Online Appendix

Estimating Risk Preferences from Deductible Choice, by Alma Cohen and Liran Einav

In Section III of the paper we mention and report selected results from various specifications of the model. Table 6 of the paper summarizes many of these results. In this online appendix we report the full results of all specifications we mention. All tables follow the same structure, as described below.

The first two columns report the estimated coefficients in the $\ln(\lambda)$ equation and $\ln(r)$ equation, respectively. Note that all variables in these equations are measured in deviations from their means, so the estimated constant can be interpreted as the mean individual in the data. The third column reports additional quantities of interest. First, we report the estimated parameters of the variance-covariance matrix, i.e. the standard deviation of the residual in both equations, and the correlation coefficient between the two errors. Then, we report a set of descriptive figures in the population, as implied by the estimates. All these figures are unconditional on observables, so, for example, "$Mean\ r$" represents the estimate for the average coefficient of absolute risk aversion in the sample (measured in NIS^{-1}), integrating over both the estimated distribution and the observables.

The results are based on 100,000 iterations of the Gibbs sampler, after dropping the first 10,000 iterations. The reported coefficient is the average of these draws, and in parentheses we report the standard deviation of each quantity in these 90,000 draws. In the first two columns, we denote by * coefficients that are significantly different from zero at a five percent confidence level.

There are 19 tables in this appendix. Table A1 reproduces the benchmark estimates (Table 4 in the paper) based on all new customers in the sample. Tables A2-A11 report results from estimating the benchmark model on various subsamples. In Table A2 we look only at customers with one or zero claims, showing that the key results are not driven by individuals with multiple claims. In Table A3-A5 we look at exitors and stayers, addressing potential selection concerns. Tables A6-A7 look at individuals who approached the company through different channels, again potentially addressing concerns regarding selection into the sample. Tables A8-A9 report results for the first two years of the sample and the last three, respectively, showing that most of the results (except the reported time trend) are fairly stable over time. This, again, addresses selection issues, which are likely to be more important early on, when the company was new in the market. Tables A10-A11 estimate the model on experienced drivers and new drivers separately, showing that the key results are fairly stable, suggesting that incomplete information about own risk type, which varies with driving experience, does not change the main results.

Tables A12-A16 report the benchmark specification, with additional covariates. In Table A12 we include dummy variables for other coverage decisions. This shows that the estimated risk aversion can help explaining other risky choices by the same individuals. Tables A13-A15 include three different proxies for income, and Table A16 includes estimated mileage. The reason the additional regressors of Tables A13-A16 are not in the benchmark specification is simply because these regressors' coverage is not full, so adding them requires us to drop significant fraction of the observations.

Finally, Tables A17-A19 report the results from alternative specifications of the model. In Table A17 we assume a CARA vNM utility function. In Table A18 we estimate a model in which individuals do not have full information about their risk types, but they learn about their risk type from their (unobserved) history of claims. In Table A19 we provide an extreme alternative to the Poisson assumption, which has much thinner tails, and show that except for the correlation coefficient, the rest of the results remain similar.

The text provides more details regarding the various specifications and the definitions of the variables.

Table A1: The Benchmark Model, All new customers

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5406* (0.0073)	-11.8118* (0.1032)
Age		-0.0001 (0.0026)	-0.0623* (0.0213)
Age^2		$6.24{\cdot}10^{-6}$ ($2.53{\cdot}10^{-5}$)	$6.44{\cdot}10^{-4}$* ($2.11{\cdot}10^{-4}$)
Female		0.0006 (0.0086)	0.2049* (0.0643)
Family	Single	omitted	omitted
	Married	-0.0198 (0.0115)	0.1927* (0.0974)
	Divorced	0.0396* (0.0155)	-0.1754 (0.1495)
	Widower	0.0135 (0.0281)	-0.1320 (0.2288)
	Other (NA)	-0.0557 (0.0968)	-0.4599 (0.7397)
Education	Elementary	-0.0194 (0.0333)	0.1283 (0.2156)
	High School	omitted	omitted
	Technical	-0.0017 (0.0189)	0.2306 (0.1341)
	Academic	-0.0277* (0.0124)	0.2177* (0.0840)
	Other (NA)	-0.0029 (0.0107)	0.0128 (0.0819)
Emigrant		0.0030 (0.0090)	0.0001 (0.0651)
Car Attributes:			
Log(Value)		0.0794* (0.0177)	0.7244* (0.1272)
Car Age		0.0053* (0.0023)	-0.0411* (0.0176)
Commercial Car		-0.0719* (0.0187)	-0.0313 (0.1239)
Log(Engine size)		0.1299* (0.0235)	-0.3195 (0.1847)
Driving:			
License Years		-0.0015 (0.0017)	0.0157 (0.0137)
License Years^2		$-1.83{\cdot}10^{-6}$ ($3.51{\cdot}10^{-5}$)	$-1.48{\cdot}10^{-4}$ ($2.54{\cdot}10^{-4}$)
Good Driver		-0.0635* (0.0112)	-0.0317 (0.0822)
"Any Driver"		0.0360* (0.0105)	0.3000* (0.0722)
Secondary Car		-0.0415* (0.0141)	0.1209 (0.0875)
Business Use		0.0614* (0.0134)	-0.3790* (0.1124)
History Length		0.0012 (0.0052)	0.3092* (0.0518)
Claim History		0.1295* (0.0154)	0.0459 (0.1670)
Young Driver:			
Young driver		0.0525* (0.0253)	-0.2499 (0.2290)
Gender	Male	omitted	-
	Female	0.0355* (0.0061)	-
Age	17-19	omitted	-
	19-21	-0.0387* (0.0121)	-
	21-24	-0.0445* (0.0124)	-
	>24	0.0114 (0.0119)	-
Experience	<1	omitted	-
	1-3	-0.0059 (0.0104)	-
	>3	0.0762* (0.0121)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0771* (0.0122)	-1.4334* (0.0853)
Third year		-0.0857* (0.0137)	-2.8459* (0.1191)
Fourth year		-0.1515* (0.0160)	-3.8089* (0.1343)
Fifth year		-0.4062* (0.0249)	-3.9525* (0.1032)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1498 (0.0097)
σ_r	3.1515 (0.0773)
ρ	0.8391 (0.0265)
Unconditional Stats:	
Mean λ	0.2196 (0.0013)
Median λ	0.2174 (0.0017)
Std. Dev. λ	0.0483 (0.0019)
Mean r	0.0019 (0.0002)
Median r	$7.27{\cdot}10^{-6}$ ($7.56{\cdot}10^{-7}$)
Std. Dev. r	0.0197 (0.0015)
$Corr(r, \lambda)$	0.2067 (0.0085)
No. of Obs.	105,800

