Online Appendix to 'Market Shocks and Professionals' Investment Behavior—Evidence from the COVID-19 crash'

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A Instructions of the Experiment

Dear participant,

Thank you very much for accepting our invitation to take part in this short online experiment. It takes approximately 15 minutes. The experiment has real monetary incentives and the payoff will vary depending on your decisions.

All data will be anonymous and no individual results will be disclosed publicly or to other participants of the experiment.

Please do not use your mobile phone or tablet — visibility is much better on a computer screen.
The experiment is open for the upcoming 4 weeks. If the maximum number of participants has been reached before this deadline, we will close the experiment.

Thank you very much for your contribution to science and good luck in the experiment!

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The Experiment

The following experiment consists of three parts. In each of the three parts, you will make investment decisions in a financial market. In each part, you have to decide in each of five months/rounds, which percentage of your wealth you want to invest in the risky stock shown in this part. The wealth not invested is held in cash.

The risky stocks' returns in all parts are based on a distribution of returns from actual historical data of large stock indices from the last 20 years. During this time, the stock indices' development was characterized by fluctuations. The distribution of daily returns for the risky stocks corresponds to earning an average daily return of 0.03% (that corresponds to an average yearly return of 6.44%) with a standard deviation of daily returns of 2.36%.
Here are some examples on the likelihood of various price fluctuations:

- In 50 out of 100 cases, the daily return is between -0.60% and 0.73%.
- In 90 out of 100 cases, the daily return is between -2.77% and 2.77%.
- In 95 out of 100 cases, the daily return is between -6.06% and 6.32%.

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Procedure

[13] All materials of the experiment (e.g., source codes, data files) can be found public in the Open Science Framework (OSF) repository osf.io/9chg8.

Each of the three parts consists of five months. At the start of each month you can invest between 0% and 100% of your wealth in the respective risky stock. If you invest less than 100% of your wealth in the risky stock, the amount not invested in the risky stock is held in cash.

Each month consists of 20 trading days and therefore contains 20 daily returns. Every 0.5 seconds, one daily return from the distribution described above is realized and displayed on the screen.

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Payment

At the end of the experiment, one of the five months from one of the three parts will be randomly selected to determine your payment. Your percentage return from this randomly selected month times three is then added to an endowment of EUR 20.

Example: If you invest 70% of your wealth in the risky stock in the randomly selected month and the stock's return in this month is 15%, then your return from this month will be $70\% \times 15\% = 10.5\%$. Your payment from this experiment is then EUR $20 \times (1 + 10.5\% \times 3) =$ EUR 26.30.

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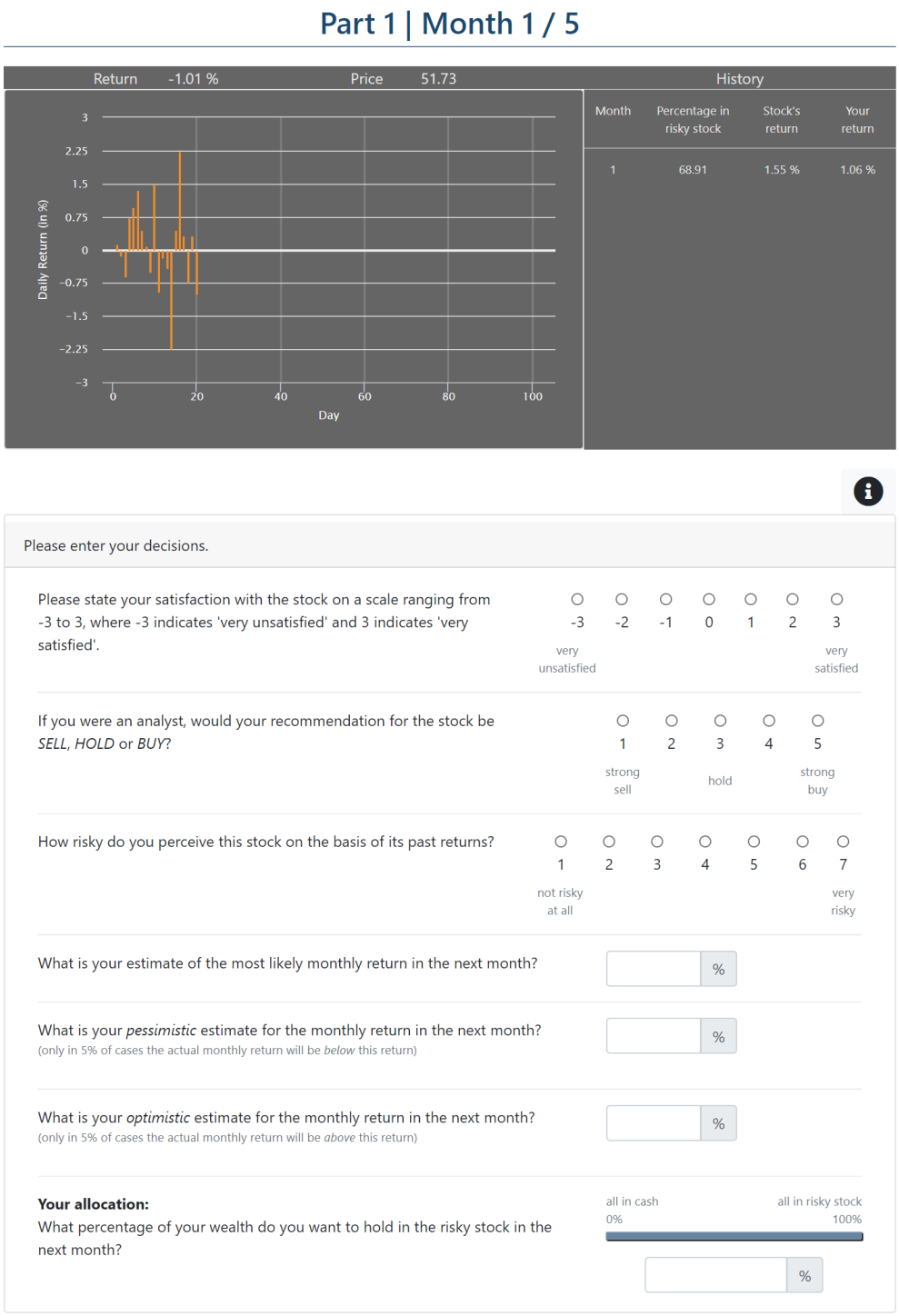


Figure A1: Screenshot of the decision screen with a RETURN chart.

