Online Appendix for
On Target? Sanctions and the Economic Interests of Elite Policymakers in Iran

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325 TSE Listed Firms

(All firms listed on April 14, 2012)

15 'Nuclear Program' Firms

172 Excluded Firms
Includes:

(a) 144 indirect assets of firms identified using US, EU and UN documents (lower than first ownership)

(b) 28 additional firms named in other sources (plus all direct and indirect assets)

50 Target Firms
Includes:

(a) 6 firms identified using US, EU and UN documents

(b) 44 assets of firms identified using US, EU and UN documents (direct ownership stake)

88 Non-Target Firms
Includes:

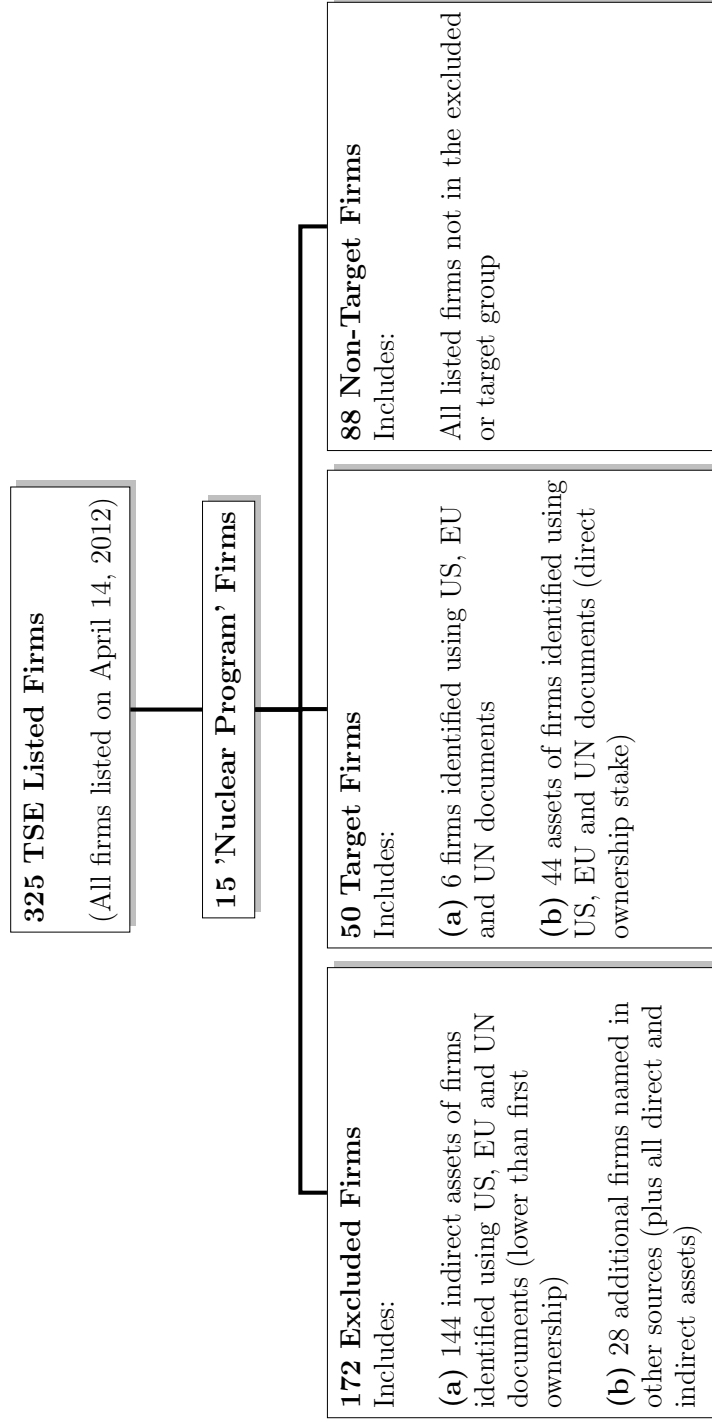All listed firms not in the excluded or target group

FIGURE A1: Outline of Firm Classification Procedure

This diagram outlines our procedure for classifying listed firms into the target and non-target portfolios used in our empirical analysis.
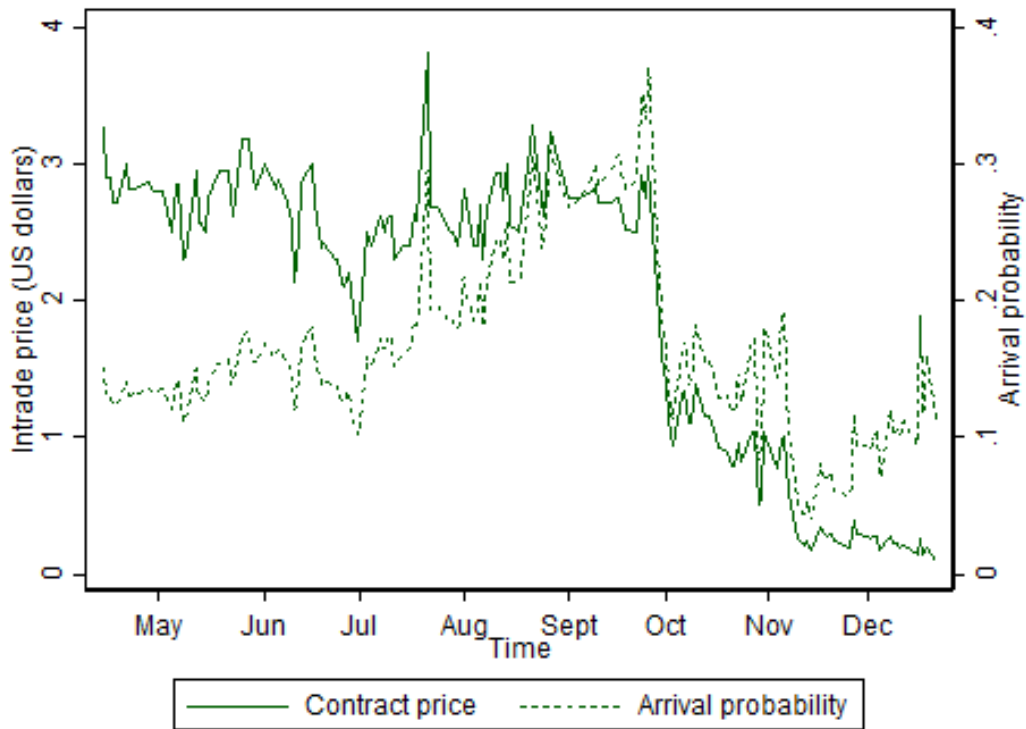
Figure A2: Daily Price of Intrade Contract and Implied Airstrike Arrival Probability, April 14, 2012 to December 22, 2012