Table A2: The Benchmark Model, New customers with no multiple claims

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.7273* (0.0080)	-10.4847* (0.0958)
Age		-0.0006 (0.0041)	-0.0502* (0.0174)
Age^2		$1.85 \cdot 10^{-5}$ ($4.30 \cdot 10^{-5}$)	$4.96 \cdot 10^{-4}$* ($1.77 \cdot 10^{-4}$)
Female		0.0012 (0.0145)	0.1733* (0.0557)
Family	Single	omitted	omitted
	Married	-0.0236 (0.0188)	0.1210 (0.0789)
	Divorced	0.0785* (0.0252)	-0.2015 (0.1199)
	Widower	0.0492 (0.0453)	-0.2054 (0.1892)
	Other (NA)	-0.0659 (0.1556)	-0.4644 (0.6180)
Education	Elementary	-0.0268 (0.0532)	0.0568 (0.1878)
	High School	omitted	omitted
	Technical	0.0084 (0.0305)	0.1597 (0.1146)
	Academic	-0.0428* (0.0204)	0.1794* (0.0727)
	Other (NA)	-0.0105 (0.0182)	0.0334 (0.0698)
Emigrant		-0.0055 (0.0156)	0.0323 (0.0569)
Car Attributes:			
Log(Value)		0.0920* (0.0239)	0.4375* (0.0952)
Car Age		0.0126* (0.0034)	-0.0460* (0.0137)
Commercial Car		-0.0790* (0.0276)	-0.1054 (0.1034)
Log(Engine size)		0.1427* (0.0362)	-0.1950 (0.1499)
Driving:			
License Years		-0.0041 (0.0028)	0.0213 (0.0113)
License Years^2		$-1.22 \cdot 10^{-5}$ ($5.73 \cdot 10^{-5}$)	$-2.13 \cdot 10^{-4}$ ($2.17 \cdot 10^{-4}$)
Good Driver		-0.0635* (0.0177)	-0.0554 (0.0669)
"Any Driver"		0.0429* (0.0170)	0.2449* (0.0600)
Secondary Car		-0.0600* (0.0210)	0.1041 (0.0713)
Business Use		0.0913* (0.0227)	-0.3035* (0.0974)
History Length		-0.0021 (0.0085)	0.2504* (0.0432)
Claim History		0.1707* (0.0233)	0.0483 (0.1322)
Young Driver:			
Young driver		0.0904* (0.0255)	-0.2246 (0.1208)
Gender	Male	omitted	-
	Female	0.0494* (0.0088)	-
Age	17-19	omitted	-
	19-21	-0.0523* (0.0171)	-
	21-24	-0.0489* (0.0180)	-
	>24	0.0292 (0.0167)	-
Experience	<1	omitted	-
	1-3	-0.0162 (0.0145)	-
	>3	0.0943* (0.0167)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0684* (0.0185)	-1.1652* (0.0722)
Third year		-0.0284 (0.0200)	-2.3868* (0.0994)
Fourth year		-0.1039* (0.0234)	-3.1833* (0.1250)
Fifth year		-0.3595* (0.0284)	-3.4962* (0.1427)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1370 (0.0114)
σ_r	2.6979 (0.0806)
ρ	0.5473 (0.0564)
Unconditional Stats:	
Mean λ	0.1821 (0.0013)
Median λ	0.1797 (0.0016)
Std. Dev. λ	0.0396 (0.0015)
Mean r	0.0020 (0.0002)
Median r	$2.77 \cdot 10^{-5}$ ($2.68 \cdot 10^{-6}$)
Std. Dev. r	0.0183 (0.0018)
$Corr(r, \lambda)$	0.1345 (0.0131)
No. of Obs.	103,260