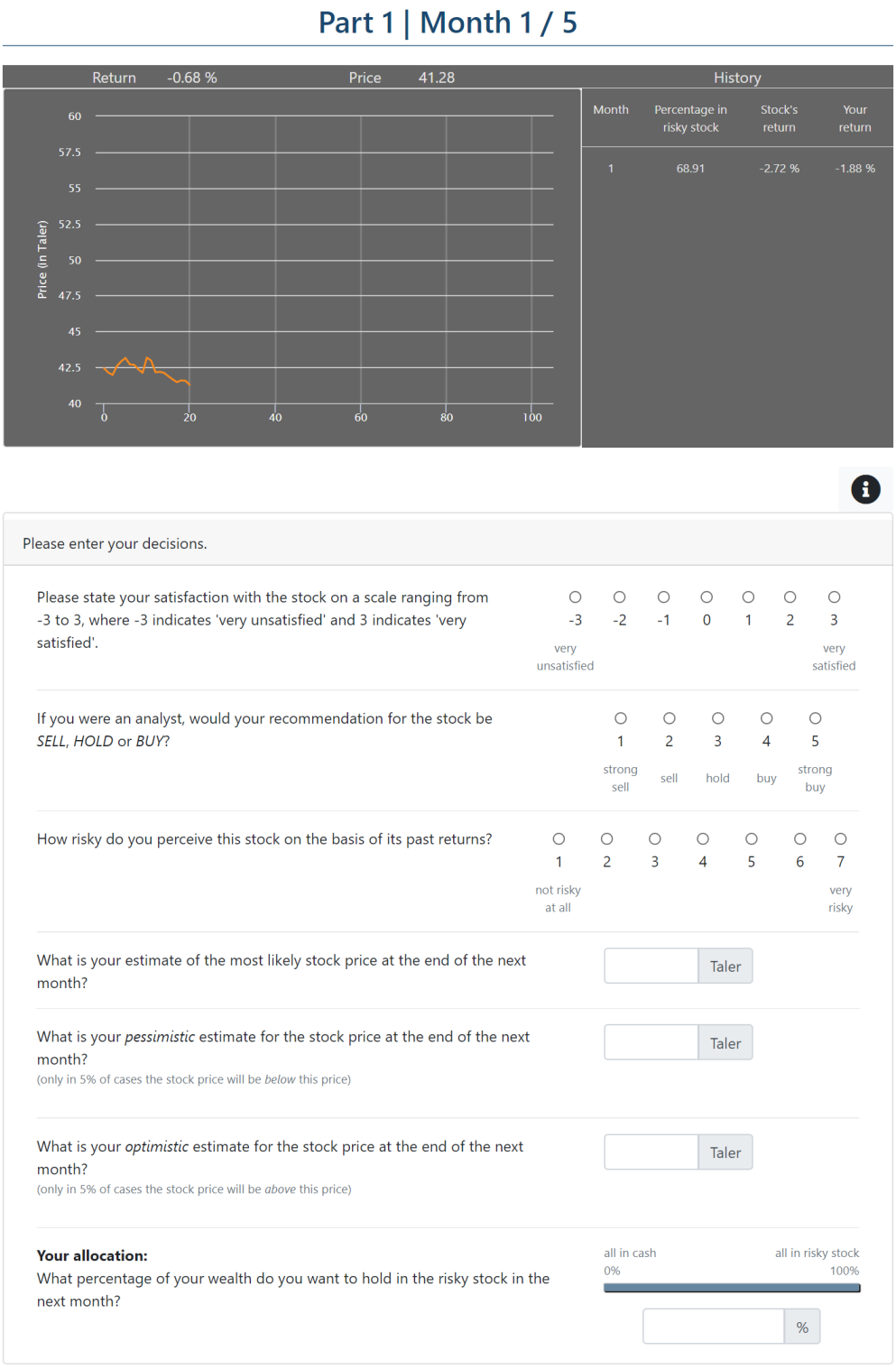


Figure A2: Screenshot of the decision screen with a PRICE chart.