This figure shows the evolution of Intrade contract prices (in current US dollars) for the betting contract specified as "US and/or Israel execute an overt airstrike against Iran by December 31, 2012", and the implied daily arrival probability (in percent) of an airstrike, as discussed in Section 4.4. The contract was to have paid $10 if an airstrike occurred before December 31, 2012, and zero otherwise. The period plotted is April 14, 2012 to December 22, 2012 (the day before US Intrade trading was suspended).
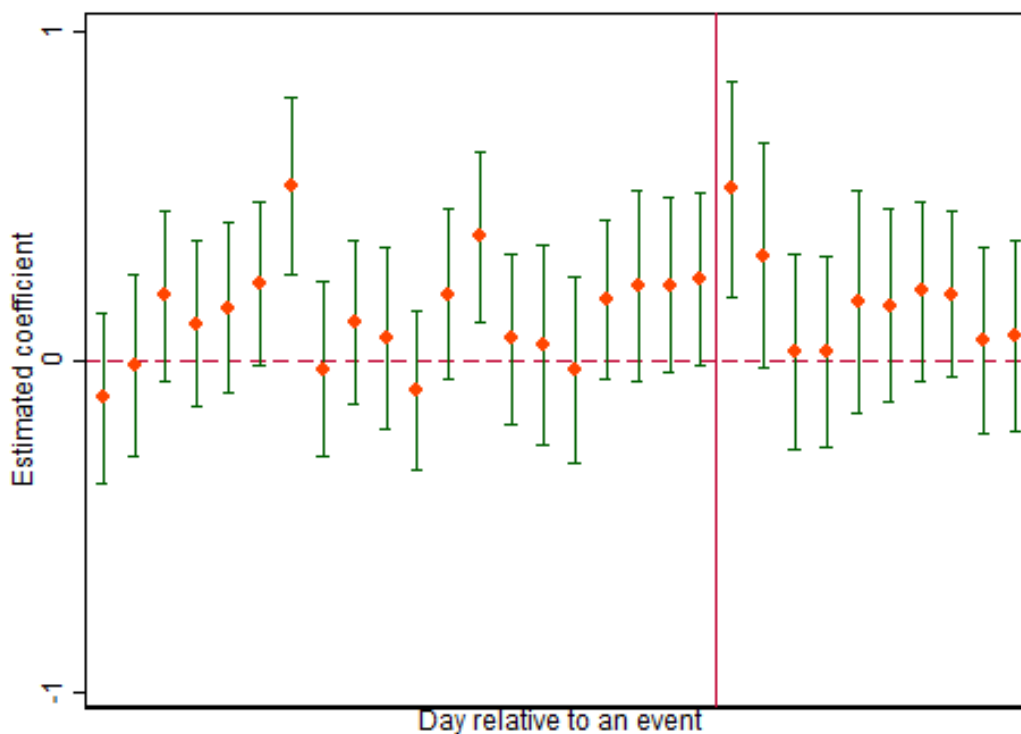
Figure A3: Daily Estimated Target-Day Interaction Coefficients for Other Events – Pooled

This figure relates to the seven events of diplomatic progress used in the specifications of Table 4 column (7), other than the Geneva deal. We pool data from estimation windows of 60 trading days before each event and the subsequent ten trading days to estimate a series of models. Each model includes a dummy for a different day relative to an event (e.g. a dummy for the last trading day before each event), the interaction of this dummy with our target portfolio dummy, and firm fixed effects. The figure reports the estimated coefficient on the interaction term and its 95% confidence interval for the last twenty pre-event days and the ten subsequent days. A vertical line is drawn immediately to the left of the estimate for the pooled event days. Standard errors are clustered by firm.

A. Progress in Istanbul - Apr 14, 2012

B. Obama-Rouhani call - Sept 28, 2013

C. Progress in Geneva - Oct 19, 2013

D. Progress in Geneva - Feb 24, 2015

E. Lausanne deal - Apr 4, 2015

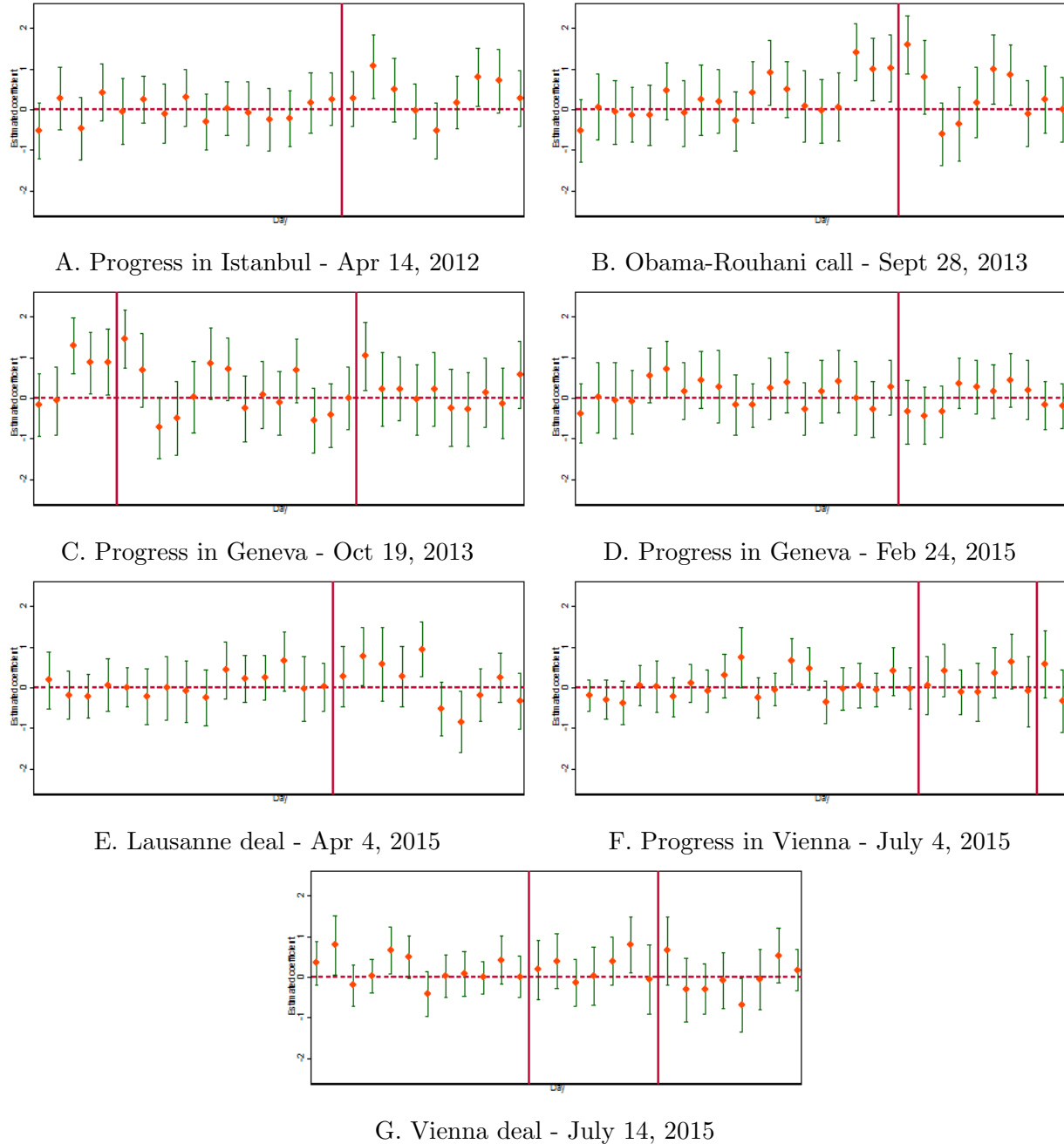F. Progress in Vienna - July 4, 2015

G. Vienna deal - July 14, 2015

Figure A4: Daily Estimated Target-Day Interaction Coefficients for Other Events

Each panel of this figure relates to one of the seven events of diplomatic progress used in the specifications of Table 4 column (7), other than the Geneva deal. In each panel, we use data for an estimation window of 60 days before the event and the subsequent two weeks to estimate a series of models. Each model includes a dummy for a different day, the interaction of this day dummy with our target portfolio dummy, and firm fixed effects. The figure reports the estimated coefficient on the interaction term and its 95% confidence interval for each trading day in the last four weeks of the 60-day estimation window and the following two weeks. A vertical line is drawn immediately to the left of the day of the event. A second vertical line appears in cases where events are in close proximity and so the same event date is visible in more than one panel. Standard errors are clustered by firm.