Table A3: The Benchmark Model, New customers who are not observed to renew

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5209* (0.0098)	-14.5144* (0.274)
Age		-0.0010 (0.0018)	-0.0407 (0.0370)
Age^2		$1.51 \cdot 10^{-5}$ ($1.90 \cdot 10^{-5}$)	0.0004 (0.0004)
Female		0.0115* (0.0055)	0.0132 (0.1146)
Family	Single	omitted	omitted
	Married	-0.0049 (0.0074)	0.0508 (0.1611)
	Divorced	0.0114 (0.0111)	-0.3158 (0.2669)
	Widower	-0.0300 (0.0252)	0.3061 (0.3853)
	Other (NA)	0.0705* (0.0222)	-353.0307* (139.5559)
Education	Elementary	-0.0079 (0.0241)	0.1233 (0.3793)
	High School	omitted	omitted
	Technical	-0.0071 (0.0139)	0.3930 (0.2312)
	Academic	-0.0048 (0.0079)	0.1346 (0.1492)
	Other (NA)	0.0020 (0.0071)	-0.0517 (0.1356)
Emigrant		-0.0034 (0.0063)	0.0957 (0.1158)
Car Attributes:			
Log(Value)		0.0419* (0.0124)	1.2915* (0.2136)
Car Age		0.0009 (0.0016)	-0.0373 (0.0311)
Commercial Car		-0.0360* (0.0135)	-0.1653 (0.2000)
Log(Engine size)		0.0404* (0.0169)	0.2621 (0.3225)
Driving:			
License Years		$3.65 \cdot 10^{-5}$ (0.0013)	-0.0165 (0.0245)
License Years^2		$-1.08 \cdot 10^{-5}$ ($2.73 \cdot 10^{-5}$)	$2.25 \cdot 10^{-4}$ ($4.87 \cdot 10^{-4}$)
Good Driver		-0.0271* (0.0075)	-0.0325 (0.1339)
"Any Driver"		0.0102* (0.0064)	0.4341* (0.1224)
Secondary Car		-0.0169 (0.0088)	-0.0668 (0.1431)
Business Use		0.0154 (0.0101)	-0.2202 (0.1877)
History Length		0.0108* (0.0040)	0.2518* (0.0784)
Claim History		0.0548* (0.0117)	0.3458 (0.2758)
Young Driver:			
Young driver		0.0138 (0.0164)	0.0628 (0.3457)
Gender	Male	omitted	-
	Female	0.0219* (0.0057)	-
Age	17-19	omitted	-
	19-21	-0.0460* (0.0128)	-
	21-24	-0.0530* (0.0127)	-
	>24	0.0138 (0.0107)	-
Experience	<1	omitted	-
	1-3	-0.0168 (0.0105)	-
	>3	0.0638* (0.0127)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0428* (0.0089)	-1.8280* (0.1634)
Third year		-0.0611* (0.0115)	-3.3507* (0.2209)
Fourth year		-0.0906* (0.0129)	-4.9211* (0.2479)
Fifth year		-0.5331* (0.022)	-4.1964* (0.2187)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.0877 (0.0066)
σ_r	4.1094 (0.1230)
ρ	0.8483 (0.0306)
Unconditional Stats:	
Mean λ	0.2260 (0.0017)
Median λ	0.2400 (0.0027)
Std. Dev. λ	0.0572 (0.0017)
Mean r	0.0023 (0.0003)
Median r	$7.75 \cdot 10^{-7}$ ($1.54 \cdot 10^{-7}$)
Std. Dev. r	0.0256 (0.0020)
$Corr(r, \lambda)$	0.1486 (0.0088)
No. of Obs.	48,387

Table A4: The Benchmark Model, New customers who renew (using only their first choice)

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.7011* (0.0105)	-10.5004* (0.1184)
Age		-0.0006 (0.0050)	-0.0716* (0.0267)
Age^2		$2.05 \cdot 10^{-5}$ ($5.01 \cdot 10^{-5}$)	$7.10 \cdot 10^{-4}$* ($2.62 \cdot 10^{-4}$)
Female		-0.0027 (0.0166)	0.2365* (0.0816)
Family	Single	omitted	omitted
	Married	-0.0178 (0.0249)	0.1772 (0.1239)
	Divorced	0.0762 (0.0357)	-0.1643 (0.2006)
	Widower	0.0545 (0.0504)	-0.3161 (0.2866)
	Other (NA)	-0.0884 (0.1969)	-0.1491 (0.9392)
Education	Elementary	-0.0505 (0.0598)	0.1959 (0.2542)
	High School	omitted	omitted
	Technical	0.0367 (0.0319)	0.0481 (0.1557)
	Academic	-0.0064 (0.0224)	0.0936 (0.1011)
	Other (NA)	-0.0124 (0.0203)	0.0538 (0.0992)
Emigrant		0.0250 (0.0182)	-0.0950 (0.0876)
Car Attributes:			
Log(Value)		0.1621* (0.0332)	0.2674 (0.1507)
Car Age		0.0082 (0.0043)	-0.0439* (0.0215)
Commercial Car		-0.1226* (0.0363)	0.0497 (0.1593)
Log(Engine size)		0.1872* (0.0455)	-0.3714 (0.2234)
Driving:			
License Years		-0.0038 (0.0033)	0.0323 (0.0172)
License Years^2		$-2.60 \cdot 10^{-7}$ ($6.53 \cdot 10^{-5}$)	$-3.91 \cdot 10^{-4}$ ($3.20 \cdot 10^{-4}$)
Good Driver		-0.0517* (0.0220)	-0.2021 (0.1038)
"Any Driver"		0.0457* (0.0198)	0.3144* (0.0885)
Secondary Car		-0.0225 (0.0234)	0.0399 (0.1054)
Business Use		0.0780* (0.0287)	-0.3314* (0.1560)
History Length		-0.0355* (0.0114)	0.5331* (0.1054)
Claim History		0.1272* (0.0433)	0.2176 (0.2527)
Young Driver:			
Young driver		0.0825* (0.0318)	-0.3956 (0.2055)
Gender	Male	omitted	-
	Female	0.0436* (0.0131)	-
Age	17-19	omitted	-
	19-21	-0.0119 (0.0266)	-
	21-24	-0.0086 (0.0279)	-
	>24	0.0166 (0.0266)	-
Experience	<1	omitted	-
	1-3	0.0080 (0.0224)	-
	>3	0.0672* (0.0258)	-
Company Year:			
First year		omitted	omitted
Second year		-0.1060* (0.0216)	-1.3223* (0.1014)
Third year		-0.1179* (0.0242)	-2.6223* (0.1379)
Fourth year		-0.2048* (0.0259)	-3.4519* (0.1678)
Fifth year		dropped	dropped