B Additional Figures

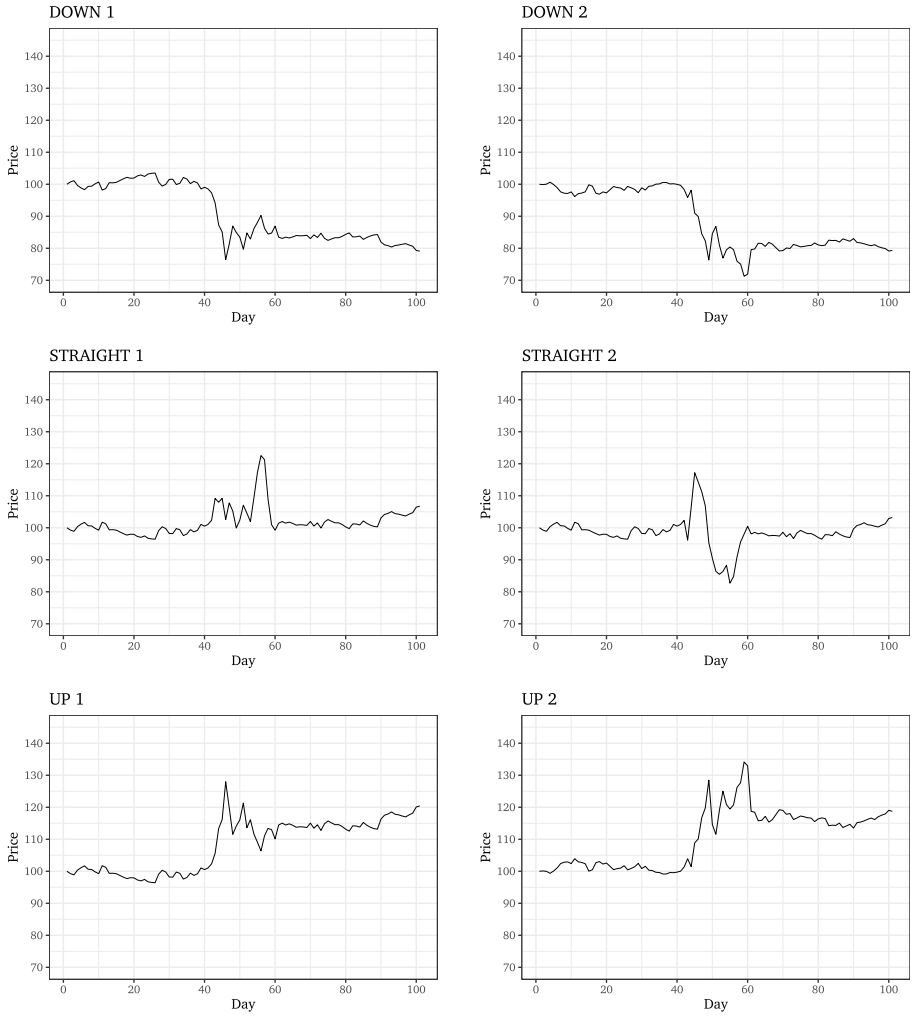


Figure B1: Price Charts: Overview over the six price paths run in the experiment. The shocks are modelled in period three. Each subject is presented with each of the path-types DOWN, STRAIGHT, and UP in random order in such a way that a subject either sees DOWN 1 and UP 2 or vice versa.

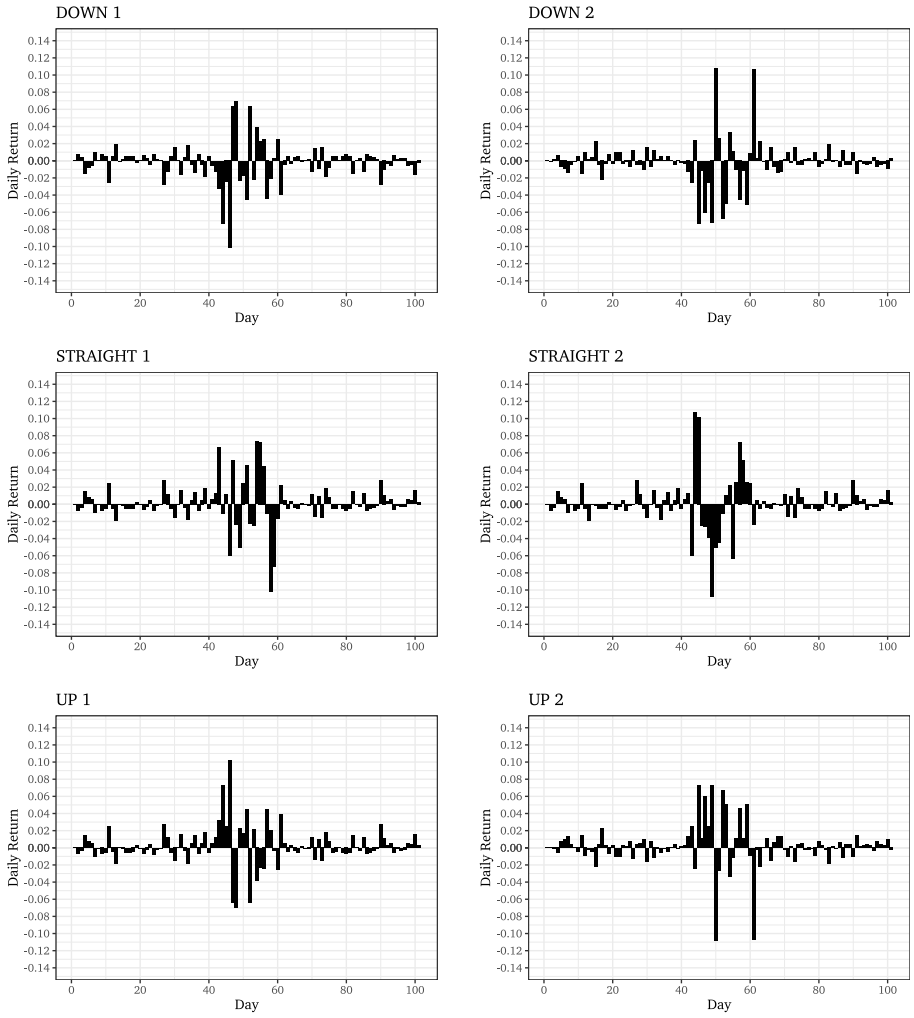


Figure B2: Return Charts: Overview over the six return paths run in the experiment. The shocks are modelled in period three. Each subject is presented with each of the path-types DOWN, STRAIGHT, and UP in random order in such a way that a subject either sees DOWN 1 and UP 2 or vice versa.