Table A1: Top Fifteen Peaks in Sanctions News Coverage

Date	Value	Sanctions negotiations event
Panel A - Factiva measure		
Apr 4 2015*	**11.76**	**Framework agreement reached in Lausanne**
Jul 14 2015	**7.58**	**Final agreement reached in Vienna**
Jul 15 2015	**7.03**	**Final agreement reached on previous day in Vienna**
Mar 25 2015*	**5.60**	**Negotiation round ends in Lausanne**
Jul 11 2015*	**5.20**	**Negotiation round in progress in Vienna**
Nov 25 2013	5.07	Interim agreement reached on previous day in Geneva
Apr 11 2015*	4.26	Framework agreement reached in previous week in Lausanne
Nov 9 2013*	**3.74**	**Negotiation round ends in Geneva**
Nov 23 2013*	**3.40**	**Negotiation round in progress in Geneva**
Sep 2 2012*	3.23	France calls for stronger sanctions after IAEA report
Sep 28 2013*	**3.23**	**Presidents of Iran and US speak by phone**
Nov 16 2013*	3.13	Negotiation round forthcoming in Geneva
Apr 18 2015*	3.13	Framework agreement reached two weeks earlier in Lausanne
Mar 25 2014*	3.09	Negotiation round ends in Vienna
Nov 26 2013	2.85	Interim agreement reached two days earlier in Geneva
Panel B - GDELT measure		
Jul 14 2015	**10.66**	**Final agreement reached in Vienna**
Mar 25 2015*	**9.07**	**Negotiation round ends in Lausanne**
Apr 4 2015*	**5.16**	**Framework agreement reached in Lausanne**
Jun 19 2012*	4.97	Negotiation round ends in Moscow
Jul 11 2015*	**4.67**	**Negotiation round in progress in Vienna**
Nov 24 2013	4.55	Interim agreement reached in Geneva
Nov 9 2013*	**4.22**	**Negotiation round ends in Geneva**
Nov 23 2013*	**3.55**	**Negotiation round in progress in Geneva**
Nov 18 2013	3.33	Negotiation round about to begin in Geneva
Jul 15 2015	**3.26**	**Final agreement reached on previous day in Vienna**
Sep 28 2013*	**3.23**	**Presidents of Iran and US speak by phone**
Jul 4 2015*	3.21	Negotiation round in progress in Vienna
Mar 31 2015	3.17	Negotiation deadline extended in Lausanne
Mar 7 2015*	2.95	Several P5+1 members discuss negotiations
Mar 28 2015*	2.89	Negotiation round in progress in Lausanne

This table displays the top fifteen observations, within the sample period April 14, 2012 to July 15, 2015, of a standardised count of the number of articles on relevant events identified in the Factiva (Panel A) and GDELT (Panel B) datasets, as discussed in Section 4.3. For each of these observations, the table shows the relevant date, the value of the variable, and an event of that day that is relevant to diplomatic negotiations for sanctions relief. Entries that are among the top fifteen observations for both of the two measures are highlighted in bold. Dates are marked with stars when the observation also includes events from prior days because of weekends or holidays on the TSE.

Table A2: Clustering by Industry – Geneva Deal

	(1) Firm FEs	(2) Day-by-day estimates	(3) Firm-day-of-week FEs	(4) Industry controls	(5) Market cap controls	(6) Size data subsample	(7) All size controls
Geneva	0.648 [0.021] {0.176}		0.731 [0.012] {0.154}		0.649 [0.022] {0.185}	0.212 [0.553] {0.731}	0.221 [0.532] {0.762}
Day 1		0.548 [0.073] {0.176}					
Day 2		0.748 [0.030] {0.205}					
Target * Geneva	1.256 [0.001] {0.039}		1.212 [0.002] {0.079}	1.306 [0.002] {0.100}	1.260 [0.001] {0.027}	1.962 [0.000] {0.019}	1.927 [0.000] {0.083}
Target * Day 1		1.415 [0.001] {0.032}					
Target * Day 2		1.099 [0.015] {0.095}					
Observations	6,586	6,586	6,580	6,497	6,586	4,017	4,017
Number of firms	128	128	127	127	128	77	77
Number of industries	15	15	15	14	15	15	15

This table reproduces the point estimates from Table 2, along with p-values based on two different clustering strategies. The p-values in square brackets are based on clustering by firm. The p-values in curly brackets are based on clustering by industry, using the wild bootstrap approach of Cameron et al. (2008) due to the small number of clusters, calculated with the boottest Stata package of Roodman et al. (2019). See the notes for Table 2 for other information on these specifications.

Table A3: Responses of TSE Returns to Oil Price Changes

	(1)	(2)	(3)	(4)	(5)	(6)
	West Texas Interm.		Brent Crude		OPEC Basket	
	Firm FEs	Firm-qtr-day-of-week FEs	Firm FEs	Firm-qtr-day-of-week FEs	Firm FEs	Firm-qtr-day-of-week FEs
Price change	0.039	0.042	0.034	0.032	0.038	0.038
	(0.006)	(0.006)	(0.006)	(0.006)	(0.007)	(0.007)
Observations	21,055	20,486	20,516	19,949	22,707	22,142
Number of firms	133	133	133	133	133	133

This table displays estimated effects of oil price changes on returns of sample firms. The dependent variable is daily stock return in percent. The regressor is the difference between the current and the previous TSE trading day in the West Texas Intermediate (columns (1) and (2)), Brent Crude (columns (3) and (4)) or OPEC Basket price (columns (5) and (6)). The sample period includes all trading days in 2010 and 2011. Columns (1), (3) and (5) include firm fixed effects, and columns (2), (4) and (6) include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. Standard errors, clustered by firm, are in parentheses.

Table A4: Estimates of Capital Adjustment Costs for Investment Projections

	(1)	(2)	(3)	(4)	(5)	(6)
	Sample firms				All firms	
	Winsorised top/bottom 1%		Winsorised top/bottom 5%		Winsorised top/bottom 1%	
Market-to-book	0.019	0.017	0.044	0.032	0.034	0.024
	(0.021)	(0.019)	(0.021)	(0.018)	(0.015)	(0.014)
Cashflow		0.050		0.089		0.064
		(0.016)		(0.017)		(0.012)
Observations	473	473	473	473	1,239	1,239
Number of firms	80	80	80	80	209	209

This table displays estimates of capital adjustment costs to be used in our projections of the effect of the Geneva deal on investment by target firms. The dependent variable is the ratio of investment in fixed assets for a given year to total fixed assets as of the previous year. 'Market-to-book' is defined as the previous year's market-to-book ratio. 'Cashflow' is the ratio of current cashflow to the previous year's level of fixed assets. In columns (1), (2), (5) and (6), the top and bottom 1% of observed values are winsorised for all variables. In columns (3) and (4), the top and bottom 5% of observed values are winsorised for all variables. In columns (1) to (4), the sample includes only the firms from the target and non-target portfolios with available data on Orbis. In columns (5) and (6), the sample includes all Iranian firms with available Orbis data. The sample period is from 2012 to 2018 (since the number of firms with available data is much smaller in earlier and subsequent years). All columns include firm fixed effects and year fixed effects. Standard errors, clustered by firm, are in parentheses.