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2466 (0.0140)
σ_r	2.9388 (0.0937)
ρ	0.4629 (0.0671)
Unconditional Stats:	
Mean λ	0.1904 (0.0017)
Median λ	0.1822 (0.0019)
Std. Dev. λ	0.0568 (0.0026)
Mean r	0.0029 (0.0003)
Median r	$2.85 \cdot 10^{-5}$ ($3.23 \cdot 10^{-6}$)
Std. Dev. r	0.0242 (0.0023)
$Corr(r, \lambda)$	0.1516 (0.0200)
No. of Obs.	57,413

Table A5: The Benchmark Model, New customers who renew (using only their *second* choice)

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.6162* (0.0112)	-11.0411* (0.1258)
Age		-0.0002 (0.0053)	-0.0732 (0.0379)
Age^2		$-1.62\cdot10^{-6}$ ($5.18\cdot10^{-5}$)	$7.66\cdot10^{-4}$* ($3.62\cdot10^{-4}$)
Female		0.0129 (0.0155)	0.1841 (0.1062)
Family	Single	omitted	omitted
	Married	0.0104 (0.0221)	0.0187 (0.1511)
	Divorced	0.0719* (0.0312)	-0.3039 (0.2522)
	Widower	0.0740 (0.0457)	-0.5805 (0.3726)
	Other (NA)	0.0591 (0.1965)	-5.4397 (11.4346)
Education	Elementary	0.0190 (0.0428)	-0.1053 (0.3586)
	High School	omitted	omitted
	Technical	-0.0395 (0.0294)	0.4866* (0.1962)
	Academic	-0.0326 (0.0177)	0.2421 (0.1268)
	Other (NA)	-0.0505* (0.0181)	0.2962* (0.1297)
Emigrant		0.0181 (0.0147)	-0.0867 (0.1027)
Car Attributes:			
Log(Value)		0.0706* (0.0267)	0.5865* (0.1869)
Car Age		0.0050 (0.0039)	-0.0510 (0.0279)
Commercial Car		-0.0525 (0.0309)	-0.1661 (0.2089)
Log(Engine size)		0.1300* (0.0388)	-0.3797 (0.2855)
Driving:			
License Years		0.0006 (0.0029)	0.0124 (0.0209)
License Years^2		$-5.15\cdot10^{-5}$ ($5.74\cdot10^{-5}$)	$-7.00\cdot10^{-5}$ ($3.76\cdot10^{-4}$)
Good Driver		-0.0522* (0.0200)	-0.2817* (0.1399)
"Any Driver"		0.0345* (0.0169)	0.3587* (0.1162)
Secondary Car		-0.0412 (0.0224)	0.1633 (0.1354)
Business Use		0.0617* (0.0241)	-0.4593* (0.1876)
History Length		-0.0042 (0.0098)	0.4064* (0.0900)
Claim History		0.2212* (0.0308)	-0.6532* (0.3106)
Young Driver:			
Young driver		0.0289 (0.0157)	0.1776 (0.4079)
Gender	Male	omitted	-
	Female	0.0205 (0.0123)	-
Age	17-19	omitted	-
	19-21	-0.0067 (0.0249)	-
	21-24	-0.0050 (0.0269)	-
	>24	-0.0007 (0.0247)	-
Experience	<1	omitted	-
	1-3	-0.0010 (0.0213)	-
	>3	0.0242 (0.0512)	-
Company Year:			
First year		dropped	dropped
Second year		omitted	omitted
Third year		-0.0616* (0.0186)	-1.5357* (0.1402)
Fourth year		-0.1461* (0.024)	-2.5432* (0.1723)
Fifth year		-0.4007* (0.0296)	-2.9105* (0.1755)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2510 (0.0138)
σ_r	3.2574 (0.1012)
ρ	0.6374 (0.0647)
Unconditional Stats:	
Mean λ	0.2082 (0.0019)
Median λ	0.2001 (0.0023)
Std. Dev. λ	0.0645 (0.0026)
Mean r	0.0030 (0.0004)
Median r	$1.61\cdot10^{-5}$ ($2.02\cdot10^{-6}$)
Std. Dev. r	0.0263 (0.0024)
$Corr(r,\lambda)$	0.2109 (0.0198)
No. of Obs.	57,413

