

Impact of Marketplace Lending on Consumers’ Future Borrowing Capacities and Borrowing Outcomes

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Appendix A. Immediate credit score jump and credit access

Despite its mechanical nature, we find that the credit score jump immediately after the MPL take-up has a real effect on the MPL borrowers’ access to credit. Consistent with credit scores proxying for future borrowing capacities, we find that the immediate credit score jump improves the MPL borrowers’ access to credit.

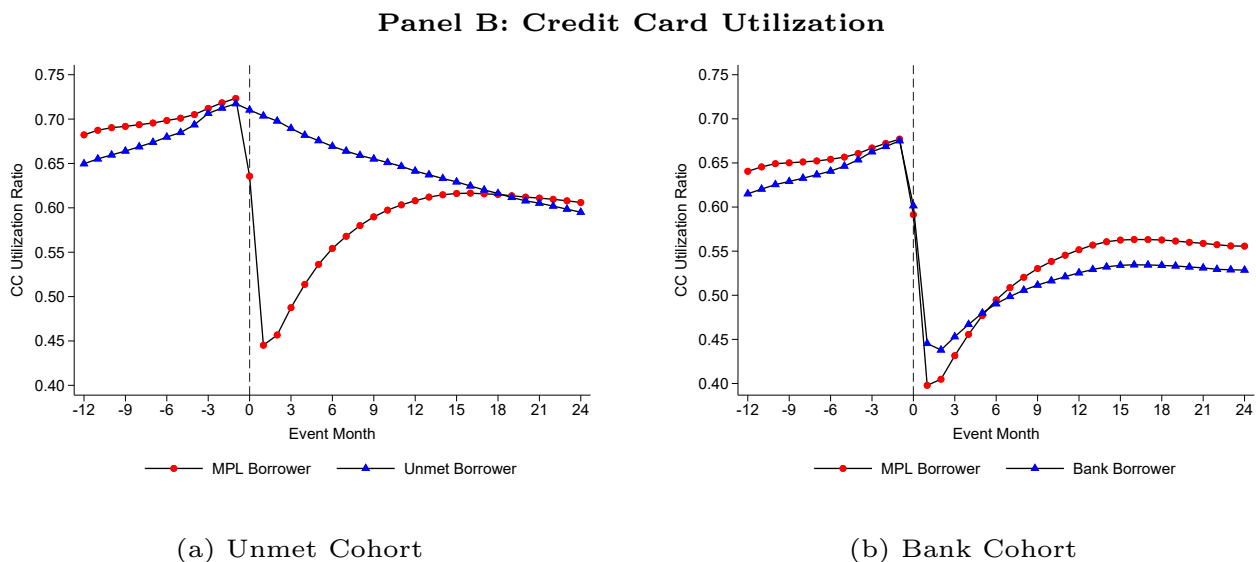
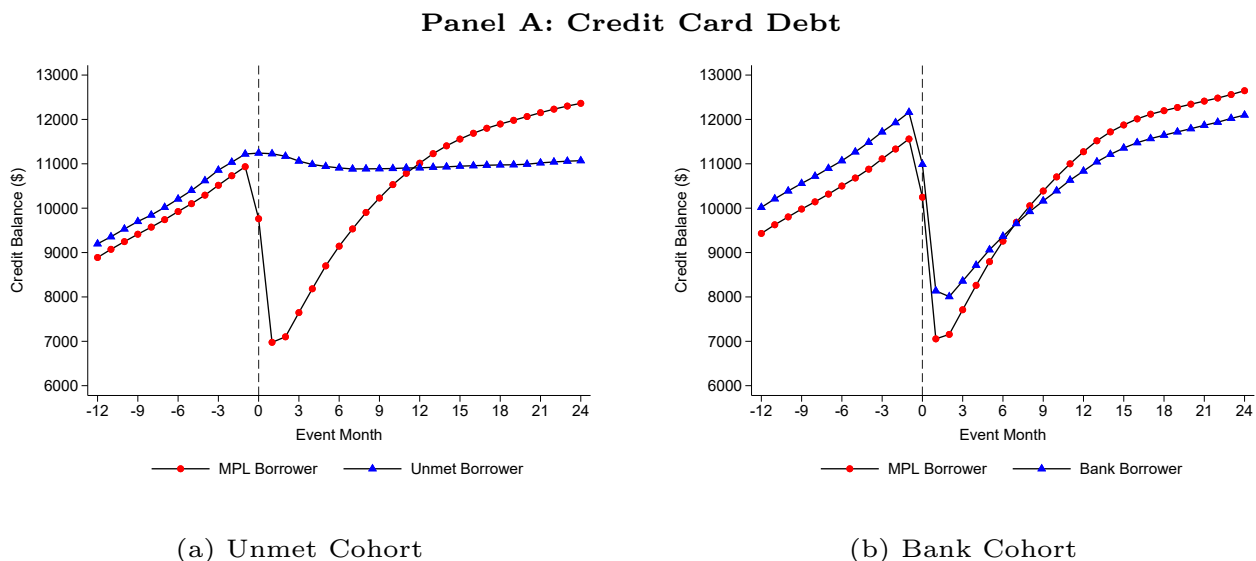
In Table A11 we estimate the baseline specification in Eq. (1) with the log change in total credit card limits as the dependent variable, and report the coefficients associated with *MPL*. For each month, the total credit limit for an individual is computed by aggregating the credit limits across all the credit cards of an individual. Thus, this definition captures credit limit changes on both the intensive and the extensive margin.