Table A5: Clustering by Industry – News Coverage

	(1) Continuous measure	(2) Continuous measure	(3)	(4)	(5)	(6)	(7)
	Firm FEs	Firm-qtr-day-of-week FEs	Top 10% dummy	2 SD dummy	Spaced 2 SD dummy	Negotiations only dummy	Positive negotiations dummy
Panel A - Factiva measure							
Coverage	0.055	0.077	0.145	0.405	0.439	0.483	0.679
	[0.000]	[0.000]	[0.001]	[0.000]	[0.000]	[0.000]	[0.000]
	{0.000}	{0.000}	{0.005}	{0.000}	{0.000}	{0.001}	{0.000}
Target * coverage	0.065	0.092	0.196	0.418	0.363	0.654	0.856
	[0.000]	[0.000]	[0.002]	[0.000]	[0.001]	[0.000]	[0.000]
	{0.000}	{0.005}	{0.041}	{0.010}	{0.043}	{0.002}	{0.001}
Observations	75,021	74,775	74,775	74,775	74,094	73,335	72,853
Number of firms	138	136	136	136	136	136	136
Number of industries	15	15	15	15	15	15	15
Panel B - GDELT measure							
Coverage	0.069	0.065	0.072	0.256	0.235	0.340	0.679
	[0.000]	[0.000]	[0.031]	[0.000]	[0.000]	[0.000]	[0.000]
	{0.000}	{0.003}	{0.117}	{0.001}	{0.006}	{0.001}	{0.002}
Target * coverage	0.064	0.066	0.153	0.282	0.303	0.352	0.594
	[0.000]	[0.000]	[0.003]	[0.001]	[0.003]	[0.003]	[0.001]
	{0.000}	{0.017}	{0.038}	{0.026}	{0.019}	{0.013}	{0.012}
Observations	62,128	61,843	61,843	61,843	60,763	60,266	59,597
Number of firms	137	136	136	136	136	136	136
Number of industries	15	15	15	15	15	15	15

This table reproduces the point estimates from Table 4, along with p-values based on two different clustering strategies. The p-values in square brackets are based on clustering by firm. The p-values in curly brackets are based on clustering by industry, using the wild bootstrap approach of Cameron *et al.* (2008) due to the small number of clusters, calculated with the boottest Stata package of Roodman *et al.* (2019). See the notes for Table 4 for other information on these specifications.

Table A6: Timeline of Event Days Identified by Spaced 2 SD Dummy Variables

Date	Dataset	Sanctions negotiations event
Apr 14 2012†	Both	Negotiation round held in Istanbul
Jun 19 2012†	GDELT	Negotiation round ends in Moscow
Jul 14 2012	Factiva	US imposes sanctions on Iranian firms and individuals
Aug 11 2012	Factiva	US imposes sanctions on firm for selling to Iran
Sep 2 2012	Factiva	France calls for stronger sanctions after IAEA report
Mar 25 2013	Factiva	US grants importers waiver on oil sanctions
Sep 28 2013†	Both	Presidents of Iran and US speak by phone
Oct 19 2013†	Both	Negotiation round ends in Geneva
Nov 9 2013†	Both	Negotiation round ends in Geneva
Nov 16 2013	Factiva	Negotiation round forthcoming in Geneva
Nov 24/25 2013†	Both	Interim agreement reached in Geneva
Dec 14 2013	Factiva	US imposes penalties on sanctions violators
Mar 25 2014†	Factiva	Negotiation round ends in Vienna
Jun 16 2014†	GDELT	Negotiation round begins in Vienna
Sep 6 2014	GDELT	Iran misses IAEA deadline
Sep 27 2014†	GDELT	Negotiation round ends in New York
Nov 22 2014†	GDELT	Negotiation round in progress in Vienna
Feb 24 2015†	GDELT	Negotiations between Iran and US end in Geneva
Mar 7 2015	GDELT	Several P5+1 members discuss negotiations
Mar 14 2015	GDELT	US Secretary of State holds press conference
Mar 25 2015†	Both	Negotiation round ends in Lausanne
Apr 4 2015†	Both	Framework agreement reached in Lausanne
Apr 11 2015	Both	Framework agreement reached in previous week in Lausanne
Apr 18 2015	Factiva	Framework agreement reached two weeks earlier in Lausanne
May 30 2015†	GDELT	Negotiations between Iran and US held in Geneva
Jun 6 2015†	Factiva	Negotiation round ends in Vienna
Jun 13 2015	GDELT	President of Iran holds press conference
Jun 27 2015†	Factiva	Negotiation round in progress in Vienna
Jul 4 2015†	Both	Negotiation round in progress in Vienna
Jul 14 2015†	Both	Final agreement reached in Vienna

This table lists the event days used in our specifications in Table 4 column (5). For each of our coverage measures (from Factiva and GDELT), these days are identified by listing values that are at least two standard deviations greater than the mean, and then excluding cases that are within one week of larger peaks in news coverage, as explained in Section 5.2.1. For each of these days, the table shows the dataset(s) from which the day is sourced, and an event of that day that is relevant to diplomatic negotiations for sanctions relief. For the Geneva deal event, the two datasets (Factiva and GDELT) identify different days, but these are combined into one entry here. Event days involving direct negotiations between Iran and P5+1 countries, and therefore used in our specifications in Table 4 column (6), are marked with a dagger symbol.

Table A7: Reuters Headlines About Diplomatic Negotiations Identified by Spaced 2 SD Dummy Variables

Date	Site	Reuters headline
Apr 14 2012‡	Istanbul	"Iran, big powers agree - to keep talking"
Jun 19 2012	Moscow	"Iran, world powers fail to settle nuclear dispute"
Sep 28 2013‡	Phone	"Iranians cheer, protest over Rouhani's historic phone call with Obama"
Oct 19 2013‡	Geneva	"U.S. says talks intense, serious after Iran hints at atomic concessions"
Nov 9 2013	Geneva	"Iran nuclear talks fail to reach deal, France pushes back"
Nov 24/25 2013‡	Geneva	"Breakthrough deal curbs Iran's nuclear activity"
Mar 25 2014	Vienna	"Senators urge Obama to push for strict Iran nuclear curbs deal"
Jun 16 2014	Vienna	"Iran and six powers seek to recover momentum for nuclear deal"
Sep 27 2014	New York	"No breakthrough in Iran nuclear talks, sides agree to keep talking"
Nov 22 2014	Vienna	"Iran nuclear talks may be extended as U.S. sees 'big gaps'"
Feb 24 2015‡	Geneva	"U.S., Iran positive after nuclear talks, say much left to do"
Mar 25 2015	Lausanne	"Facing resistance, U.S. pushes to meet deadline"
Apr 4 2015‡	Lausanne	"Iran, world powers reach initial deal on reining in Tehran's nuclear programme"
May 30 2015	Geneva	"U.S. and Iran address obstacles to nuclear deal as deadline nears"
Jun 6 2015	Vienna	"Iran rejects limited international access to military sites - agency"
Jun 27 2015	Vienna	"Disputes linger as Iran, powers push for nuclear deal"
Jul 4 2015‡	Vienna	"Iran nuclear talks in endgame, negotiators push on sticking points"
Jul 14 2015‡	Vienna	"Iran deal reached, Obama hails step towards 'more hopeful world'"

This table lists the episodes of direct negotiations between Iran and P5+1 countries used in our specifications in Table 4 column (6). For each of these days, the table shows the location of the diplomatic negotiations, and a headline from a Reuters report on those negotiations. For the Geneva deal event, the two datasets (Factiva and GDELT) identify different days, but these are combined into one entry here. Dark blue (and a double-dagger symbol) is used to mark negotiations episodes classified as making forward progress, using reports from media organisations based in each of the negotiating countries: Reuters, Associated Press, Agence France Presse, Deutsche Welle, ITAR-TASS, Xinhua, Fars News Agency and Mehr News Agency. This subset of event days is used in our specifications in Table 4 column (7).

