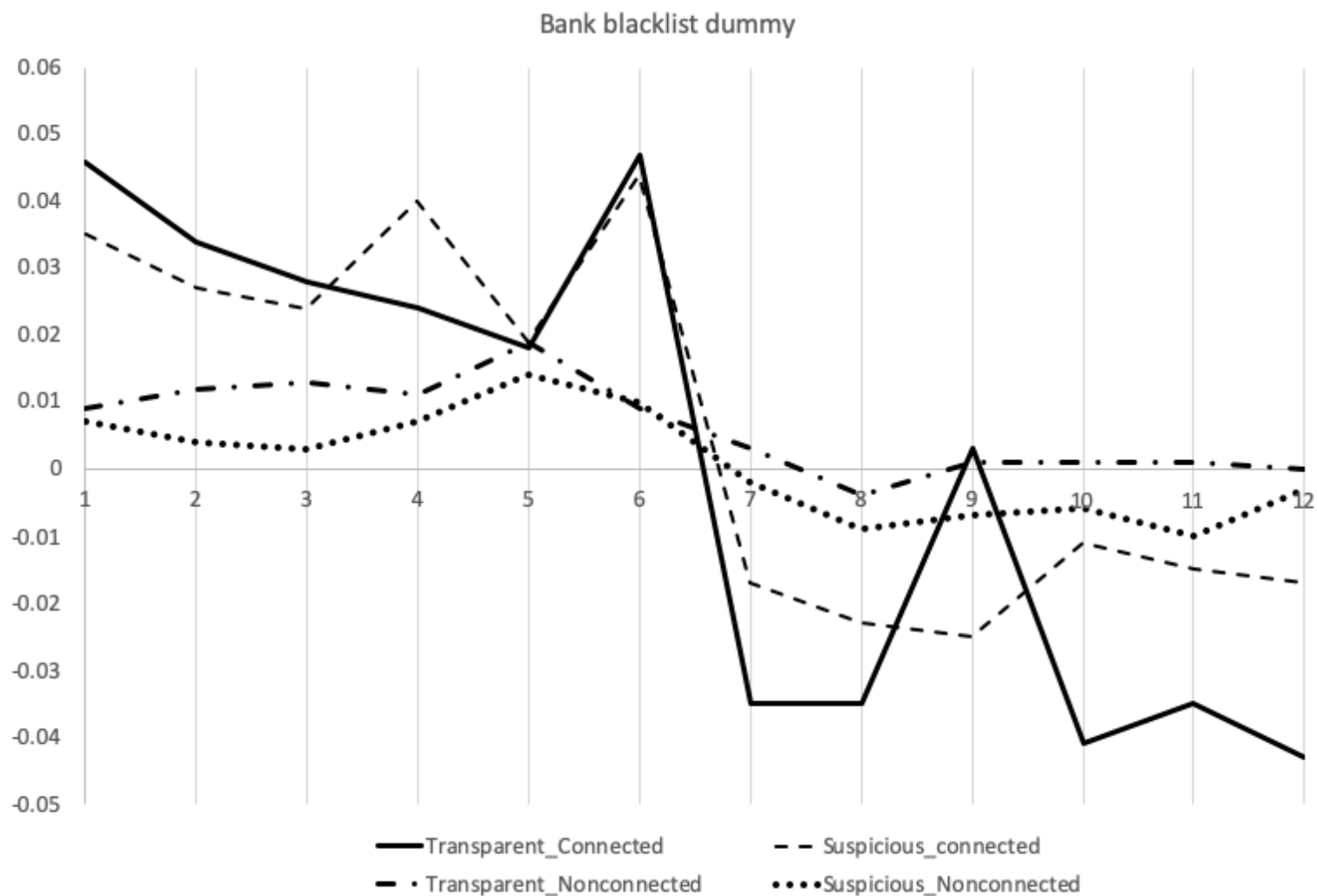


Figure 5: Impact of bank risk variables over time: Impact of bank being blacklisted