Columns (1) and (4) of Table A11 shows that the credit limits of MPL borrowers increase monotonically over time relative to the unmet and bank borrowers, respectively, within the first 12–18 months after obtaining the MPL loan. As Fig. 1, Panel A shows, during this period the MPL borrowers’ credit scores are higher than their credit scores prior to their MPL loan take-up. In Columns (2) and (5) we add the immediate credit score jump as a control variable to the specifications in Columns (1) and (4). The results show that the credit score jump shortly after the MPL loan take-up explains about 68% and 32% of the credit limit increase of MPL borrowers relative to the benchmark unmet and bank borrowers, respectively two years after the MPL loan take-up. Moreover, the explanatory power of this immediate credit score jump strengthens over time, as shown in Fig. A4, which plots the coefficient on the credit score jump over time from the estimated regressions in Columns (2) and (5).

Next, we distinguish between two sources of credit limit growth: (i) new account openings (i.e., extensive margin), and (ii) increased limits on existing credit cards (i.e., intensive margin). The credit limit growth on the extensive margin is usually demand-driven because consumers need to apply to open new credit card accounts. In contrast, the credit limit growth on the intensive margin can be supply-driven because lenders can choose to increase credit limits even when borrowers do not request it.

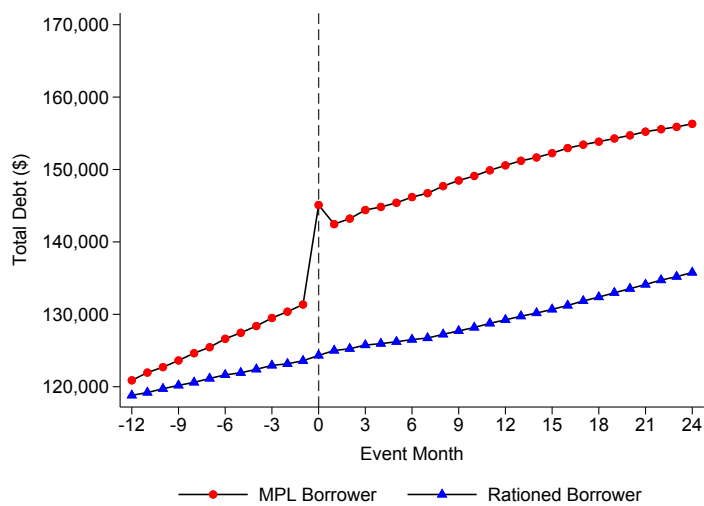
Columns (3) and (6) of Table A11 control for the credit limit growth on the extensive margin by including the log-change in the number of credit card accounts. The results show that the credit limit growth of the MPL borrowers primarily occurs on the extensive margin. This indicates that the credit limit increase for MPL borrowers is more likely to be demand-driven than supply-driven. Moreover, these results also suggest that the credit limit growth most likely occurs at new lenders, who arguably have to rely on hard information such as credit scores for their lending decisions. This is because existing lenders can increase credit limits on existing credit cards if consumers demand more credit. Additionally, consistent with the demand-driven increase in credit limits, Table A12 shows that MPL borrowers are more likely to apply and open new credit card accounts conditional on the credit score jump immediately after their loan take-up. Overall, the evidence in Table A11 indicates that MPL borrowers enjoy higher credit limits due to their sharp improvement in credit scores after the MPL loan take-up.