Table A8: Event-by-Event Coefficients for Spaced 2 SD Event Days - Factiva Measure

Date	Sanctions negotiations event	Event dummy	Target * event dummy
Apr 14 2012‡	Negotiation round held in Istanbul	0.396 (0.251)	0.223 (0.391)
Jul 14 2012	US imposes sanctions on Iranian firms and individuals	0.120 (0.341)	-0.059 (0.426)
Aug 11 2012	US imposes sanctions on firm for selling to Iran	0.756 (0.365)	-0.826 (0.446)
Sep 2 2012	France calls for stronger sanctions after IAEA report	0.502 (0.293)	-0.117 (0.359)
Mar 25 2013	US grants importers waiver on oil sanctions	1.828 (0.265)	-0.598 (0.361)
Sep 28 2013‡	Presidents of Iran and US speak by phone	0.367 (0.228)	1.910 (0.384)
Oct 19 2013‡	Negotiation round ends in Geneva	-0.040 (0.323)	1.033 (0.461)
Nov 9 2013†	Negotiation round ends in Geneva	-0.046 (0.294)	0.563 (0.429)
Nov 16 2013	Negotiation round forthcoming in Geneva	0.748 (0.246)	0.375 (0.367)
Nov 25 2013‡	Interim agreement reached in Geneva	0.829 (0.283)	1.138 (0.471)
Dec 14 2013	US imposes penalties on sanctions violators	-0.441 (0.341)	-0.182 (0.540)
Mar 25 2014†	Negotiation round ends in Vienna	0.621 (0.276)	0.283 (0.428)
Mar 25 2015†	Negotiation round ends in Lausanne	0.409 (0.172)	0.164 (0.315)
Apr 4 2015‡	Framework agreement reached in Lausanne	2.094 (0.259)	0.611 (0.407)
Apr 11 2015	Framework agreement reached in previous week in Lausanne	-0.632 (0.181)	-0.128 (0.351)
Apr 18 2015	Framework agreement reached two weeks earlier in Lausanne	-0.376 (0.248)	0.942 (0.420)
Jun 6 2015†	Negotiation round ends in Vienna	0.139 (0.191)	0.044 (0.224)
Jun 27 2015†	Negotiation round in progress in Vienna	0.030 (0.181)	0.238 (0.308)
Jul 4 2015‡	Negotiation round in progress in Vienna	0.914 (0.268)	0.210 (0.393)
Jul 14 2015‡	Final agreement reached in Vienna	0.093 (0.295)	0.442 (0.432)

This table displays estimated effects on returns of target and non-target firms of the events used in our specification in Panel A column (5) of Table 4. The table displays the results of a single regression, including dummies for each event day and interactions between these dummies and an indicator variable for firms in the target portfolio. The specification also includes firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. The dependent variable is daily stock return in percent. The event days are identified by listing values of our Factiva news coverage measure that are at least two standard deviations greater than the mean, and then excluding cases that are within one week of larger peaks in news coverage, as explained in Section 5.2.1. Event days involving direct negotiations between Iran and P5+1 countries, and therefore used in our specification in Table 4 Panel A column (6), are highlighted in light or dark blue (and a dagger or double-dagger symbol). Dark blue (and the double-dagger symbol) is used to mark negotiations episodes classified as making forward progress, which are also used in Table 4 Panel A column (7). The sample period is from April 14, 2012 to July 15, 2015. The regression includes 74,094 observations and 136 firms. Standard errors, clustered by firm, are in parentheses.

Table A9: Event-by-Event Coefficients for Spaced 2 SD Event Days - GDELT Measure

Date	Sanctions negotiations event	Event dummy	Target * event dummy
Apr 14 2012‡	Negotiation round held in Istanbul	0.396 (0.251)	0.223 (0.391)
Jun 19 2012†	Negotiation round ends in Moscow	-0.303 (0.225)	-0.006 (0.254)
Sep 28 2013‡	Presidents of Iran and US speak by phone	0.722 (0.226)	1.771 (0.367)
Oct 19 2013‡	Negotiation round ends in Geneva	-0.138 (0.313)	0.907 (0.460)
Nov 9 2013†	Negotiation round ends in Geneva	-0.141 (0.287)	0.429 (0.452)
Nov 24 2013‡	Interim agreement reached in Geneva	0.615 (0.367)	1.199 (0.481)
Jun 16 2014†	Negotiation round begins in Vienna	0.534 (0.233)	0.059 (0.338)
Sep 6 2014	Iran misses IAEA deadline	-0.706 (0.292)	0.517 (0.399)
Sep 27 2014†	Negotiation round ends in New York	-0.274 (0.202)	-0.156 (0.312)
Nov 22 2014†	Negotiation round in progress in Vienna	-0.353 (0.247)	0.011 (0.402)
Feb 24 2015‡	Negotiations between Iran and US end in Geneva	0.327 (0.296)	-0.342 (0.417)
Mar 7 2015	Several P5+1 members discuss negotiations	-0.219 (0.253)	0.227 (0.367)
Mar 14 2015	US Secretary of State holds press conference	0.897 (0.223)	-0.173 (0.343)
Mar 25 2015†	Negotiation round ends in Lausanne	0.409 (0.172)	0.164 (0.315)
Apr 4 2015‡	Framework agreement reached in Lausanne	2.211 (0.257)	0.459 (0.415)
Apr 11 2015	Framework agreement reached in previous week in Lausanne	-0.516 (0.195)	-0.279 (0.348)
May 30 2015†	Negotiations between Iran and US held in Geneva	0.138 (0.216)	0.101 (0.334)
Jun 13 2015	President of Iran holds press conference	0.765 (0.215)	-0.163 (0.291)
Jul 4 2015‡	Negotiation round in progress in Vienna	1.029 (0.270)	0.066 (0.407)
Jul 14 2015‡	Final agreement reached in Vienna	0.145 (0.291)	0.414 (0.431)

This table displays estimated effects on returns of target and non-target firms of the events used in our specification in Panel B column (5) of Table 4. The table displays the results of a single regression, including dummies for each event day and interactions between these dummies and an indicator variable for firms in the target portfolio. The specification also includes firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. The dependent variable is daily stock return in percent. The event days are identified by listing values of our GDELT news coverage measure that are at least two standard deviations greater than the mean, and then excluding cases that are within one week of larger peaks in news coverage, as explained in Section 5.2.1. Event days involving direct negotiations between Iran and P5+1 countries, and therefore used in our specification on Table 4 Panel B column (6), are highlighted in light or dark blue (and a dagger or double-dagger symbol). Dark blue (and the double-dagger symbol) is used to mark negotiations episodes classified as making forward progress, which are also used in Table 4 Panel B column (7). The sample period is from April 14, 2012 to July 15, 2015, excluding February to August 2013. The regression includes 60,763 observations and 136 firms. Standard errors, clustered by firm, are in parentheses.

Table A10: Robustness Checks – Continuous News Coverage Measure

	(1) Excluding Geneva	(2) Post-Geneva	(3) Industry controls	(4) Market cap controls	(5) Size data subsample	(6) All size controls
Panel A - Factiva measure						
Coverage	0.070	0.062		0.083	0.071	0.076
	(0.012)	(0.013)		(0.013)	(0.016)	(0.017)
Target * coverage	0.055	0.067	0.111	0.084	0.073	0.062
	(0.018)	(0.021)	(0.021)	(0.020)	(0.024)	(0.027)
Observations	68,166	39,596	73,247	74,775	44,954	44,954
Number of firms	136	130	135	136	79	79
Panel B - GDELT measure						
Coverage	0.062	0.064		0.071	0.051	0.054
	(0.012)	(0.013)		(0.012)	(0.016)	(0.016)
Target * coverage	0.045	0.048	0.077	0.055	0.071	0.068
	(0.018)	(0.020)	(0.019)	(0.018)	(0.022)	(0.022)
Observations	55,674	39,596	60,524	61,843	37,096	37,096
Number of firms	136	130	135	136	79	79

This table displays robustness checks of the results in Table 4 column (2). The dependent variable is daily stock return in percent. The variable 'coverage' is a standardised count of the number of articles on a relevant event identified in the Factiva (Panel A) or GDELT (Panel B) data, as discussed in Section 4.3. In Panel A, the sample period in column (1) is from April 14, 2012 to July 15, 2015 excluding August 26, 2013 to November 24, 2013, in column (2) it is from and November 25, 2013 to July 15, 2015, and in columns (3) to (6) it is from April 14, 2012 to July 15, 2015. In Panel B, the sample period in all columns excludes February to August 2013. Column (3) includes interactions of industry dummies with dummies for each day of the sample period. Column (4) includes interactions of de-meaned log market capitalisation as of March 10, 2014 with dummies for each day of the sample period. Column (5) reproduces the baseline estimate in Table 4 column (2) for the subsample of firms (those with available data on turnover, assets and employees in 2012) used in column (6), for purposes of comparison. Column (6) includes interactions of log market capitalisation as of March 10, 2014, and log turnover, log assets and log employees from 2012 (if this data is available from Orbis), all de-meaned, with dummies for each day of the sample period. All columns include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. Standard errors, clustered by firm, are in parentheses.