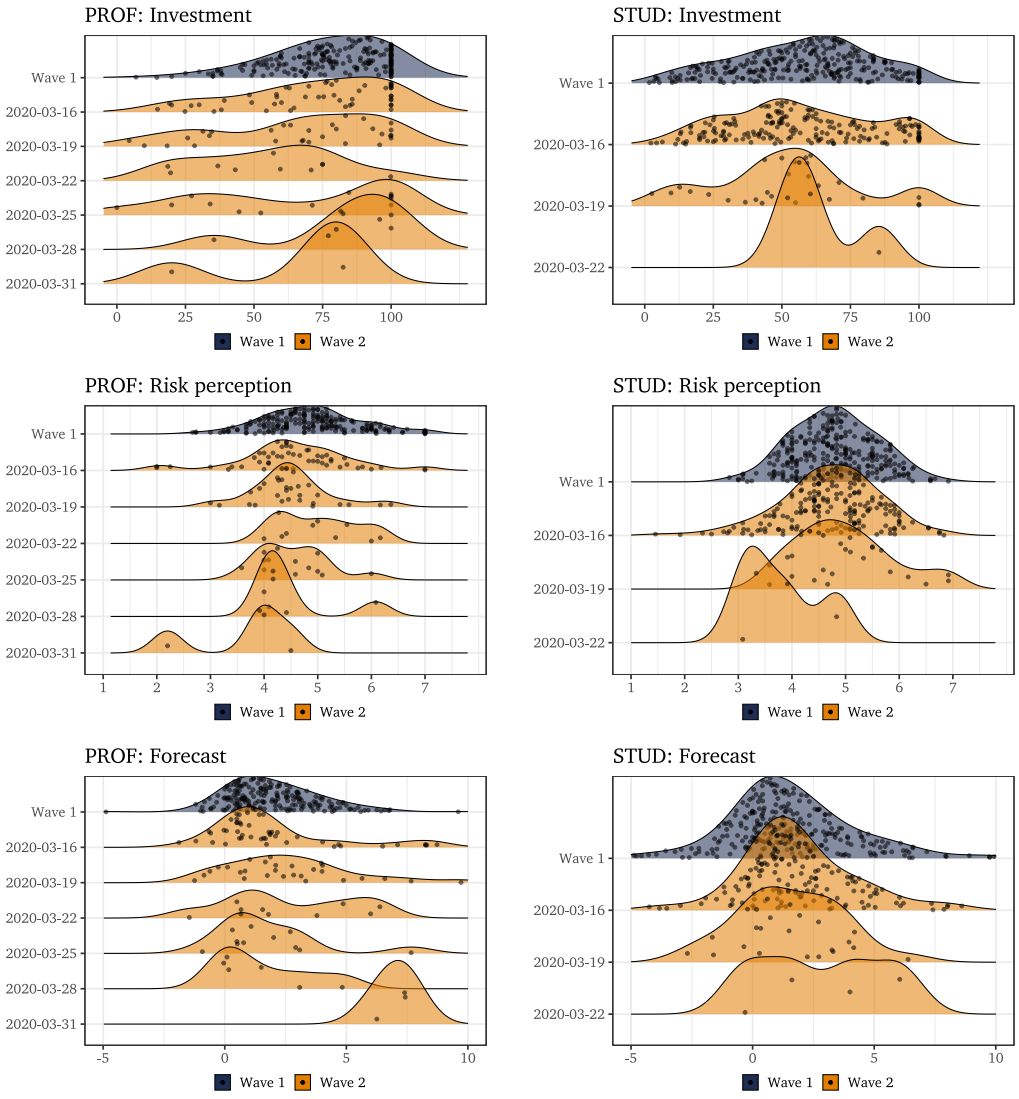


Figure B3: Kernel density plots for investment, risk perception, and return forecasts over time. "WAVE 1" (blue) includes all data from WAVE 1, i.e., all data collected between December 5 and December 12, 2019. The orange kernel densities include all data from WAVE 2 in 3-day intervals, i.e, from March 16 to March 31, 2020. The dots represent the original data points from which the distributions are generated. Return forecasts are converted into price forecasts for better comparability.

C Additional Tables

Table C1: Between- and within-subjects treatment structure with a 2 × 3 factorial design. The treatment variable "presentation format" was implemented such that subjects were presented with charts composed of either PRICES or RETURNS. The treatment variable "experimental shock" (DOWN, STRAIGHT, or UP) was implemented within-subjects such that each subject experienced all three paths (either in the return or the price chart condition) but in a randomized order.

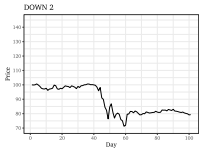
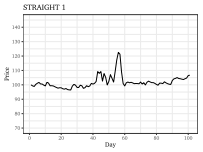
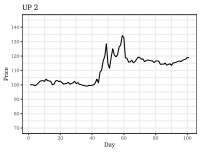
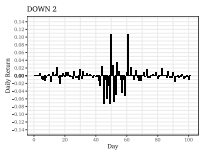
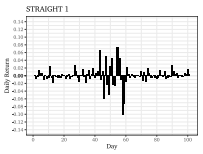
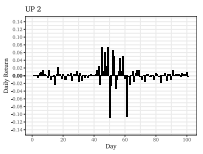
		Experimental shock (within-subjects)		
		DOWN	STRAIGHT	UP
Presentation format (between-subjects)	PRICES			
	RETURNS			

Table C1: Demographic statistics of financial professionals (left column) and student subjects (right column). 'Risk tolerance (general)' measures subjects' risk-taking by using the general risk question from the German Socio-Economic Panel on a Likert-scale from 0 ('not willing to take risk') to 10 ('very willing to take risk')—(GSOEP; see Dohmen et al., 2011); 'Risk tolerance (financial)' measures subjects' risk-taking in financial matters taken from GSOEP as well; 'CRT2' measures how many out of two cognitive reflection test (CRT) questions from Toplak et al. (2014) were answered correctly (Question 1: 'If John can drink one barrel of water in 6 days, and Mary can drink one barrel of water in 12 days, how long would it take them to drink one barrel of water together?'; Question 2: 'Jerry received both the 15th highest and the 15th lowest mark in the class. How many students are in the class?'); 'Investment in financial products' indicates the fraction of subjects that have invested in financial products during the past five years. Values in column 't' indicate the respective test statistics from t-tests between WAVE 1 (December 2019) and WAVE 2 (March 2020); none of the differences between WAVE 1 and WAVE 2 are statistically significant at the 5% level.

	Financial Professionals					Students				
	WAVE 1		WAVE 2			WAVE 1		WAVE 2		
Variable	Mean	(s.d.)	Mean	(s.d.)	t	Mean	(s.d.)	Mean	(s.d.)	t
Age	37.90	(8.49)	39.23	(9.49)	1.24	22.70	(3.06)	23.19	(3.34)	1.70
Female	0.13		0.18		1.08	0.46		0.49		0.57
Risk tolerance (general)	7.60	(2.03)	7.35	(2.20)	1.01	6.69	(2.42)	6.59	(2.34)	0.47
Risk tolerance (financial)	7.77	(2.06)	7.61	(2.17)	0.65	5.54	(2.44)	5.45	(2.51)	0.38
CRT2	1.38	(0.75)	1.27	(0.71)	1.30	1.06	(0.80)	1.06	(0.86)	0.06
Investment in fin. prod.						0.33		0.33	0.00	
Highest lev. of education:										
Compulsory school	0.00		0.01			0.01		0.01		
Apprenticeship	0.00		0.03			0.00		0.00		
Technical college	0.01		0.00			0.02		0.02		
High school	0.07		0.16			0.55		0.46		
University	0.90		0.78			0.40		0.47		
Prefer not to say	0.01		0.03			0.01		0.04		
Job function:										
Chief-Level Executive	0.02		0.01							
Consultant	0.09		0.14							
Financial Advisor	0.12		0.08							
Fund Manager	0.06		0.04							
Investment Management	0.10		0.12							
Portfolio Manager	0.19		0.15							
Research Analyst	0.05		0.06							
Trader	0.10		0.14							
Other	0.26		0.26							
	$N = 202$		$N = 113$			$N = 282$		$N = 216$		