Fig. A1: Impact of MPL loans on future credit card debt

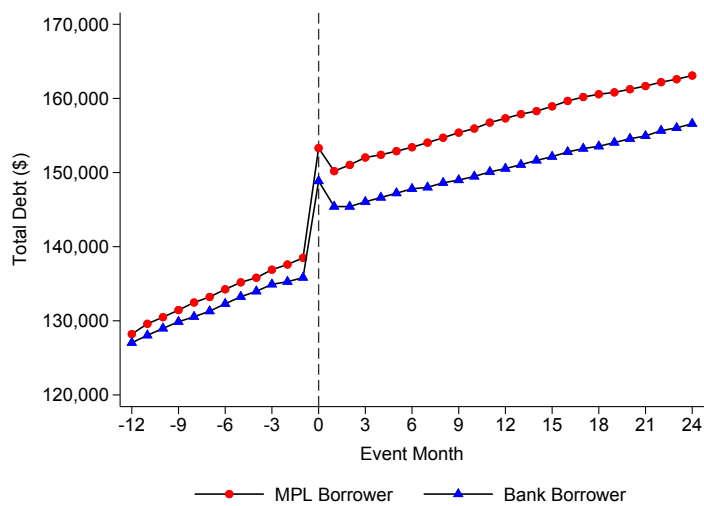


This figure presents average trends in the credit card debt and credit card utilization of MPL borrowers in the months around MPL loan origination for the unmet and bank cohorts. Panel A documents trends in credit card debt, and Panel B documents trends in credit card utilization ratios. In both panels, the x -axis displays event time relative to the month of loan origination. In Panel A, the y -axis represents credit card balances, while in Panel B, the y -axis represents credit card utilization ratios.

Fig. A2: Impact of MPL loans on total debt



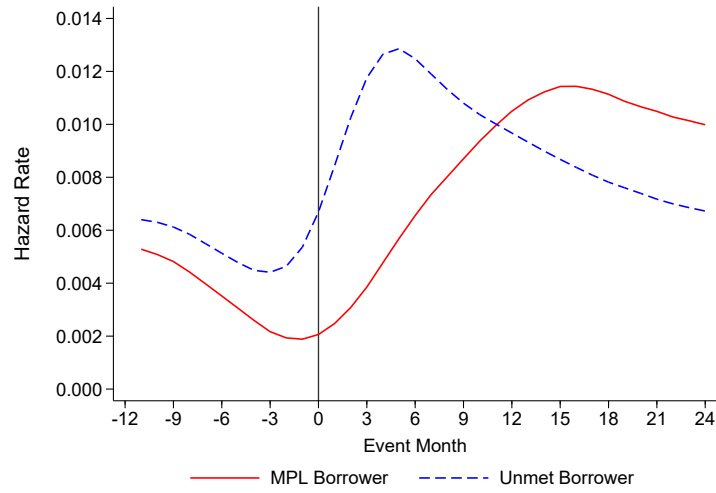
(a) Unmet Cohort



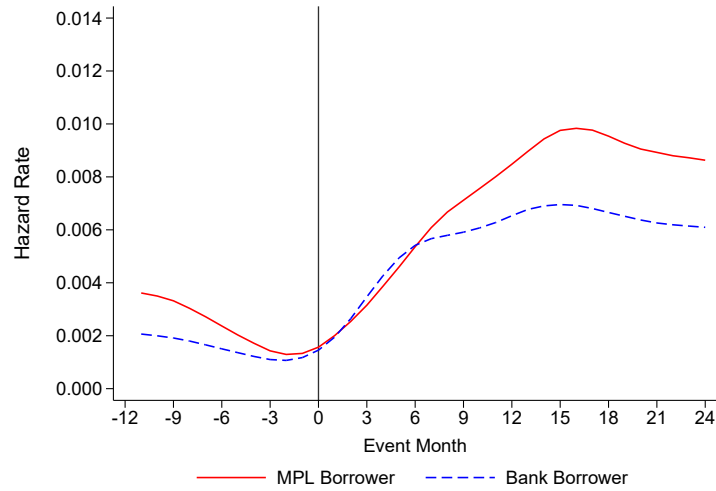
(b) Bank Cohort

This figure presents the average monthly trends for the total debt balances for the unmet and bank cohorts. The x -axis displays event time relative to the month of loan origination and the y -axis represents the total debt.