Table A11: Alternative Portfolio Definitions – Continuous News Coverage Measure

	(1) Direct targets and assets	(2) Portfolio of other firms	(3) Other sources	(4) Ownership shares	(5) Matched sample	(6) All firms
Panel A - Factiva measure						
Coverage	0.077 (0.013)	0.077 (0.013)	0.077 (0.013)	0.089 (0.007)	0.068 (0.013)	0.080 (0.007)
Target * coverage		0.092 (0.019)	0.049 (0.019)	0.124 (0.035)	0.063 (0.023)	0.083 (0.015)
Direct target * coverage	0.102 (0.042)					
Target asset * coverage	0.090 (0.020)					
Other * coverage		-0.001 (0.015)				
Observations	74,775	169,028	76,186	152,414	75,483	178,879
Target firms	50	50	51	N/A	23	53
Non-target firms	86	86	86	N/A	110	268
Total number of firms	136	306	137	279	133	321
Panel B - GDELT measure						
Coverage	0.065 (0.013)	0.065 (0.013)	0.065 (0.013)	0.067 (0.007)	0.036 (0.013)	0.061 (0.007)
Target * coverage		0.066 (0.017)	0.040 (0.018)	0.100 (0.032)	0.081 (0.021)	0.069 (0.014)
Direct target * coverage	0.071 (0.042)					
Target asset * coverage	0.066 (0.018)					
Other * coverage		-0.009 (0.015)				
Observations	61,843	139,892	62,968	126,131	62,412	148,009
Target firms	50	50	51	N/A	23	53
Non-target firms	86	86	86	N/A	110	268
Total number of firms	136	306	137	279	133	321

This table displays robustness checks of the results in Table 4 column (2), displaying estimated effects on returns of various firm portfolios. The dependent variable is daily stock return in percent. The variable 'coverage' is a standardised count of the number of articles on a relevant event identified in the Factiva (Panel A) or GDELT (Panel B) data, as discussed in Section 4.3. Column (1) separates the target portfolio into two parts: firms identified directly from smart sanctions documents ('direct target') and firms in which targeted entities have a direct ownership stake ('target asset'). There are six direct target firms and 44 target asset firms in these regressions. Column (2) includes firms dropped from the baseline sample, excluding firms involved in the nuclear programme, as a separate portfolio ('other'); 170 of these other firms are included in these regressions. Column (3) defines the target portfolio as the set of firms identified as IRGC or Setad assets in smart sanctions documents, Alfoneh (2010) or Reuters (2013). This adds 20 additional target firms to the regressions, while dropping 19 firms from the baseline target portfolio. In column (4), the variable 'target' is the observed share of a firm that is owned by firms identified as IRGC or Setad assets in smart sanctions documents, rather than a dummy variable for portfolio membership. In column (5), the sample of firms is selected using coarsened exact matching on industry, market capitalisation, turnover, assets and employees, among firms for which this data is available. In column (6), the sample of firms is widened to include all firms listed on the TSE as of April 14, 2012, and all firms not satisfying the baseline target definition are classified into the non-target portfolio. This also adds three target firms that had been dropped due to involvement in Iran's nuclear programme. The sample period is from April 14, 2012 to July 15, 2015 (excluding February to August 2013 in Panel B). All columns include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. Standard errors, clustered by firm, are in parentheses.

Table A12: Robustness Checks – Positive Negotiations Dummy

	(1) Industry controls	(2) Market cap controls	(3) Size data subsample	(4) All size controls
Panel A - Factiva measure				
Coverage		0.738	0.625	0.653
		(0.115)	(0.156)	(0.148)
Target * coverage	0.945	0.713	0.769	0.681
	(0.190)	(0.172)	(0.226)	(0.230)
Observations	71,359	72,853	43,790	43,790
Number of firms	135	136	79	79
Panel B - GDELT measure				
Coverage		0.727	0.528	0.583
		(0.112)	(0.149)	(0.144)
Target * coverage	0.689	0.475	0.691	0.538
	(0.185)	(0.169)	(0.216)	(0.209)
Observations	58,322	59,597	35,723	35,723
Number of firms	135	136	79	79

This table displays robustness checks of the results in Table 4 column (7). The dependent variable is daily stock return in percent. The variable 'coverage' is a dummy for episodes where progress in direct international negotiations is apparent from media articles on relevant events identified in the Factiva (Panel A) or GDELT (Panel B) data, as discussed in Section 5.2.1. Column (1) includes interactions of industry dummies with dummies for each day of the sample period. Column (2) includes interactions of de-meaned log market capitalisation as of March 10, 2014 with dummies for each day of the sample period. Column (3) reproduces the baseline estimate in Table 4 column (7) for the subsample of firms (those with available data on turnover, assets and employees in 2012) used in column (4), for purposes of comparison. Column (4) includes interactions of log market capitalisation as of March 10, 2014, and log turnover, log assets and log employees from 2012 (if this data is available from Orbis), all de-meaned, with dummies for each day of the sample period. All columns include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. The sample period is from April 14, 2012 to July 15, 2015 (excluding February to August 2013 in Panel B). Standard errors, clustered by firm, are in parentheses.

Table A13: Alternative Portfolio Definitions – Positive Negotiations Dummy

	(1) Direct targets and assets	(2) Portfolio of other firms	(3) Other sources	(4) Ownership shares	(5) Matched sample	(6) All firms
Panel A - Factiva measure						
Coverage	0.679	0.679	0.679	0.818	0.604	0.801
	(0.122)	(0.122)	(0.122)	(0.073)	(0.153)	(0.070)
Target * coverage		0.856	0.597	1.140	0.603	0.697
		(0.179)	(0.175)	(0.294)	(0.229)	(0.145)
Direct target * coverage	0.931					
	(0.357)					
Target asset * coverage	0.845					
	(0.188)					
Other * coverage		0.127				
		(0.151)				
Observations	72,853	164,684	74,235	148,482	73,563	174,274
Target firms	50	50	51	N/A	23	53
Non-target firms	86	86	86	N/A	110	268
Total number of firms	136	306	137	279	133	321
Panel B - GDELT measure						
Coverage	0.679	0.679	0.679	0.713	0.560	0.751
	(0.120)	(0.119)	(0.120)	(0.072)	(0.149)	(0.072)
Target * coverage		0.594	0.481	1.204	0.517	0.532
		(0.177)	(0.171)	(0.245)	(0.223)	(0.144)
Direct target * coverage	1.144					
	(0.285)					
Target asset * coverage	0.514					
	(0.185)					
Other * coverage		0.032				
		(0.150)				
Observations	59,597	134,778	60,654	121,502	60,125	142,599
Target firms	50	50	51	N/A	23	53
Non-target firms	86	86	86	N/A	110	268
Total number of firms	136	306	137	279	133	321

This table displays robustness checks of the results in Table 4 column (7), displaying estimated effects on returns of various firm portfolios. The dependent variable is daily stock return in percent. The variable 'coverage' is a dummy for episodes where progress in direct international negotiations is apparent from media articles on relevant events identified in the Factiva (Panel A) or GDELT (Panel B) data, as discussed in Section 5.2.1. Column (1) separates the target portfolio into two parts: firms identified directly from smart sanctions documents ('direct target') and firms in which targeted entities have a direct ownership stake ('target asset'). There are six direct target firms and 44 target asset firms in these regressions. Column (2) includes firms dropped from the baseline sample, excluding firms involved in the nuclear programme, as a separate portfolio ('other'); 170 of these other firms are included in these regressions. Column (3) defines the target portfolio as the set of firms identified as IRGC or Setad assets in smart sanctions documents, Alfoneh (2010) or Reuters (2013). This adds 20 additional target firms to the regressions, while dropping 19 firms from the baseline target portfolio. In column (4), the variable 'target' is the observed share of a firm that is owned by firms identified as IRGC or Setad assets in smart sanctions documents, rather than a dummy variable for portfolio membership. In column (5), the sample of firms is selected using coarsened exact matching on industry, market capitalisation, turnover, assets and employees, among firms for which this data is available. In column (6), the sample of firms is widened to include all firms listed on the TSE as of April 14, 2012, and all firms not satisfying the baseline target definition are classified into the non-target portfolio. This also adds three target firms that had been dropped due to involvement in Iran's nuclear programme. The sample period is from April 14, 2012 to July 15, 2015 (excluding February to August 2013 in Panel B). All columns include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. Standard errors, clustered by firm, are in parentheses.