Table A6: The Benchmark Model, New customers who were "referred by a friend"

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5925* (0.0155)	-14.4151* (0.4633)
Age		-0.0109* (0.0049)	-0.0183 (0.0711)
Age^2		$1.20 \cdot 10^{-4}$* ($5.02 \cdot 10^{-5}$)	$2.74 \cdot 10^{-4}$ ($7.06 \cdot 10^{-4}$)
Female		0.0154 (0.0157)	0.0955 (0.2221)
Family	Single	omitted	omitted
	Married	-0.0065 (0.0224)	-0.0945 (0.3585)
	Divorced	0.0281 (0.0341)	-0.5991 (0.5744)
	Widower	-0.0264 (0.0573)	-0.3476 (0.7192)
	Other (NA)	dropped	dropped
Education	Elementary	-0.0146 (0.0607)	0.5058 (0.6549)
	High School	omitted	omitted
	Technical	-0.0082 (0.0393)	0.5544 (0.4940)
	Academic	-0.0142 (0.0260)	0.3404 (0.3198)
	Other (NA)	-0.0116 (0.0198)	-0.0657 (0.2752)
Emigrant		-0.0095 (0.0175)	0.0949 (0.2208)
Car Attributes:			
Log(Value)		0.1227* (0.0337)	0.7264 (0.4352)
Car Age		0.0088* (0.0042)	-0.1450* (0.0645)
Commercial Car		-0.0743* (0.0353)	-0.0700 (0.3990)
Log(Engine size)		0.0901 (0.0473)	-0.1024 (0.6611)
Driving:			
License Years		-0.0011 (0.0030)	0.0192 (0.0404)
License Years^2		$-3.83 \cdot 10^{-5}$ ($6.03 \cdot 10^{-5}$)	$3.32 \cdot 10^{-5}$ ($7.34 \cdot 10^{-4}$)
Good Driver		-0.0488* (0.0227)	-0.1653 (0.2937)
"Any Driver"		0.0444* (0.0181)	0.3755 (0.2332)
Secondary Car		-0.0273 (0.0232)	0.1933 (0.2780)
Business Use		0.0379 (0.0263)	-1.1237* (0.3852)
History Length		0.0113 (0.0097)	0.3298 (0.1681)
Claim History		0.1321* (0.0331)	0.1177 (0.5713)
Young Driver:			
Young driver		0.0123 (0.0344)	-0.4266 (0.5035)
Gender	Male	omitted	-
	Female	0.0171 (0.0154)	-
Age	17-19	omitted	-
	19-21	0.0565 (0.0325)	-
	21-24	0.0373 (0.0341)	-
	>24	0.0974* (0.0328)	-
Experience	<1	omitted	-
	1-3	-0.0368 (0.0259)	-
	>3	0.0234 (0.0296)	-
Company Year:			
First year		omitted	omitted
Second year		-0.1295* (0.0252)	-1.6167* (0.3032)
Third year		-0.1657* (0.0304)	-3.5663* (0.3950)
Fourth year		-0.2348* (0.0326)	-4.8738* (0.4222)
Fifth year		-0.4645* (0.0437)	-4.9922* (0.4434)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2426 (0.0185)
σ_r	4.2357 (0.2102)
ρ	0.4795 (0.0917)
Unconditional Stats:	
Mean λ	0.2129 (0.0025)
Median λ	0.2046 (0.0032)
Std. Dev. λ	0.0652 (0.0039)
Mean r	0.0030 (0.0005)
Median r	$8.35 \cdot 10^{-7}$ ($3.31 \cdot 10^{-7}$)
Std. Dev. r	0.0305 (0.0033)
$Corr(r, \lambda)$	0.1545 (0.0246)
No. of Obs.	26,434

Table A7: The Benchmark Model, New customers who were "referred by a advertising"