Fig. A3: Impact of MPL loans on future default hazard rates



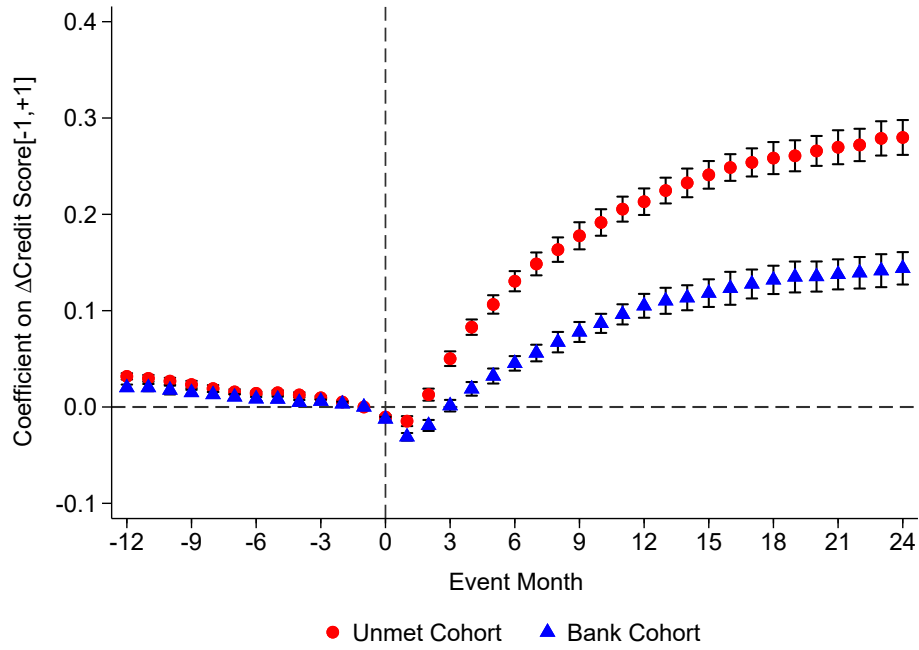
(a) Unmet Cohort



(b) Bank Cohort

This figure presents the default hazard rates across borrowers' all debt accounts for unmet and bank cohorts. The default hazard rate at month t is defined as the number of borrowers that enter delinquency in month t as a fraction of the number of non-delinquent borrowers in month $t - 1$. The x -axis displays event time relative to the month of loan origination and the y -axis represents the default hazard rate.

Fig. A4: Impact of the immediate credit score jump on future credit limits



The figure presents the effect of the immediate credit score jump after the MPL loan take-up on future credit limits. The credit score jump is computed as the change in credit scores in the $[-1,+1]$ event-month time period, where event-month 0 represents the month of the MPL loan origination. The figure plots the coefficients and their 95% confidence intervals associated with the credit score jump from the regressions in Table A11, Columns (2) and (4). The x -axis displays event time relative to the month of MPL loan origination.

Table A1: Impact of credit card debt consolidation on credit scores

Monthly DID	Dependent Variable: Credit Scores			
	Unmet Cohort		Bank Cohort	
MPL Coef. $\beta\{t\}$	(1)	(2)	(3)	(4)
<i>Pre-period</i>				
-12	-1.597*** (0.286)	-1.597*** (0.286)	-3.434*** (0.261)	-3.434*** (0.261)
-6	-0.943*** (0.126)	-0.943*** (0.126)	-2.632*** (0.169)	-2.632*** (0.169)
-3	-0.172 (0.124)	-0.172 (0.124)	-1.720*** (0.127)	-1.720*** (0.127)
-2	0.215*** (0.075)	0.215*** (0.075)	-1.084*** (0.110)	-1.084*** (0.110)
<i>Post-period</i>				
+0	12.493*** (0.656)	5.009*** (0.195)	1.025** (0.499)	-0.438** (0.193)
+1	38.090*** (0.878)	10.361*** (0.484)	13.029*** (1.062)	6.730*** (0.642)
+2	37.365*** (0.994)	9.749*** (0.694)	12.354*** (0.977)	7.081*** (0.586)
+3	27.472*** (0.716)	3.746*** (0.424)	3.770*** (0.745)	-0.329 (0.357)
+6	18.284*** (0.724)	2.418*** (0.450)	0.131 (0.727)	-1.352*** (0.269)
+12	7.143*** (0.820)	-0.153 (0.576)	-4.050*** (0.745)	-2.722*** (0.403)
+18	1.798** (0.870)	-1.396** (0.642)	-5.527*** (0.713)	-3.910*** (0.423)
+24	-2.153*** (0.725)	-3.732*** (0.541)	-6.538*** (0.629)	-5.083*** (0.445)
Cohort FE	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓
Δ CC Util $(-1, t)$		✓		✓
# Cohorts	347,172	347,172	118,148	118,148
Avg. Adj. R ²	0.171	0.451	0.175	0.505

This table presents the point estimates plotted in Fig. 2 in the main paper. These results show the evolution of credit scores around the MPL loan take-up with and without controlling for contemporaneous credit card utilization. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A2: Robustness using unmatched sample: Impact of MPL loans on future borrowing capacities