Table C2: Summary statistics and differences between WAVE 1 (December 2019) and WAVE 2 (March 2020) for INVESTMENT (percentage invested; from 0 to 100%), RISK PERCEPTION (Likert-scale from 1 to 7), RETURN FORECAST (open question), PRICE FORECAST (open question), and SATISFACTION (Likert-scale from -3 to 3) for financial professionals and student subjects. The data is separated for the presentation format, i.e., RETURNS and PRICES. Columns WAVE 1 and WAVE 2 show mean values for each variable with standard deviations in parentheses. The Diff. columns show the respective differences between WAVE 1 and WAVE 2 for each subject pool; t-statistics for differences between waves are provided in parentheses (double-sided t-test). The stars * and ** indicate the 5%- and the 0.5%-significance levels, respectively.

		Financial Professionals			Students		
Variable		WAVE 1	WAVE 2	Diff.	WAVE 1	WAVE 2	Diff.
INVESTMENT	RETURNS	79.52	74.29	5.23	58.63	57.24	1.39
		(25.74)	(31.94)	(1.24)	(30.23)	(31.06)	(0.43)
	PRICES	74.27	62.07	12.19**	56.16	54.67	1.50
		(26.36)	(30.85)	(2.99)	(28.84)	(29.46)	(0.48)
RISK PERCEPTION	RETURNS	5.04	4.68	0.36*	4.91	4.91	0.00
		(1.40)	(1.29)	(2.41)	(1.37)	(1.44)	(0.07)
	PRICES	4.74	4.43	0.31*	4.67	4.53	0.14
		(1.30)	(1.28)	(2.19)	(1.42)	(1.39)	(1.44)
RETURN FORECAST	RETURNS	1.97	2.59	−0.61	6.70	7.96	−1.26
		(2.72)	(5.99)	(−1.02)	(15.80)	(19.05)	(−0.96)
	PRICES	1.26	0.70	0.56	−0.08	−1.18	1.11
		(12.67)	(17.16)	(0.18)	(15.35)	(21.23)	(−1.00)
PRICE FORECAST	RETURNS	101.18	101.77	−0.59	105.98	107.35	−1.38
		(9.90)	(10.76)	(−0.99)	(19.25)	(22.07)	(−1.00)
	PRICES	100.31	99.85	0.47	98.94	98.02	0.92
		(15.16)	(18.65)	(0.14)	(16.96)	(22.47)	(−1.00)
SATISFACTION	RETURNS	−0.19	−0.05	−0.15	−0.56	−0.54	−0.01
		(1.78)	(1.66)	(−1.11)	(1.71)	(1.69)	(−0.21)
	PRICES	−0.05	−0.07	0.03	−0.50	−0.40	−0.10
		(1.53)	(1.40)	(0.24)	(1.71)	(1.65)	(−1.53)
Observations	RETURNS	103	55		150	111	
	PRICES	99	58		132	105	
	Total	202	113		282	216	

Table C3: INVESTMENT: Tobit regression analyses for each subject pool (financial professionals and students) and each presentation format (RETURNS or PRICES) for both waves. The dependent variable, INVESTMENT, is censored between 0 and 100 percent. WAVE 2 is a dummy variable taking the value 1 for observations from the second wave (March 2020), zero otherwise. Models 4-6 and 10-12 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5%- and the 0.5%-significance levels, respectively.

	Dependent variable: INVESTMENT											
	Financial Professionals						Students					
	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
WAVE 2	−13.105**	−5.769	−9.783**	−8.620*	−6.525	−7.543*	−1.502	−1.045	−1.333	−1.952	−0.517	−1.122
	(4.508)	(5.174)	(3.477)	(3.978)	(4.388)	(2.971)	(3.202)	(3.469)	(2.368)	(2.826)	(3.058)	(2.108)
General risk tolerance				2.242	0.030	1.027				2.791**	2.351*	2.534**
				(1.560)	(1.249)	(0.985)				(0.726)	(0.882)	(0.590)
Financial risk tolerance				3.797*	4.111*	4.169**				1.419	3.105**	2.311**
				(1.520)	(1.483)	(0.999)				(0.836)	(0.854)	(0.605)
CRT score				6.550*	9.878**	8.164**				1.601	−1.976	−0.245
				(2.428)	(2.918)	(1.866)				(1.732)	(1.787)	(1.250)
Age				−0.214	−0.290	−0.209				0.796	0.592	0.627
				(0.191)	(0.268)	(0.158)				(0.465)	(0.477)	(0.330)
Female				−0.813	−6.890	−3.271				−4.651	−3.274	−4.224
				(5.837)	(5.819)	(4.008)				(3.241)	(3.369)	(2.324)
Constant	76.376**	83.346**	79.920**	28.513*	49.969**	36.636**	56.531**	59.340**	58.012**	12.680	16.304	16.230
	(2.431)	(2.559)	(1.780)	(12.053)	(16.578)	(9.778)	(2.073)	(2.132)	(1.492)	(13.109)	(11.962)	(8.795)
S.e.	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust
Observations	157	158	315	157	158	315	237	261	498	237	261	498
Log Likelihood	-657.665	-613.999	-1,277.236	-635.751	-595.581	-1,238.560	-1,063.082	-1,166.009	-2,231.255	-1,035.125	-1,131.781	-2,171.444

Table C4: RISK PERCEPTION: Ordered logistic regression analyses for each subject pool (financial professionals and students) and each presentation format (RETURNS or PRICES) for both waves. WAVE 2 is a dummy variable taking the value 1 for observations from the second wave (March 2020), zero otherwise. Models 4-6 and 10-12 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5%- and the 0.5%-significance levels, respectively.

