ONLINE APPENDIX

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Reported MPC and Unobserved Heterogeneity[#]

Tullio Jappelli[*] and Luigi Pistaferri[**]

[*] University of Naples Federico II, CSEF and CEPR. Email: tullio.jappelli@unina.it.
[**] Stanford University, SIEPR, NBER and CEPR. E-mail: pista@stanford.edu.

Table A1. Heaping

Dependent variable	**1**{MPC=0.5}	**1**{MPC=0}	**1**{MPC=1}	**1**{Mostly spend}
	(1)	(2)	(3)	(4)
Aged <=30	-0.092	-0.042	0.053	0.103
	(0.165)	(0.217)	(0.196)	(0.163)
Aged 30-45	-0.054	0.057	0.086	-0.016
	(0.091)	(0.102)	(0.100)	(0.077)
Aged 45-60	0.011	0.019	0.091	0.062
	(0.059)	(0.064)	(0.072)	(0.050)
Years of education	-0.006	-0.025	-0.007	0.028
	(0.019)	(0.017)	(0.018)	(0.011)**
Family size	0.004	-0.008	-0.016	-0.015
	(0.028)	(0.034)	(0.025)	(0.027)
Dummy for 2016	-0.150		-2.404	
	(0.286)		(110.830)	
Unemployed	0.011	0.060	0.022	-0.040
	(0.024)	(0.029)**	(0.026)	(0.022)*
Credit constrained	0.007	-0.058	-0.167	-0.089
	(0.099)	(0.108)	(0.113)	(0.090)
Percentiles cash-on-hand	-0.343	0.266	0.016	-0.066
	(0.150)**	(0.132)**	(0.079)	(0.081)
N	1,180	988	812	1,420

Note. All regressions are estimated by conditional logit. We report standard errors in parenthesis. *, **, *** indicate significance level at 10%, 5%, and 1%, respectively.

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Table A2. Data quality

Experiment	Drop MPC=0.5	High quality data	Interaction
	(1)	(2)	(3)
Aged <=30	0.110	-0.007	0.035
	(0.163)	(0.125)	(0.103)
Aged 30-45	-0.000	-0.044	0.001
	(0.080)	(0.062)	(0.053)
Aged 45-60	0.012	0.019	0.024
	(0.048)	(0.038)	(0.033)
Years of education	0.006	0.022	0.017
	(0.018)	(0.015)	(0.012)
Family size	0.001	0.013	-0.001
	(0.026)	(0.021)	(0.017)
Dummy for 2016	-0.059	-0.025	-0.033
	(0.021)***	(0.017)	(0.014)**
Unemployed	-0.133	-0.072	-0.065
	(0.078)*	(0.069)	(0.054)
Credit constrained	-0.005	0.027	0.001
	(0.074)	(0.063)	(0.053)
Percentiles of cash-on-hand	-0.126	-0.144	-0.119
	(0.071)*	(0.057)**	(0.057)**
City size >500,000		0.152	-0.060
		(0.325)	(0.265)
Percentiles cash-on-hand × High quality data			-0.035
			(0.039)
Constant	0.499	0.292	0.398
	(0.184)***	(0.156)*	(0.129)***
R^2	0.02	0.01	0.01
N	1,820	2,736	3,236

Note. All regressions are estimated by fixed effects. In column (1) the sample excludes observations with MPC=0 in one or both waves. In column (2) the sample includes only high quality data. We report standard errors in parenthesis. *, **, *** indicate significance level at 10%, 5%, and 1%, respectively.

Table A3. Other robustness checks

	MPC	MPC	MPC	Growth of cash-on-hand
	(1)	(2)	(3)	(4)
Aged <=30	0.092	0.034	0.035	0.157
	(0.134)	(0.103)	(0.103)	(0.459)
Aged 30-45	0.042	-0.003	0.001	-0.407
	(0.066)	(0.053)	(0.053)	(0.111)***
Aged 45-60	0.053	0.025	0.026	-0.197
	(0.043)	(0.033)	(0.033)	(0.071)***
Years of education	-0.012	0.003	0.004	0.023
	(0.025)	(0.018)	(0.018)	(0.032)
Family size	0.161	-0.058	-0.051	-0.078
	(0.327)	(0.265)	(0.265)	(0.117)
City size >500,000	-0.035	-0.028	-0.028	
	(0.019)*	(0.014)**	(0.014)**	
Dummy for 2016	-0.080	-0.068	-0.070	-0.617
	(0.085)	(0.054)	(0.054)	(0.144)***
Unemployed	-0.043	-0.000	-0.000	-0.499
	(0.076)	(0.053)	(0.053)	(0.214)**
Credit constrained	-0.100		-0.115	
	(0.051)**		(0.041)***	
Percentiles of financial assets	0.219	-0.078	-0.070	
	(0.170)	(0.068)	(0.074)	
Percentiles of disposable income		-0.108		
		(0.040)***		
Percentiles of financial assets, net of debt			-0.007	
			(0.054)	
Percentiles of consumption				-0.025
				(0.080)
MPC in 2010				0.154
				(0.059)***
Male				0.175
				(0.076)**
Married				0.059
				(0.007)***
Resident in the South				-0.428
				(0.063)***
Log cash-on-hand in 2010				-0.489
				(0.022)***
Constant	0.415	0.573	0.572	0.619
	(0.108)***	(0.056)***	(0.056)***	(0.101)***
R^2	0.01	0.01	0.01	0.25
N	2,202	3,236	3,236	1,612

Note. In columns (1)-(3) the dependent variable is the MPC. In column (4) the dependent variable is the growth of cash-on-hand in 2010-16. In column (1) the sample excludes households who experience an annual income growth of more than 5 percent in absolute value. We report standard errors in parenthesis. *, **, *** indicate significance level at 10%, 5%, and 1%, respectively.