Dependent Variable: Monthly DID MPL Coef. $\beta\{t\}$	Credit Scores	
	MPL vs Unmet	MPL vs Bank
	(1)	(2)
<i>Pre-period</i>		
-12	-0.783*** (0.302)	-4.878*** (0.336)
-6	-0.550** (0.233)	-3.564*** (0.253)
-3	-0.192 (0.188)	-2.544*** (0.213)
-2	0.304** (0.152)	-1.598*** (0.150)
<i>Post-period</i>		
+0	12.013*** (0.555)	1.098*** (0.395)
+1	37.003*** (0.747)	13.291*** (0.847)
+2	36.287*** (0.799)	12.581*** (0.763)
+3	26.294*** (0.603)	4.353*** (0.597)
+6	17.247*** (0.623)	-0.649 (0.620)
+12	5.660*** (0.718)	-5.287*** (0.582)
+18	0.666 (0.745)	-7.200*** (0.602)
+24	-3.130*** (0.692)	-8.815*** (0.605)
Zipcode FE	✓	✓
Origination Month FE	✓	✓
Credit Score Bin FE	✓	✓
Matching Controls	✓	✓
Other Controls	✓	✓
Observations	410,964	136,177
Avg. Adj. R ²	0.198	0.207

This table presents robustness for the results presented in Table 2 in the main paper using the unmatched sample (Table 1, Panel B). Given the large size of the unmatched sample, we use a 5% random subset of the unmatched sample for the regression analysis below. *Controls* include all the control variables included in our baseline specification. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A3: Robustness using unmatched sample: Impact of MPL loans on future borrowing outcomes

Dependent Variable:	Defaults	
	MPL vs Unmet	MPL vs Bank
Monthly DID		
MPL Coef. $\beta\{t\}$	(1)	(2)
<i>Pre-period</i>		
-12	0.234** (0.102)	0.317*** (0.103)
-6	0.011 (0.079)	0.131* (0.078)
-3	-0.006 (0.084)	0.111* (0.066)
-2	-0.042 (0.057)	0.064 (0.048)
+0	-0.389*** (0.054)	-0.008 (0.054)
<i>Post-period</i>		
+1	-0.750*** (0.065)	-0.095 (0.079)
+2	-1.301*** (0.090)	-0.200** (0.079)
+3	-1.914*** (0.116)	-0.336*** (0.088)
+6	-2.487*** (0.161)	-0.391** (0.169)
+12	-0.999*** (0.177)	0.156 (0.185)
+18	0.839*** (0.240)	0.795*** (0.223)
+24	1.301*** (0.216)	1.348*** (0.200)
Zipcode FE	✓	✓
Origination Month FE	✓	✓
Credit Score Bin FE	✓	✓
Matching Controls	✓	✓
Other Controls	✓	✓
Observations	410,964	136,177
Avg. Adj. R ²	0.192	0.107

This table presents robustness for the results presented in Table 3 in the main paper using the unmatched sample (Table 1, Panel B). Given the large size of the unmatched sample, we use a 5% random subset of the unmatched sample for the regression analysis below. *Controls* include all the control variables included in our baseline specification. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A4: Robustness with loan term controls: Impact of MPL loans on borrowing capacities

Dependent Variable: Monthly DID MPL Coef. $\beta\{t\}$	Credit Scores	
	Bank Cohort	Bank Cohort
	(1)	(2)
<i>Pre-period</i>		
-12	-3.879*** (0.316)	-3.120*** (0.291)
-6	-2.910*** (0.209)	-2.326*** (0.186)
-3	-2.027*** (0.197)	-1.675*** (0.176)
-2	-1.419*** (0.166)	-1.145*** (0.156)
<i>Post-period</i>		
+0	-0.090 (0.559)	0.791 (0.528)
+1	5.880*** (1.152)	7.433*** (1.065)
+2	5.049*** (0.955)	7.088*** (0.802)
+3	-2.957*** (0.615)	-1.265** (0.500)
+6	-5.814*** (0.603)	-3.529*** (0.469)
+12	-9.127*** (0.591)	-5.773*** (0.592)
+18	-10.737*** (0.694)	-7.128*** (0.721)
+24	-12.576*** (0.714)	-9.224*** (0.719)
Cohort FE	✓	✓
Matching Controls	✓	✓
Other Controls	✓	✓
Amount and Maturity	✓	✓
Interest Rate		✓
# Cohorts	83,393	83,393
Avg. Adj. R ²	0.195	0.205

This table presents robustness for the results presented in Table 2 in the main paper after controlling for the originated MPL loan terms and bank loan terms. We present these results only for the bank cohort. This analysis cannot be conducted for the unmet cohort because the unmet borrowers do not obtain any loans. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A5: Robustness with loan term controls: Impact of MPL loans on borrowing outcomes