Table A14: Heterogeneity by Conglomerate – IRGC and Setad Assets

	(1) Full sample	(2) Before Setad sanctions	(3) After Setad sanctions
Panel A - Factiva measure			
Coverage	0.077	0.138	0.066
	(0.013)	(0.038)	(0.014)
IRGC * coverage	0.149	0.115	0.145
	(0.044)	(0.071)	(0.055)
Setad * coverage	0.085	-0.075	0.106
	(0.019)	(0.053)	(0.021)
Observations	74,775	23,357	51,322
Number of firms	136	134	132
Panel B - GDELT measure			
Coverage	0.065	0.042	0.067
	(0.013)	(0.039)	(0.013)
IRGC * coverage	0.077	0.126	0.072
	(0.041)	(0.072)	(0.045)
Setad * coverage	0.065	0.015	0.070
	(0.018)	(0.054)	(0.019)
Observations	61,843	16,078	45,765
Number of firms	136	133	131

This table displays estimated effects on returns of target firms (divided into those that are IRGC assets and those that are Setad assets) and non-target firms from specifications that include a daily measure of news coverage related to diplomatic progress between Iran and the P5+1 countries. The dependent variable is daily stock return in percent. The variable 'coverage' is a standardised count of the number of articles on a relevant event identified in the Factiva (Panel A) or GDELT (Panel B) data. In Panel A, the sample period in column (1) is from April 14, 2012 to July 15, 2015, in column (2) it is from April 14, 2012 to June 3, 2013 and in column (3) it is from June 8, 2013 to July 15, 2015. In Panel B, the sample period in all columns excludes February to August 2013. All columns include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. Standard errors, clustered by firm, are in parentheses.

Table A15: Heterogeneity – Non-Target Firms in Industries Subject to Sanctions

| | (1) Geneva deal | (2) Continuous measure | (3) | (4) Positive negot. dummy | (5) |
		Factiva	GDELT	Factiva	GDELT
Geneva	0.116 {0.722}				
Industry sanctions * Geneva	1.140 {0.174}				
Coverage		0.056 {0.033}	0.045 {0.094}	0.262 {0.061}	0.322 {0.122}
Industry sanctions * coverage		0.046 {0.143}	0.042 {0.169}	0.877 {0.008}	0.757 {0.022}
Observations	3,909	44,092	36,360	42,968	35,017
Number of industries	14	14	14	14	14

This table displays estimated effects of industry-specific sanctions on returns of non-target firms. The dependent variable is daily stock return in percent. The variable 'industry sanctions' is a dummy equal to one for firms in Iranian industries subject to sanctions, according to the list of sanctions to be removed in the final deal between Iran and the P5+1 countries. In column (1), 'Geneva' is defined as the two days Saturday November 23 and Sunday November 24, 2013. In columns (2) and (3), the variable 'coverage' is a standardised count of the number of articles on a relevant event identified in the Factiva (column (2)) or GDELT (column (3)) data, as discussed in Section 4.3. In columns (4) and (5), the variable 'coverage' is a dummy for episodes where progress in direct international negotiations is apparent from media articles on relevant events identified in the Factiva (column (4)) or GDELT (column (5)) data, as discussed in Section 5.2.1. Column (1) includes firm fixed effects, and columns (2) to (5) include firm-quarter-day-of-week fixed effects. Here, 'quarter' refers to a unique quarter and year. In column (1), the sample period is Geneva and the previous sixty trading days. In columns (2) to (5), the sample period is from April 14, 2012 to July 15, 2015 (excluding February to August 2013 in columns (3) and (5)). The p-values in curly brackets are based on clustering by industry, using the wild bootstrap approach of Cameron *et al.* (2008) due to the small number of clusters, calculated with the boottest Stata package of Roodman *et al.* (2019).

Table A16: Clustering by Industry – Post-Deal Events

	(1) US election Nov 2016	(2) Factiva measure post-election	(3) GDELT measure post-election	(4) GDELT measure post-election
Election	-1.667 [0.000] {0.001}			
Target * election	-1.296 [0.003] {0.020}			
Coverage		0.040 [0.022] {0.099}	0.051 [0.002] {0.030}	
Target * coverage		-0.031 [0.152] {0.130}	-0.036 [0.117] {0.129}	
US coverage				0.015 [0.350] {0.485}
Target * US coverage				-0.007 [0.747] {0.660}
P4+1 coverage				0.044 [0.024] {0.047}
Target * P4+1 coverage				-0.035 [0.204] {0.127}
Observations	6,346	36,484	36,484	36,484
Number of firms	120	123	123	123
Number of industries	15	15	15	15

This table reproduces the point estimates from Table 5, along with p-values based on two different clustering strategies. The p-values in square brackets are based on clustering by firm. The p-values in curly brackets are based on clustering by industry, using the wild bootstrap approach of Cameron *et al.* (2008) due to the small number of clusters, calculated with the boottest Stata package of Roodman *et al.* (2019). See the notes for Table 5 for other information on these specifications.

Table A17: Robustness Checks – Election Event

	(1) Firm-day- of-week FEs	(2) Industry controls	(3) Market cap controls	(4) Size data subsample	(5) All size controls
Election	-1.705		-1.642	-1.653	-1.742
	(0.319)		(0.297)	(0.344)	(0.376)
Target * election	-1.236	-1.499	-1.479	-1.133	-1.136
	(0.434)	(0.462)	(0.430)	(0.564)	(0.618)
Observations	6,344	6,199	6,346	3,851	3,851
Number of firms	120	118	120	74	74

This table displays robustness checks of the results in Table 5 column (1). The dependent variable is daily stock return in percent. 'Election' is defined as the event day Wednesday November 9, 2016. All columns except column (1) include firm fixed effects. Column (1) includes firm-day-of-week fixed effects. Column (2) includes interactions of industry dummies with dummies for each day of the sample period. Column (3) includes interactions of de-meaned log market capitalisation as of March 10, 2014 with dummies for each day of the sample period. Column (4) reproduces the baseline estimate in Table 5 column (1) for the subsample of firms (those with available data on turnover, assets and employees in 2012) used in column (5), for purposes of comparison. Column (5) includes interactions of log market capitalisation as of March 10, 2014, and log turnover, log assets and log employees from 2012 (if this data is available from Orbis), all de-meaned, with dummies for each day of the sample period. The sample period is the election event day and the previous sixty trading days. Standard errors, clustered by firm, are in parentheses.