	Dependent variable: RISK PERCEPTION											
	Financial Professionals						Students					
	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
WAVE 2	−0.653*	−0.666*	−0.663**	−0.569	−0.597*	−0.612**	−0.250	0.085	−0.095	−0.242	0.133	−0.069
	(0.289)	(0.292)	(0.205)	(0.300)	(0.295)	(0.208)	(0.227)	(0.219)	(0.157)	(0.229)	(0.220)	(0.159)
General risk tolerance				0.107	0.118	0.120				0.024	−0.021	0.010
				(0.104)	(0.087)	(0.067)				(0.066)	(0.060)	(0.045)
Financial risk tolerance				0.059	−0.180*	−0.049				0.052	0.055	0.055
				(0.095)	(0.089)	(0.065)				(0.067)	(0.060)	(0.045)
CRT score				0.258	0.534*	0.377*				0.019	0.329*	0.172
				(0.192)	(0.202)	(0.136)				(0.144)	(0.134)	(0.098)
Age				0.028	−0.010	0.015				−0.012	−0.050	−0.033
				(0.016)	(0.017)	(0.011)				(0.038)	(0.037)	(0.026)
Female				−0.474	−0.369	−0.375				−0.107	−0.089	−0.092
				(0.415)	(0.387)	(0.277)				(0.240)	(0.237)	(0.167)
S.e.	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust
Observations	157	158	315	157	158	315	237	261	498	237	261	498

Table C5: INVESTMENT: Ordinary least squares regression analyses for each presentation format (RETURNS or PRICES) for both waves. WAVE 2 is a dummy variable taking the value 1 for observations from the second wave (March 2020), zero otherwise. PROF is a dummy variable taking the value 1 for finance professionals and zero otherwise. Models 4-6 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5%- and the 0.5%-significance levels, respectively.

	Dependent variable: INVESTMENT					
	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled
	(1)	(2)	(3)	(4)	(5)	(6)
WAVE 2	−1.497	−1.389	−1.486	−1.711	−0.275	−0.897
	(2.240)	(3.221)	(2.240)	(2.777)	(2.860)	(2.011)
PROF	18.101**	20.895**	19.471**	8.740*	14.284**	11.181**
	(2.002)	(2.773)	(2.002)	(3.550)	(4.255)	(2.716)
WAVE 2 × PROF	−10.694**	−3.842	−7.439*	−7.707	−5.017	−6.492*
	(3.719)	(5.283)	(3.719)	(4.532)	(4.678)	(3.284)
General risk tolerance				2.614**	1.453*	1.976**
				(0.628)	(0.638)	(0.458)
Financial risk tolerance				2.137**	3.286**	2.783**
				(0.660)	(0.626)	(0.453)
CRT score				3.511*	1.350	2.511*
				(1.354)	(1.345)	(0.959)
Age				−0.052	−0.182	−0.108
				(0.167)	(0.200)	(0.128)
Female				−3.778	−3.035	−3.367
				(2.679)	(2.593)	(1.854)
Constant	56.164**	58.626**	57.473**	26.606**	34.426**	30.209**
	(1.418)	(2.001)	(1.418)	(6.469)	(7.078)	(4.733)
S.e.	robust	robust	robust	robust	robust	robust
Observations	394	419	813	394	419	813
R^2	0.104	0.136	0.116	0.294	0.312	0.296
Adjusted R^2	0.097	0.129	0.112	0.280	0.299	0.289

Table C6: RISK PERCEPTION: Ordinary least squares regression analyses for each presentation format (RETURNS or PRICES) for both waves. WAVE 2 is a dummy variable taking the value 1 for observations from the second wave (March 2020), zero otherwise. PROF is a dummy variable taking the value 1 for finance professionals and zero otherwise. Models 4-6 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5%- and the 0.5%-significance levels, respectively.

	Dependent variable: RISK PERCEPTION					
	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled
	(1)	(2)	(3)	(4)	(5)	(6)
WAVE 2	−0.144	−0.008	−0.079	−0.153	0.016	−0.076
	(0.078)	(0.115)	(0.078)	(0.100)	(0.113)	(0.077)
PROF	0.070	0.129	0.095	−0.236	0.166	−0.074
	(0.079)	(0.113)	(0.079)	(0.151)	(0.170)	(0.116)
WAVE 2 × PROF	−0.167	−0.368	−0.271*	−0.158	−0.378*	−0.259*
	(0.131)	(0.193)	(0.131)	(0.173)	(0.188)	(0.131)
General risk tolerance				0.004	0.027	0.022
				(0.027)	(0.029)	(0.020)
Financial risk tolerance				0.035	−0.016	0.009
				(0.026)	(0.027)	(0.019)
CRT score				0.048	0.159**	0.102*
				(0.049)	(0.054)	(0.037)
Age				0.013	−0.006	0.005
				(0.007)	(0.008)	(0.005)
Female				−0.075	−0.091	−0.064
				(0.083)	(0.101)	(0.067)
Constant	4.667**	4.912**	4.797**	4.139**	4.829**	4.408**
	(0.046)	(0.063)	(0.046)	(0.236)	(0.263)	(0.179)
S.e.	robust	robust	robust	robust	robust	robust
Observations	394	419	813	394	419	813
R^2	0.019	0.015	0.015	0.050	0.042	0.034
Adjusted R^2	0.011	0.008	0.012	0.031	0.023	0.025

Table C7: RETURN FORECAST: Ordinary least squares regression analyses for each presentation format (RETURNS or PRICES) for both waves. WAVE 2 is a dummy variable taking the value 1 for observations from the second wave (March 2020), zero otherwise. PROF is a dummy variable taking the value 1 for finance professionals and zero otherwise. Models 4-6 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5%- and the 0.5%-significance levels, respectively.

	Dependent variable: RETURN FORECAST					
	PRICES	RETURNS	Pooled	PRICES	RETURNS	Pooled
	(1)	(2)	(3)	(4)	(5)	(6)
WAVE 2	−0.671	1.203	0.170	−0.649	1.016	0.202
	(1.495)	(2.014)	(1.495)	(2.042)	(1.982)	(1.466)
PROF	1.342	−4.727**	−1.902*	1.187	−3.794*	−1.241
	(0.907)	(1.206)	(0.907)	(2.474)	(1.761)	(1.633)
WAVE 2 × PROF	0.145	−0.590	−0.158	0.341	−0.356	−0.233
	(1.861)	(2.100)	(1.861)	(3.116)	(2.091)	(1.881)
General risk tolerance				0.500	0.429	0.519
				(0.447)	(0.326)	(0.282)
Financial risk tolerance				0.245	0.130	0.127
				(0.314)	(0.387)	(0.260)
CRT score				−0.168	−2.554**	−1.489*
				(0.965)	(0.804)	(0.642)
Age				−0.032	−0.014	−0.030
				(0.138)	(0.069)	(0.080)
Female				1.185	1.814	1.464
				(1.400)	(1.376)	(1.020)
Constant	−0.079	6.700**	3.527**	−4.321	5.245	0.932
	(0.800)	(1.196)	(0.800)	(4.879)	(3.460)	(3.082)
S.e.	robust	robust	robust	robust	robust	robust
Observations	394	419	813	394	419	813
R^2	0.003	0.038	0.005	0.016	0.073	0.025
Adjusted R^2	-0.004	0.031	0.001	-0.005	0.055	0.015