Dependent Variable: Monthly DID MPL Coef. $\beta\{t\}$	Defaults	
	Bank Cohort	Bank Cohort
	(1)	(2)
<i>Pre-period</i>		
-12	0.200*** (0.070)	0.160*** (0.061)
-6	0.087 (0.062)	0.081 (0.064)
-3	0.130** (0.056)	0.117** (0.050)
-2	0.060* (0.031)	0.049* (0.028)
<i>Post-period</i>		
+0	0.028 (0.030)	0.030 (0.029)
+1	0.086* (0.048)	0.068 (0.044)
+2	0.094** (0.048)	0.096** (0.049)
+3	0.059 (0.064)	0.096 (0.061)
+6	0.237** (0.121)	0.139 (0.110)
+12	0.844*** (0.156)	0.482*** (0.128)
+18	0.933*** (0.149)	0.488*** (0.135)
+24	1.155*** (0.170)	0.784*** (0.147)
Cohort FE	✓	✓
Matching Controls	✓	✓
Other Controls	✓	✓
Amount and Maturity	✓	✓
Interest Rate		✓
# Cohorts	83,393	83,393
Avg. Adj. R ²	0.115	0.116

This table presents robustness for the results presented in Table 3 in the main paper after controlling for the originated MPL loan terms and bank loan terms. We present these results only for the bank cohort. This analysis cannot be conducted for the unmet cohort because the unmet borrowers do not obtain any loans. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A6: Robustness with loan term controls: Information frictions associated with debt consolidation

Dependent Variable:	24M Defaults	24M Credit Scores
	(1)	(2)
MPL	5.479*** (0.587)	-12.233*** (1.119)
Consolidation Ratio	-5.768*** (0.599)	28.474*** (1.243)
MPL \times Consolidation Ratio	-5.048*** (1.117)	7.515*** (1.620)
Cohort FE	✓	✓
Matching Controls	✓	✓
Other Controls	✓	✓
Amount and Maturity	✓	✓
Interest Rate	✓	✓
# Cohorts	77,254	77,254
Adj. R ²	0.11	0.15

This table presents robustness for the results presented in Table 4 in the main paper after controlling for the originated MPL loan terms and bank loan terms. We present these results only for the bank cohort. This analysis cannot be conducted for the unmet cohort because the unmet borrowers do not obtain any loans. The sample size is reduced by 29% compared to the full bank cohort due to missing observations for the terms on originated MPL loans and bank loans. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A7: Robustness with loan term controls: Effect of MPL investors' informativeness on MPL lending

Dependent Variable:	24M Defaults		24M Credit Scores	
	(1)	(2)	(3)	(4)
MPL	1.321*** (0.503)	2.210*** (0.758)	-10.315*** (1.047)	-11.830*** (1.256)
MPL \times Post	1.951*** (0.588)	0.120 (0.798)	1.286 (1.247)	1.895 (1.489)
MPL \times Non-Prime		-1.473* (0.792)		2.807 (1.943)
MPL \times Post \times Non-Prime		3.278*** (0.882)		-1.037 (2.099)
Cohort FE	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓
Amount and Maturity	✓	✓	✓	✓
Interest Rate	✓	✓	✓	✓
# Cohorts	77,254	77,254	77,254	77,254
Adj. R ²	0.106	0.106	0.124	0.125

This table presents robustness for the results presented in Table 5 in the main paper after controlling for the originated MPL loan terms and bank loan terms. We present these results only for the bank cohort. This analysis cannot be conducted for the unmet cohort because the unmet borrowers do not obtain any loans. The sample size is reduced by 29% compared to the full bank cohort due to missing observations for the terms on originated MPL loans and bank loans. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A8: Robustness with loan term controls: Information frictions associated with lending relationships

Dependent Variable:	24M Defaults		24M Credit Scores	
	(1)	(2)	(3)	(4)
MPL	1.532*** (0.348)	1.664*** (0.378)	-7.007*** (1.222)	-8.413*** (1.174)
MPL \times Relationship	2.067*** (0.475)	0.944** (0.432)	-3.180*** (1.090)	-2.659** (1.357)
MPL \times Non-Prime		-0.175 (0.719)		2.846** (1.255)
MPL \times Relationship \times Non-Prime		2.013*** (0.772)		-1.156 (1.764)
Cohort FE	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓
Amount and Maturity	✓	✓	✓	✓
Interest Rate	✓	✓	✓	✓
# Cohorts	77,254	77,254	77,254	77,254
Adj. R ²	0.106	0.106	0.125	0.125

