Online Appendix for
Equity Market Fragmentation and Capital Investment Efficiency

Table A1: Fragmentation and the Sensitivity of Investment to Investment Opportunities

	(1)	(2)
Dependent Variable =	$CAPX_{it}$	
Q_{t-1}	0.459***	0.633***
	(16.85)	(8.39)
$Q_{t-1} \times FRAG_{t-1}$	0.151**	0.170**
	(2.20)	(2.28)
$FRAG_{t-1}$	–1.984***	–1.218***
	(–6.09)	(–3.69)
CF_t	0.022***	0.023***
	(6.75)	(7.30)
$RETURN3_t$	–0.374***	–0.327***
	(–13.79)	(–12.02)
$INVASSETS_{t-1}$	0.006**	0.004
	(2.32)	(1.30)
$SIZE_{t-1}$	–1.567***	–1.421***
	(–19.58)	(–15.72)
MB_{t-1}	0.018**	0.057***
	(2.48)	(6.29)
ROA_{t-1}	2.257***	3.128***
	(9.58)	(10.17)
$LEVERAGE_{t-1}$	–0.030***	–0.019***
	(–10.05)	(–4.97)
$IDIOVOL_{t-1}$	–0.187***	–0.144***
	(–8.74)	(–5.82)
$ANALYST_{t-1}$	0.119**	0.014
	(2.18)	(0.20)
$INSTOWN_{t-1}$	0.317**	0.505**
	(2.09)	(2.57)
$TURNOVER_{t-1}$	0.801***	0.802***
	(6.62)	(5.03)
$NYSE_t$	0.510	–0.461
	(1.53)	(–1.15)
$NASDAQ_t$	0.309	0.132
	(1.07)	(0.39)
Firm characteristics $\times FRAG_{t-1}$	No	Yes
Firm & Year Fixed Effects	Yes	Yes
# Observations	109,020	109,020
Adjusted R^2	0.604	0.607

Table A1 reports pooled OLS regression results from the estimation of versions of Equation (2a) that include controls for several firm characteristics that may affect both market fragmentation and the sensitivity of investment to investment opportunities. We include the firm characteristics from Equation (1), both as main effects in Column (1) and interactions with the $Q_{t-1} \times FRAG_t$ term in Column (2). *CAPX* is capital expenditures as a percentage of total assets. *Q* is Tobin's q. *CF* is cash flow from operations as a percentage of total assets. *FRAG* equals one minus the Herfindahl-Hirschman Index measure of the concentration of trading across trading venues during the fiscal year. All other variables are defined in Appendix 1. *t*-statistics based on standard errors clustered by firm are shown in parentheses. ***, **, and * denote significance at the 0.01, 0.05, and 0.10 levels, respectively.