Table C8: Ordinary least squares regression analyses for financial professionals with pooled presentation formats (RETURNS and PRICES) for both waves. WAVE 2 is a dummy variable taking the value 1 for observations from the second wave (March 2020), zero otherwise. INVESTMENT is the dependent variable in models 1–4, RISK PERCEPTION is the dependent variable in models 5–8. All models include control variables as well as interactions terms between one or all control variables and WAVE 2. The stars * and ** indicate the 5% and the 0.5% significance levels, respectively.

	Investment				Risk perception				Return forecast			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
WAVE 2	−25.444*	−21.449	−6.048*	−25.273*	0.120	0.235	−0.337**	0.275	0.120	0.235	−0.337**	0.275
	(10.402)	(11.121)	(2.692)	(11.946)	(0.471)	(0.376)	(0.120)	(0.444)	(0.471)	(0.376)	(0.120)	(0.444)
General risk tolerance	0.195	1.092	1.139	0.283	0.074	0.053	0.051	0.061	0.074	0.053	0.051	0.061
	(0.872)	(0.775)	(0.787)	(0.925)	(0.043)	(0.042)	(0.041)	(0.046)	(0.043)	(0.042)	(0.041)	(0.046)
Financial risk tolerance	3.501**	2.851**	3.598**	3.422**	−0.026	−0.0001	−0.028	−0.005	−0.026	−0.0001	−0.028	−0.005
	(0.818)	(0.889)	(0.816)	(0.995)	(0.037)	(0.041)	(0.037)	(0.042)	(0.037)	(0.041)	(0.037)	(0.042)
CRT score	6.792**	6.627**	6.660**	6.760**	0.200**	0.204**	0.203**	0.203**	0.200**	0.204**	0.203**	0.203**
	(1.601)	(1.620)	(1.623)	(1.611)	(0.068)	(0.068)	(0.068)	(0.068)	(0.068)	(0.068)	(0.068)	(0.068)
Age	−0.218	−0.226	−0.211	−0.210	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010
	(0.137)	(0.138)	(0.140)	(0.138)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Female	−3.372	−3.590	−0.773	−1.585	−0.153	−0.143	−0.192	−0.155	−0.153	−0.143	−0.192	−0.155
	(3.387)	(3.468)	(4.146)	(4.283)	(0.136)	(0.142)	(0.175)	(0.178)	(0.136)	(0.142)	(0.175)	(0.178)
WAVE 2× General risk tol.	2.497*			2.216	−0.060			−0.020	−0.060			−0.020
	(1.273)			(1.713)	(0.059)			(0.094)	(0.059)			(0.094)
WAVE 2× Fin. risk tol.		1.901		0.329		−0.073		−0.059		−0.073		−0.059
		(1.299)		(1.731)		(0.049)		(0.084)		(0.049)		(0.084)
WAVE 2× Female			−5.372	−3.980			0.079	0.024			0.079	0.024
			(7.019)	(6.979)			(0.274)	(0.282)			(0.274)	(0.282)
Constant	47.616**	46.390**	39.261**	47.076**	3.891**	3.833**	4.082**	3.823**	3.891**	3.833**	4.082**	3.823**
	(9.198)	(9.436)	(8.743)	(9.804)	(0.381)	(0.370)	(0.356)	(0.382)	(0.381)	(0.370)	(0.356)	(0.382)
S.e.	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust	robust
Observations	315	315	315	315	315	315	315	315	315	315	315	315
R^2	0.273	0.268	0.263	0.274	0.078	0.080	0.074	0.080	0.078	0.080	0.074	0.080
Adjusted R^2	0.256	0.251	0.246	0.253	0.057	0.059	0.053	0.053	0.057	0.059	0.053	0.053

Table C9: Ordinary least squares regression analyses for financial professionals with pooled presentation formats (RETURNS and PRICES) for both waves. INVESTMENT is the dependent variable. Models 2 and 4 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5% and the 0.5% significance levels, respectively.

	Dependent variable: INVESTMENT			
	WAVE 1		WAVE 2	
Finance Professionals	(1)	(2)	(3)	(4)
RISK PERCEPTION	1.777	0.437	3.734	3.118
	(1.492)	(1.390)	(3.004)	(2.594)
RETURN FORECAST	0.050	−0.160	−0.091	0.021
	(0.118)	(0.182)	(0.158)	(0.135)
General risk tolerance		0.256		2.621
		(0.907)		(1.471)
Financial risk tolerance		3.567**		3.635*
		(0.974)		(1.513)
CRT score		4.955*		9.911**
		(1.779)		(3.147)
Age		−0.131		−0.378
		(0.166)		(0.231)
Female		−1.380		−4.633
		(4.399)		(5.262)
Constant	68.168**	43.720**	51.208**	10.002
	(7.599)	(12.553)	(14.158)	(16.828)
Controls	No	Yes	No	Yes
S.e.	robust	robust	robust	robust
Observations	202	202	113	113
R^2	0.007	0.201	0.014	0.324
Adjusted R^2	-0.003	0.172	-0.004	0.279

Table C10: Ordinary least squares regression analyses for students with pooled presentation formats (RETURNS and PRICES) for both waves. INVESTMENT is the dependent variable. Models 2 and 4 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5% and the 0.5% significance levels, respectively.