This table presents robustness for the results presented in Table 6 in the main paper after controlling for the originated MPL loan terms and bank loan terms. We present these results only for the bank cohort. This analysis cannot be conducted for the unmet cohort because the unmet borrowers do not obtain any loans. The sample size is reduced by 29% compared to the full bank cohort due to missing observations for the terms on originated MPL loans and bank loans. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A9: Robustness with loan term controls: Information frictions among MPL borrowers

Dependent Variable:	24M Defaults		24M Credit Scores	
	(1)	(2)	(3)	(4)
One-time MPL	6.577*** (0.289)	5.011*** (0.352)	-7.717*** (0.797)	-4.676*** (1.080)
One-time MPL \times Non-Prime		2.678*** (0.446)		-5.218*** (1.012)
Cohort FE	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓
Amount and Maturity	✓	✓	✓	✓
Interest Rate	✓	✓	✓	✓
# Cohorts	43,662	43,662	43,662	43,662
Adj. R ²	0.031	0.031	0.083	0.084

This table presents robustness for the results presented in Table 7 in the main paper after controlling for the originated MPL loan terms. The sample size is reduced by 32% compared to the full sample in Table 7 due to missing observations for the terms on originated MPL loans. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A10: Impact of MPL loans on future borrowing

Dependent Variable:	Log(Total Non-MTG Debt)		Log(Monthly Debt Payment)	
	Unmet Cohort	Bank Cohort	Unmet Cohort	Bank Cohort
Monthly DID	(1)	(2)	(3)	(4)
<i>Pre-period</i>				
-12	3.962*** (0.417)	0.236 (0.301)	-0.339** (0.136)	-1.039*** (0.134)
-6	2.874*** (0.584)	0.197 (0.218)	-0.002 (0.066)	-0.600*** (0.081)
-3	0.986*** (0.110)	0.126 (0.135)	-0.100 (0.144)	-0.271** (0.121)
-2	0.591*** (0.058)	0.133 (0.106)	-0.079 (0.106)	-0.217** (0.095)
<i>Post-period</i>				
+0	36.493*** (0.303)	3.849*** (0.222)	29.579*** (0.221)	6.342*** (0.154)
+1	27.570*** (0.643)	4.376*** (0.194)	22.415*** (0.329)	8.071*** (0.182)
+2	28.645*** (0.990)	5.837*** (0.212)	22.177*** (0.485)	9.235*** (0.161)
+3	30.403*** (1.038)	6.996*** (0.262)	23.403*** (0.505)	10.106*** (0.212)
+6	32.129*** (1.075)	7.399*** (0.310)	24.783*** (0.562)	10.570*** (0.181)
+12	32.368*** (1.005)	7.698*** (0.511)	28.693*** (0.532)	12.186*** (0.286)
+18	30.111*** (1.097)	6.845*** (0.514)	30.483*** (0.602)	12.835*** (0.446)
+24	27.374*** (1.056)	6.069*** (0.498)	30.072*** (0.604)	12.661*** (0.468)
Cohort FE	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓
# Cohorts	347,172	118,148	347,172	118,148
Avg. Adj. R ²	0.139	0.133	0.298	0.31

This table re-estimates the regression specifications from Table 2 and Table 3 from the main paper using the total non-mortgage debt (Columns (1)–(2)) and the required monthly debt payments (Columns (3)–(4)) as the dependent variables. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A11: What explains the increase in future credit card limits?