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5467* (0.0075)	-11.7773* (0.1137)
Age		0.0002 (0.0030)	-0.0502* (0.0251)
Age^2		$4.10 \cdot 10^{-7}$ ($3.17 \cdot 10^{-5}$)	$5.18 \cdot 10^{-4}$* ($2.52 \cdot 10^{-4}$)
Female		-0.0023 (0.0107)	0.2300* (0.0812)
Family	Single	omitted	omitted
	Married	-0.0183 (0.0143)	0.2410 (0.1234)
	Divorced	0.0452* (0.0198)	-0.1454 (0.1890)
	Widower	0.0221 (0.0340)	-0.0738 (0.2817)
	Other (NA)	-0.0380 (0.1163)	-0.4850 (0.9733)
Education	Elementary	-0.0241 (0.0392)	0.0761 (0.2555)
	High School	omitted	omitted
	Technical	0.0049 (0.0198)	0.1767 (0.1469)
	Academic	-0.0256 (0.0139)	0.1899 (0.0960)
	Other (NA)	-0.0005 (0.0119)	0.0397 (0.0949)
Emigrant		0.0086 (0.0106)	-0.0259 (0.0788)
Car Attributes:			
Log(Value)		0.0656* (0.0203)	0.8555* (0.1517)
Car Age		0.0042 (0.0025)	-0.0320 (0.0201)
Commercial Car		-0.0754* (0.0204)	0.0021 (0.1409)
Log(Engine size)		0.1434* (0.0267)	-0.4167 (0.2198)
Driving:			
License Years		-0.0008 (0.0020)	0.0097 (0.0163)
License Years^2		$-2.41 \cdot 10^{-5}$ ($4.32 \cdot 10^{-5}$)	$-8.90 \cdot 10^{-5}$ ($3.11 \cdot 10^{-4}$)
Good Driver		-0.0743* (0.0128)	0.0363 (0.0952)
"Any Driver"		0.0359* (0.0123)	0.3041* (0.0857)
Secondary Car		-0.0411* (0.0166)	0.1045 (0.1042)
Business Use		0.0624* (0.0159)	-0.2817* (0.1340)
History Length		0.0011 (0.0062)	0.3491* (0.0687)
Claim History		0.1426* (0.0183)	-0.0928 (0.2008)
Young Driver:			
Young driver		0.0710* (0.0251)	-0.2467 (0.2507)
Gender	Male	omitted	-
	Female	0.0364* (0.0074)	-
Age	17-19	omitted	-
	19-21	-0.0744* (0.0152)	-
	21-24	-0.0762* (0.0153)	-
	>24	-0.0255 (0.0141)	-
Experience	<1	omitted	-
	1-3	0.0038 (0.0127)	-
	>3	0.0896* (0.0146)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0706* (0.0134)	-1.5200* (0.0953)
Third year		-0.0898* (0.0164)	-2.8902* (0.1334)
Fourth year		-0.1604* (0.0186)	-3.8932* (0.1510)
Fifth year		-0.4107* (0.0245)	-4.0018* (0.1581)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1655 (0.0098)
σ_r	3.1858 (0.0835)
ρ	0.8058 (0.0286)
Unconditional Stats:	
Mean λ	0.2189 (0.0014)
Median λ	0.2158 (0.0017)
Std. Dev. λ	0.0510 (0.0020)
Mean r	0.0021 (0.0002)
Median r	$7.56 \cdot 10^{-6}$ ($8.56 \cdot 10^{-7}$)
Std. Dev. r	0.0216 (0.0017)
$Corr(r, \lambda)$	0.2118 (0.0095)
No. of Obs.	79,366

Table A8: The Benchmark Model, New customers during the first two years

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.4477* (0.0096)	-10.5635* (0.1257)
Age		-0.0061 (0.0036)	-0.0126 (0.0331)
Age^2		$5.85 \cdot 10^{-5}$ ($3.73 \cdot 10^{-5}$)	$2.81 \cdot 10^{-4}$ ($3.32 \cdot 10^{-4}$)
Female		-0.0035 (0.0120)	0.3248* (0.1105)
Family	Single	omitted	omitted
	Married	-0.0234 (0.0141)	0.3255* (0.1621)
	Divorced	0.0206 (0.0248)	0.1064 (0.2593)
	Widower	0.0423 (0.0387)	-0.3781 (0.3973)
	Other (NA)	-0.0049 (0.1197)	-0.0227 (1.2371)
Education	Elementary	0.0024 (0.0382)	0.1235 (0.3090)
	High School	omitted	omitted
	Technical	0.0228 (0.0186)	0.0483 (0.1866)
	Academic	-0.0184 (0.0132)	0.2110 (0.1142)
	Other (NA)	-0.0178 (0.0140)	0.1635 (0.1338)
Emigrant		0.0165 (0.0124)	-0.0769 (0.1077)
Car Attributes:			
Log(Value)		0.0381 (0.0211)	1.3079* (0.2227)
Car Age		0.0034 (0.0029)	-0.0275 (0.0283)
Commercial Car		-0.0891* (0.0247)	0.3130 (0.1849)
Log(Engine size)		0.1765* (0.0312)	-0.8222* (0.3031)
Driving:			
License Years		-0.0026 (0.0024)	0.0249 (0.0224)
License Years^2		$-1.32 \cdot 10^{-6}$ ($4.88 \cdot 10^{-5}$)	$-3.93 \cdot 10^{-4}$ ($4.13 \cdot 10^{-4}$)
Good Driver		-0.0463* (0.0149)	0.0367 (0.1211)
"Any Driver"		0.0303* (0.0128)	0.3416* (0.1152)
Secondary Car		-0.0492* (0.0185)	0.3101* (0.1354)
Business Use		0.0609* (0.0202)	-0.4591* (0.1822)
History Length		0.0380* (0.0047)	-0.1734 (0.4507)
Claim History		0.1275* (0.0149)	-0.6105 (0.3294)
Young Driver:			
Young driver		0.0013 (0.0160)	0.2861 (0.3716)
Gender	Male	omitted	-
	Female	0.0555* (0.0108)	-
Age	17-19	omitted	-
	19-21	-0.0204 (0.0208)	-
	21-24	-0.0456* (0.0217)	-
	>24	0.0208 (0.0374)	-
Experience	<1	omitted	-
	1-3	0.0193 (0.0313)	-
	>3	0.0474 (0.0388)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0705* (0.0128)	-1.7999* (0.1262)
Third year		dropped	dropped
Fourth year		dropped	dropped
Fifth year		dropped	dropped