Table A18: Alternative Portfolio Definitions – Election Event

	(1) Direct targets and assets	(2) Portfolio of other firms	(3) Other sources	(4) Ownership shares	(5) Matched sample	(6) All firms
Election	-1.667 (0.305)	-1.730 (0.304)	-1.667 (0.305)	-1.808 (0.186)	-1.710 (0.348)	-1.639 (0.183)
Target * election		-1.293 (0.430)	-0.434 (0.472)	-1.021 (0.690)	-1.159 (0.608)	-1.290 (0.359)
Direct target * election	-0.330 (0.767)					
Target asset * election	-1.490 (0.449)					
Other * election		0.122 (0.387)				
Observations	6,346	14,128	6,432	12,848	6,403	14,676
Target firms	48	48	50	N/A	23	51
Non-target firms	72	72	72	N/A	105	234
Total number of firms	120	274	122	248	128	285

This table displays estimated effects of the election event on returns of various firm portfolios. The dependent variable is daily stock return in percent. 'Election' is defined as the event day Wednesday November 9, 2016. Column (1) separates the target portfolio into two parts: firms identified directly from smart sanctions documents ('direct target') and firms in which targeted entities have a direct ownership stake ('target asset'). There are six direct target firms and 42 target asset firms in this regression. Column (2) includes firms dropped from the baseline sample, excluding firms involved in the nuclear programme, as a separate portfolio ('other'); 154 of these other firms are included in this regression. Column (3) defines the target portfolio as the set of firms identified as IRGC or Setad assets in smart sanctions documents, Alfoneh (2010) or Reuters (2013). This adds 19 additional target firms to the regression, while dropping 17 firms from the baseline target portfolio. In column (4), the variable 'target' is the observed share of a firm that is owned by firms identified as IRGC or Setad assets in smart sanctions documents, rather than a dummy variable for portfolio membership. In column (5), the sample of firms is selected using coarsened exact matching on industry, market capitalisation, turnover, assets and employees, among firms for which this data is available. In column (6), the sample of firms is widened to include all firms listed on the TSE as of April 14, 2012, and all firms not satisfying the baseline target definition are classified into the non-target portfolio. This also adds three target firms that had been dropped due to involvement in Iran's nuclear programme. The sample period is the election event day and the previous sixty trading days. All columns include firm fixed effects. Standard errors, clustered by firm, are in parentheses.

Table A19: Post-Deal Events – Additional Specifications

	(1)	(2)	(3)	(4)	(5)
	US waiver renewals				US withdrawal
	May 2017	Sept 2017	Jan 2018	All three	May 2018
Renewal	1.590	0.330	0.487	0.807	
	(0.243)	(0.256)	(0.243)	(0.163)	
Target * renewal	-0.187	-0.194	-0.156	-0.272	
	(0.388)	(0.319)	(0.284)	(0.210)	
Withdrawal					-0.633
					(0.240)
Target * withdrawal					0.071
					(0.336)
Observations	6,115	6,119	6,554	18,789	6,485
Number of firms	120	122	121	123	121

This table displays estimated effects of sanctions-related events after the 2016 US election on returns of target and non-target firms. 'Renewal' represents an event day when US sanctions waivers were renewed: May 20, 2017, September 16, 2017 and/or January 13, 2018. Each renewal event is studied separately in columns (1) to (3), while column (4) jointly considers all three renewal events. 'Withdrawal' represents the US withdrawal from the sanctions deal on May 9, 2018. The dependent variable is daily stock return in percent. In columns (1), (2), (3) and (5), the sample period is the event day and the sixty preceding trading days. In column (4), the sample period consists of the three renewal event days and the sixty trading days prior to each of these event days. All columns include firm fixed effects. Standard errors, clustered by firm, are in parentheses.

Table A20: Top Fifteen Peaks in News Coverage Measures – 2016-2018 Sample Period

Date	Value	Event
Panel A - Factiva measure		
May 9 2018	**8.89**	**US withdraws from agreement on previous day**
May 8 2018	**6.68**	**US withdraws from agreement**
Oct 14 2017*	**4.83**	**US decertifies agreement**
Feb 4 2017*	**4.71**	**US imposes sanctions after missile test**
May 5 2018*	**4.04**	**US set to withdraw from agreement**
Jul 29 2017*	**3.97**	**US-Iran confrontation at sea**
Apr 28 2018*	3.95	US Secretary of State calls for new sanctions
Jan 13 2018*	**3.36**	**US renews sanctions waiver**
Dec 3 2016*	2.87	US extends Iran Sanctions Act
Aug 6 2017*	2.68	Some P5+1 members attend Iran presidential inauguration
Mar 25 2018*	2.63	US imposes sanctions after hacking episode
Jan 6 2018*	2.34	Demonstrations take place across Iran
Sep 23 2017*	**2.17**	**Iran tests missile, some P5+1 members support deal**
May 7 2018	1.84	US set to withdraw from agreement
Jul 26 2017	1.63	Iran imposes sanctions on US firms
Panel B - GDELT measure		
Oct 14 2017*	**7.54**	**US decertifies agreement**
May 9 2018	**5.40**	**US withdraws from agreement on previous day**
May 8 2018	**4.97**	**US withdraws from agreement**
Jan 30 2017	4.00	Iran tests missile on previous day
Jan 13 2018*	**3.87**	**US renews sanctions waiver**
Jul 29 2017*	**3.67**	**US-Iran confrontation at sea**
Feb 4 2017*	**3.54**	**US imposes sanctions after missile test**
Sep 23 2017*	**3.17**	**Iran tests missile, some P5+1 members support deal**
May 6 2017*	3.13	Agreement discussed at Iranian presidential debate
Jan 31 2017	2.80	Iran tests missile two days earlier
Dec 18 2016*	2.70	US confirms extension of Iran Sanctions Act
Jan 29 2017	2.52	Iran tests missile
May 5 2018*	**2.40**	**US set to withdraw from agreement**
Dec 20 2016	2.31	Iran meets Russia to discuss Syria
May 1 2018	2.23	Israel claims existence of Iran nuclear programme

This table displays the top fifteen observations, within the sample period November 12, 2016 to May 9, 2018, of a standardised count of the number of articles on relevant events identified in the Factiva (Panel A) and GDELT (Panel B) datasets, as discussed in Section 5.3. For each of these observations, the table shows the relevant date, the value of the variable, and an event of that day that is relevant to relations between countries of the P5+1 and Iran. Entries that are among the top fifteen observations for both of the two measures are highlighted in bold. Dates are marked with stars when the observation also includes events from prior days because of weekends or holidays on the TSE.

Table A21: Conflict Risk – Additional Specifications

Panel A - Geneva and election event studies

	(1)	(2)	(3)	(4)
	Geneva event		Election event	
Event	-0.003	-0.067	1.221	1.646
	(0.138)	(0.282)	(0.421)	(0.859)
Sensitivity rank		0.002		-0.012
* event		(0.008)		(0.023)
Observations	3,788	3,788	3,752	3,752
Number of firms	66	66	64	64

Panel B - Post-election news coverage

	(1)	(2)	(3)	(4)
	Factiva measure		GDELT measure	
Coverage	0.029	0.002	-0.024	-0.062
	(0.009)	(0.018)	(0.010)	(0.019)
Sensitivity rank		0.0008		0.0011
* coverage		(0.0005)		(0.0005)
Observations	22,516	22,516	22,516	22,516
Number of firms	64	64	64	64

This table displays estimated effects from specifications based on returns of non-Iranian firms in the arms industry. The dependent variable in both panels is daily stock return in percent. 'Event' is defined as Monday November 25, 2013 in columns (1) and (2) and Wednesday November 9, 2016 in columns (3) and (4). 'Coverage' is a standardised count of the number of articles on a relevant event identified in the Factiva (columns (1) and (2)) or GDELT (columns (3) and (4)) data. 'Sensitivity rank' is the rank of each firm based on the responsiveness of its stock return to the daily change in the airstrike arrival probability in the first quarter of 2012, as discussed in Section 6.2. All columns in Panel A include firm fixed effects, and all columns in Panel B include firm-quarter-day-of-week fixed effects, where 'quarter' refers to a unique quarter and year. In Panel A, the sample period is the event day (for the Geneva deal in columns (1) and (2) and for the 2016 US election in columns (3) and (4)) and the sixty previous trading days, and in Panel B, the sample period is from November 12, 2016 to May 9, 2018. Standard errors, clustered by firm, are in parentheses.