	Dependent variable: INVESTMENT			
	WAVE 1		WAVE 2	
Students	(1)	(2)	(3)	(4)
RISK PERCEPTION	0.804	−0.462	2.461	1.275
	(1.965)	(1.755)	(2.117)	(1.818)
RETURN FORECAST	0.088	−0.003	0.261**	0.244**
	(0.097)	(0.085)	(0.069)	(0.085)
General risk tolerance		2.545**		1.951*
		(0.704)		(0.883)
Financial risk tolerance		2.494**		1.938*
		(0.704)		(0.903)
CRT score		0.174		−0.213
		(1.530)		(1.812)
Age		0.058		1.307**
		(0.438)		(0.454)
Female		−1.351		−7.601*
		(2.698)		(3.696)
Constant	53.308**	27.988*	43.410**	−0.720
	(9.622)	(12.966)	(9.935)	(15.938)
Controls	No	Yes	No	Yes
S.e.	robust	robust	robust	robust
Observations	282	282	216	216
R^2	0.003	0.227	0.043	0.258
Adjusted R^2	-0.004	0.207	0.034	0.233

Table C11: Ordinary least squares regression analyses for students with pooled presentation formats (RETURNS and PRICES). INVESTMENT is the dependent variable. "Investing" is a binary variable taking the value 1 for participants who answer "Yes" on the survey question "Have you invested in financial products (e.g. stocks, funds, etc.) in the last 5 years?" and 0 otherwise. "Financial news" is a binary variable taking the value 1 for participants who answer "Daily" or "Several times a week" on the survey question "How many times have you informed yourself about financial news in the last month?" Models 2 and 4 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5% and the 0.5% significance levels, respectively.

	Dependent variable: INVESTMENT			
	(1)	(2)	(3)	(4)
WAVE 2	−2.431	−2.159	−2.202	−0.669
	(2.643)	(2.415)	(2.662)	(2.417)
Investing	10.372**	1.918		
	(2.941)	(2.835)		
Investing ×WAVE 2	2.836	2.752		
	(4.670)	(4.240)		
Financial news			7.016*	−0.132
			(3.225)	(2.982)
Financial news ×WAVE 2			−1.292	−1.345
			(4.825)	(4.360)
General risk tolerance		2.442**		2.458**
		(0.548)		(0.547)
Financial risk tolerance		2.035**		2.240**
		(0.574)		(0.580)
CRT score		−0.372		−0.289
		(1.197)		(1.190)
Age		0.537		0.611
		(0.321)		(0.317)
Female		−3.624		−4.051
		(2.233)		(2.227)
Constant	54.016**	19.115*	55.831**	16.982*
	(1.702)	(8.405)	(1.628)	(8.453)
Controls	No	Yes	No	Yes
S.e.	robust	robust	robust	robust
Observations	498	498	498	498
R^2	0.051	0.222	0.015	0.219
Adjusted R^2	0.045	0.209	0.009	0.206

Table C12: Ordinary least squares regression analyses for students with pooled presentation formats (RETURNS and PRICES). RISK PERCEPTION is the dependent variable. "Investing" is a binary variable taking the value 1 for participants who answer "Yes" on the survey question "Have you invested in financial products (e.g. stocks, funds, etc.) in the last 5 years?" and 0 otherwise. "Financial news" is a binary variable taking the value 1 for participants who answer "Daily" or "Several times a week" on the survey question "How many times have you informed yourself about financial news in the last month?" Models 2 and 4 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5% and the 0.5% significance levels, respectively.

	Dependent variable: RISK PERCEPTION			
	(1)	(2)	(3)	(4)
WAVE 2	−0.101	−0.097	−0.011	0.006
	(0.097)	(0.097)	(0.096)	(0.095)
Investing	0.107	0.037		
	(0.092)	(0.101)		
Investing ×WAVE 2	0.067	0.094		
	(0.160)	(0.158)		
Financial news			0.181	0.107
			(0.102)	(0.105)
Financial news ×WAVE 2			−0.242	−0.223
			(0.164)	(0.161)
General risk tolerance		0.015		0.014
		(0.022)		(0.021)
Financial risk tolerance		0.018		0.024
		(0.022)		(0.022)
CRT score		0.072		0.073
		(0.046)		(0.046)
Age		−0.017		−0.014
		(0.015)		(0.015)
Female		−0.035		−0.037
		(0.078)		(0.078)
Constant	4.762**	4.911**	4.755**	4.806**
	(0.059)	(0.358)	(0.053)	(0.357)
Controls	No	Yes	No	Yes
S.e.	robust	robust	robust	robust
Observations	498	498	498	498
R^2	0.008	0.024	0.007	0.025
Adjusted R^2	0.002	0.008	0.001	0.009

Table C13: Ordinary least squares regression analyses for students with pooled presentation formats (RETURNS and PRICES). RETURN FORECAST is the dependent variable. "Investing" is a binary variable taking the value 1 for participants who answer "Yes" on the survey question "Have you invested in financial products (e.g. stocks, funds, etc.) in the last 5 years?" and 0 otherwise. "Financial news" is a binary variable taking the value 1 for participants who answer "Daily" or "Several times a week" on the survey question "How many times have you informed yourself about financial news in the last month?" Models 2 and 4 are run with control variables such as a subject's self-reported risk tolerance in general and financial matters following the German-SOEP questions, CRT score, age, and gender. The stars * and ** indicate the 5% and the 0.5% significance levels, respectively.

	Dependent variable: RETURN FORECAST			
	(1)	(2)	(3)	(4)
WAVE 2	−0.242	−0.094	0.209	0.476
	(1.852)	(1.788)	(2.094)	(2.080)
Investing	0.474	0.620		
	(1.378)	(1.501)		
Investing ×WAVE 2	1.235	1.532		
	(3.132)	(2.963)		
Financial news			−0.263	−0.338
			(1.195)	(1.381)
Financial news ×WAVE 2			0.017	−0.003
			(2.717)	(2.686)
General risk tolerance		0.848*		0.858*
		(0.379)		(0.391)
Financial risk tolerance		−0.030		0.048
		(0.360)		(0.398)
CRT score		−2.055*		−2.023*
		(0.884)		(0.889)
Age		−0.456		−0.426
		(0.286)		(0.289)
Female		1.979		1.776
		(1.268)		(1.287)
Constant	3.369**	9.431	3.588**	8.593
	(1.134)	(7.324)	(1.028)	(7.507)
Controls	No	Yes	No	Yes
S.e.	robust	robust	robust	robust
Observations	498	498	498	498
R^2	0.001	0.041	0.0001	0.039
Adjusted R^2	-0.005	0.025	-0.006	0.023