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2506 (0.0136)
σ_r	3.0984 (0.0991)
ρ	0.6987 (0.0574)
Unconditional Stats:	
Mean λ	0.2437 (0.002)
Median λ	0.2351 (0.0023)
Std. Dev. λ	0.0663 (0.0034)
Mean r	0.0031 (0.0004)
Median r	$2.60 \cdot 10^{-5}$ ($3.23 \cdot 10^{-6}$)
Std. Dev. r	0.0258 (0.0026)
$Corr(r, \lambda)$	0.2253 (0.021)
No. of Obs.	45,739

Table A9: The Benchmark Model, New customers during years 3-5

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.6179* (0.0101)	-15.0344* (0.3317)
Age		0.0010 (0.0037)	-0.1102* (0.0419)
Age^2		$3.27{\cdot}10^{-6}$ ($3.76{\cdot}10^{-5}$)	$9.82{\cdot}10^{-4*}$ ($4.13{\cdot}10^{-4}$)
Female		0.0099 (0.0122)	0.1558 (0.1167)
Family	Single	omitted	omitted
	Married	-0.0076 (0.0170)	0.1068 (0.1659)
	Divorced	0.0555* (0.0216)	-0.4652 (0.2726)
	Widower	-0.0054 (0.0423)	-0.0514 (0.3996)
	Other (NA)	dropped	dropped
Education	Elementary	-0.0355 (0.0511)	-0.4773 (0.4941)
	High School	omitted	omitted
	Technical	-0.0681 (0.0387)	0.7138* (0.2757)
	Academic	-0.0485* (0.0228)	0.3100 (0.1826)
	Other (NA)	0.0003 (0.0152)	-0.0636 (0.1472)
Emigrant		-0.0081 (0.0134)	0.0272* (0.1235)
Car Attributes:			
Log(Value)		0.1018* (0.0254)	0.7900* (0.2145)
Car Age		0.0046 (0.0036)	-0.0762* (0.0336)
Commercial Car		-0.0541* (0.0258)	-0.4840* (0.2329)
Log(Engine size)		0.1174* (0.0332)	-0.2868 (0.3448)
Driving:			
License Years		-0.0012 (0.0026)	0.0336 (0.0259)
License Years^2		$-3.32{\cdot}10^{-5}$ ($5.36{\cdot}10^{-5}$)	$-2.11{\cdot}10^{-4}$ ($4.93{\cdot}10^{-4}$)
Good Driver		-0.0657* (0.0180)	-0.4839* (0.1697)
"Any Driver"		0.0528* (0.0170)	0.3917* (0.1320)
Secondary Car		-0.0291 (0.0209)	-0.0993 (0.1585)
Business Use		0.0557* (0.0198)	-0.4039 (0.2229)
History Length		-0.0097 (0.0065)	0.5032* (0.0964)
Claim History		0.1575* (0.0139)	-0.0861 (0.3680)
Young Driver:			
Young driver		0.0789* (0.0142)	0.4159 (0.4094)
Gender	Male	omitted	-
	Female	0.0088 (0.0096)	-
Age	17-19	omitted	-
	19-21	-0.0684* (0.0228)	-
	21-24	-0.0511* (0.0221)	-
	>24	-0.0050 (0.0200)	-
Experience	<1	omitted	-
	1-3	0.0432 (0.0229)	-
	>3	0.0366 (0.0297)	-
Company Year:			
First year		dropped	dropped
Second year		dropped	dropped
Third year		omitted	omitted
Fourth year		-0.0609* (0.0122)	-1.3479* (0.1345)
Fifth year		-0.3302* (0.0248)	-1.9311* (0.1761)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1245 (0.0101)
σ_r	4.5318 (0.1867)
ρ	0.6109 (0.0733)
Unconditional Stats:	
Mean λ	0.2029 (0.0018)
Median λ	0.2011 (0.0022)
Std. Dev. λ	0.0428 (0.0016)
Mean r	0.0016 (0.0002)
Median r	$3.42{\cdot}10^{-7}$ ($1.04{\cdot}10^{-7}$)
Std. Dev. r	0.0214 (0.0022)
$Corr(r, \lambda)$	0.1132 (0.0135)
No. of Obs.	60,061

Table A10: The Benchmark Model, New customers with driving experience of 10+ years