This figure shows estimated coefficients of “Blacklist” dummy interacted with monthly dummies for the 12 months of 2004. “Blacklist” is a dummy for the bank being included in one of the online blacklists of banks. Depositor is classified as “Transparent” vs “Suspicious” on the basis of tax evasion developed by Braguinsky and Mityakov (2015). “Transparent” indicates sample of depositors below the mean tax evasion score, “suspicious” indicates a sample of depositors with above the mean tax evasion scores. Depositors are called “Connected” to a given bank if in 2003 a given company dealt exclusively with the given bank and “Non-connected” otherwise.

Appendix A8: Depositors transfers and bank connection to blacklisted banks: with bank FE.

Table A8.1: Depositors transfers and bank connection to blacklisted banks: with bank FE.

	(1)	(2)	(3)	(4)	(5)
	<i>Dependent variable: Normalized net transfer of a depositor into the bank</i>				
	<i>OLS without bank FE</i>				
Connected to blacklist X 1(Phase1)	0.004 (0.004)	-0.000 (0.005)	-0.014 (0.021)	0.008 (0.005)	-0.001 (0.014)
Connected to blacklist X 1(Phase2)	0.020*** (0.004)	0.011* (0.005)	0.020 (0.022)	0.024*** (0.006)	0.019 (0.015)
Connected to blacklist X 1(After)	0.020*** (0.005)	0.012* (0.007)	-0.001 (0.022)	0.021*** (0.007)	0.032** (0.016)
Blacklist X 1(Phase1)	-0.002 (0.002)	-0.003 (0.003)	-0.011 (0.013)	0.002 (0.003)	-0.007 (0.008)
Blacklist X 1(Phase2)	-0.019*** (0.002)	-0.012*** (0.004)	-0.055*** (0.015)	-0.009*** (0.003)	-0.049*** (0.009)
Blacklist X 1(After)	-0.020*** (0.003)	-0.012*** (0.004)	-0.072*** (0.016)	-0.010*** (0.003)	-0.045*** (0.009)
Observations	2,724,928	848,554	130,384	1,397,250	348,740
R-squared	0.010	0.012	0.039	0.013	0.027
Bank-firm pairs	All	Non- connected	Connected	Non- connected	Connected
Depositor type	Any	Transparent	Transparent	Suspicious	Suspicious
Offshore, RWA, blacklist dummy interactions	Yes	Yes	Yes	Yes	Yes
Bank FE	Yes	Yes	Yes	Yes	Yes
Week FE	Yes	Yes	Yes	Yes	Yes

Notes: Dependent variable is the ratio of weekly net transfer by a given depositor-firm to a particular deposit holding bank divided by total weekly turnover of the depositor. Sample covers weeks of Jan 2004-Dec 2004. 1(Phase1) is a dummy variable for (weeks 20-29), 1(Phase2) is a dummy for weeks (30-41), and 1(After) is a dummy for weeks 41+. "Connected to blacklist" is a dummy for a bank to have a correspondent account connection to a bank on one of the online blacklists, provided those banks have fewer than 15 correspondent account connections. This dummy is forced to zero for banks themselves on a blacklist. Depositor is classified as "Transparent" vs "Suspicious" on the basis of tax evasion developed by Braguinsky and Mityakov (2015). "Transparent" indicates sample of depositors below the mean tax evasion score (specifications (2) and (3)), high tax evasion indicates a sample of depositors with above the mean tax evasion scores (specifications (4) and (5)). Bank-firm pairs are classified as "Connected" if in 2003 a given company dealt exclusively with the given bank and "Non-connected" otherwise. Time (week) fixed effects and bank fixed effects are included in all specifications. Robust standard errors, clustered at the depositor level, are reported in parentheses. ***, **, and * indicate statistical significance at 1%, 5%, and 10%, respectively.