Monthly DID MPL Coef. $\beta\{t\}$	Dependent Variable: Log(Credit Card Limits)					
	Unmet Cohort			Bank Cohort		
	(1)	(2)	(3)	(4)	(5)	(6)
<i>Pre-period</i>						
-12	-4.110*** (0.157)	-5.323*** (0.186)	-5.323*** (0.186)	-3.646*** (0.155)	-3.905*** (0.143)	-3.905*** (0.143)
-6	-1.887*** (0.070)	-2.429*** (0.096)	-2.429*** (0.096)	-1.534*** (0.088)	-1.642*** (0.086)	-1.642*** (0.086)
-3	-0.948*** (0.153)	-1.313*** (0.178)	-1.110*** (0.071)	-0.498*** (0.070)	-0.575*** (0.071)	-0.620*** (0.064)
-2	-0.443*** (0.085)	-0.639*** (0.103)	-0.562*** (0.054)	-0.236*** (0.041)	-0.278*** (0.041)	-0.328*** (0.045)
<i>Post-period</i>						
+0	0.247 (0.164)	0.644*** (0.188)	-0.136* (0.071)	0.122* (0.068)	0.280*** (0.074)	-0.228*** (0.057)
+1	0.255 (0.672)	0.813 (0.758)	-0.352*** (0.124)	0.448*** (0.111)	0.845*** (0.116)	-0.262*** (0.077)
+2	2.649*** (0.848)	2.162** (0.921)	0.155 (0.134)	1.460*** (0.147)	1.705*** (0.148)	0.014 (0.104)
+3	5.560*** (0.778)	3.662*** (0.837)	0.718*** (0.123)	2.582*** (0.187)	2.565*** (0.189)	0.308** (0.143)
+6	11.211*** (0.799)	6.310*** (0.826)	1.278*** (0.216)	4.630*** (0.267)	4.052*** (0.275)	0.520*** (0.195)
+12	15.790*** (0.816)	7.863*** (0.853)	0.954*** (0.266)	6.094*** (0.351)	4.752*** (0.339)	-0.092 (0.211)
+18	16.110*** (0.791)	6.504*** (0.838)	-0.255 (0.313)	6.028*** (0.453)	4.333*** (0.428)	-0.956*** (0.245)
+24	15.337*** (0.878)	4.918*** (0.912)	-1.532*** (0.369)	5.848*** (0.573)	3.977*** (0.535)	-1.906*** (0.293)
Cohort FE	✓	✓	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓	✓	✓
Δ Credit Score (-1, +1)		✓	✓		✓	✓
Δ Log(# CC Accounts) (-1, t)			✓			✓
# Cohorts	347,172	347,172	347,172	118,148	118,148	118,148
Avg. Adj. R ²	0.231	0.582	0.247	0.201	0.569	0.213

This table presents results examining the factors that drive the increase in MPL borrowers' credit card limits after MPL loan take-up. Columns (1) and (3) report regression results for trends in credit card limits. Columns (2) and (5) report regression results that control for the immediate increase in credit scores after MPL loan origination, while Columns (3) and (6) report regression results that additionally control for the contemporaneous change in the number of credit card accounts. Each row represents point estimates for event months relative to the month just before the MPL loan origination (i.e., event-month -1). The point estimates for each event-month are estimated using our baseline specification in Eq. (1). The standard errors are reported in parentheses and are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.

Table A12: Credit demand around MPL loan take-up

Depvar:	Log(CC Hard Inquiries (#))		Log(CC Accounts (#))	
	Unmet Cohort	Bank Cohort	Unmet Cohort	Bank Cohort
Monthly DID	(1)	(2)	(3)	(4)
MPL Coef. $\beta\{t\}$	(1)	(2)	(3)	(4)
<i>Pre-period</i>				
-12	-3.035*** (0.193)	-4.565*** (0.223)	0.160 (0.154)	-0.557*** (0.091)
-6	-1.799*** (0.174)	-2.376*** (0.139)	0.194 (0.180)	-0.306*** (0.053)
-3	-1.134*** (0.086)	-1.216*** (0.091)	-0.153* (0.081)	-0.108*** (0.039)
-2	-0.747*** (0.063)	-0.763*** (0.070)	-0.061 (0.046)	-0.028 (0.027)
<i>Post-period</i>				
+0	-0.421 (0.314)	0.054 (0.081)	0.509*** (0.118)	0.295*** (0.031)
+1	0.584* (0.312)	0.496*** (0.096)	0.680 (0.500)	0.594*** (0.074)
+2	0.996*** (0.327)	0.932*** (0.108)	1.178* (0.612)	0.939*** (0.087)
+3	1.328*** (0.343)	1.427*** (0.119)	1.729*** (0.584)	1.277*** (0.093)
+6	2.115*** (0.351)	2.356*** (0.149)	2.884*** (0.569)	1.976*** (0.104)
+12	3.117*** (0.370)	3.477*** (0.212)	3.553*** (0.535)	2.450*** (0.137)
+18	3.583*** (0.341)	4.129*** (0.289)	2.889*** (0.536)	2.217*** (0.193)
+24	3.630*** (0.341)	4.614*** (0.323)	2.196*** (0.533)	2.070*** (0.232)
Cohort FE	✓	✓	✓	✓
Matching Controls	✓	✓	✓	✓
Other Controls	✓	✓	✓	✓
Δ Credit Score (-1, +1)	✓	✓	✓	✓
# Cohorts	347,172	118,148	347,172	118,148
Avg. Adj. R ²	0.084	0.08	0.16	0.135

This table presents the evolution of the credit demand of MPL borrowers in the months surrounding MPL loan origination. The dependent variable in Columns (1) and (2) proxies for credit demand using the number of hard inquiries for credit cards, while the dependent variable in Columns (3) and (4) proxies for credit demand using the number of credit card accounts. The standard errors, reported in parentheses, are double clustered at the 5-digit zip-code and loan origination year-month levels. *, **, and *** indicate significance at the 10%, 5%, and 1% levels, respectively.