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5685* (0.0079)	-11.6876* (0.1097)
Age		-0.0025 (0.0043)	-0.0161 (0.0310)
Age^2		$2.74{\cdot}10^{-5}$ ($4.19{\cdot}10^{-5}$)	$2.50{\cdot}10^{-4}$ ($2.95{\cdot}10^{-4}$)
Female		0.0004 (0.0105)	0.1534* (0.0763)
Family	Single	omitted	omitted
	Married	-0.0112 (0.0180)	0.1050 (0.1413)
	Divorced	0.0526* (0.0215)	-0.2679 (0.1885)
	Widower	0.0247 (0.0334)	-0.2563 (0.2614)
	Other (NA)	-0.1018 (0.1247)	-0.1720 (0.7739)
Education	Elementary	-0.0456 (0.0361)	0.2171 (0.2167)
	High School	omitted	omitted
	Technical	-0.0042 (0.0206)	0.2525 (0.1408)
	Academic	-0.0285* (0.0143)	0.2028* (0.0939)
	Other (NA)	-0.0037 (0.0128)	0.0024 (0.0934)
Emigrant		0.0013 (0.0113)	0.0190* (0.0778)
Car Attributes:			
Log(Value)		0.0781* (0.0215)	0.7259* (0.1451)
Car Age		0.0052 (0.0027)	-0.0452* (0.0199)
Commercial Car		-0.0839* (0.0204)	0.0429 (0.1318)
Log(Engine size)		0.1374* (0.0279)	-0.4396* (0.2107)
Driving:			
License Years		-0.0029 (0.0032)	-0.0118 (0.0225)
License Years^2		$1.48{\cdot}10^{-5}$ ($5.47{\cdot}10^{-5}$)	$1.96{\cdot}10^{-4}$ ($3.76{\cdot}10^{-4}$)
Good Driver		-0.0657* (0.0126)	-0.0280 (0.0906)
"Any Driver"		0.0364* (0.0134)	0.3032* (0.0849)
Secondary Car		-0.0398* (0.0164)	0.1203 (0.0993)
Business Use		0.0555* (0.0152)	-0.3698* (0.1220)
History Length		-0.0107* (0.0072)	0.3717* (0.0802)
Claim History		0.1594* (0.0206)	-0.1127 (0.1983)
Young Driver:			
Young driver		0.0766* (0.0223)	-0.3586 (0.2162)
Gender	Male	omitted	-
	Female	0.0362* (0.0079)	-
Age	17-19	omitted	-
	19-21	-0.0508* (0.0149)	-
	21-24	-0.0331* (0.0157)	-
	>24	-0.0110 (0.0151)	-
Experience	<1	omitted	-
	1-3	0.0167 (0.0130)	-
	>3	0.0682* (0.0152)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0822* (0.0147)	-1.4596* (0.0947)
Third year		-0.0889* (0.0179)	-2.9373* (0.1408)
Fourth year		-0.1574* (0.0202)	-3.9330* (0.1606)
Fifth year		-0.4170* (0.0271)	-3.9950* (0.1746)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1689 (0.0107)
σ_r	3.1459 (0.0836)
ρ	0.7608 (0.0336)
Unconditional Stats:	
Mean λ	0.2144 (0.0014)
Median λ	0.211 (0.0018)
Std. Dev. λ	0.0508 (0.0021)
Mean r	0.0021 (0.0002)
Median r	$8.25{\cdot}10^{-6}$ ($9.12{\cdot}10^{-7}$)
Std. Dev. r	0.0211 (0.0018)
$Corr(r, \lambda)$	0.1999 (0.0101)
No. of Obs.	82,966

Table A11: The Benchmark Model, New customers with driving experience of 9- years

Variable		ln(λ) equation	ln(r) equation
Demographics:			
Constant		-1.5171* (0.0172)	-16.8695* (1.2641)
Age		-0.0121* (0.0044)	0.0420 (0.1291)
Age^2		$1.29{\cdot}10^{-4}$* ($5.42{\cdot}10^{-5}$)	-0.0009 (0.0017)
Female		0.0126 (0.0125)	0.3651 (0.3367)
Family	Single	omitted	omitted
	Married	-0.0118 (0.0127)	0.4040 (0.3640)
	Divorced	-0.0014 (0.0299)	0.0033 (0.8329)
	Widower	-0.0271 (0.0694)	1.6090 (1.3350)
	Other (NA)	dropped	dropped
Education	Elementary	dropped	dropped
	High School	omitted	omitted
	Technical	0.0190 (0.0245)	-0.1593 (0.7296)
	Academic	0.0016 (0.0170)	0.2980 (0.4444)
	Other (NA)	-0.0034 (0.0153)	0.1427 (0.4353)
Emigrant		-0.0005 (0.0149)	-0.2132 (0.3843)
Car Attributes:			
Log(Value)		0.0839* (0.0274)	2.7992* (1.0043)
Car Age		0.0043 (0.0034)	-0.0625 (0.1058)
Commercial Car		-0.0419 (0.0305)	-0.5156 (0.7847)
Log(Engine size)		0.1270* (0.0366)	-0.0027 (1.1897)
Driving:			
License Years		0.0069 (0.0123)	-0.0710 (0.3570)
License Years^2		-0.0010 (0.0011)	0.0148 (0.0299)
Good Driver		0.0049 (0.0224)	-1.0492 (0.6537)
"Any Driver"		0.0461* (0.0142)	0.1678 (0.3513)
Secondary Car		-0.0117 (0.0199)	-0.1845 (0.5770)
Business Use		0.0573* (0.0278)	-0.7061 (0.8310)
History Length		0.0194* (0.0068)	0.3017 (0.2138)
Claim History		0.0825* (0.0295)	0.4491 (0.8364)
Young Driver:			
Young driver		-0.0257 (0.0394)	-0.4696 (1.1663)
Gender	Male	omitted	-
	Female	0.0181 (0.0130)	-
Age	17-19	omitted	-
	19-21	0.0377 (0.0334)	-
	21-24	0.0101 (0.0325)	-
	>24	0.0909* (0.0325)	-
Experience	<1	omitted	-
	1-3	-0.0550* (0.0235)	-
	>3	0.0503* (0.0245)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0997* (0.0219)	-2.3482* (0.515)
Third year		-0.1849* (0.0273)	-3.3500* (0.5316)
Fourth year		-0.2649* (0.0316)	-4.9452* (0.5982)
Fifth year		-0.4182* (0.0403)	-5.9004* (0.6434)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2601 (0.0229)
σ_r	4.8557 (0.3637)
ρ	0.5716 (0.0926)
Unconditional Stats:	
Mean λ	0.2304 (0.0026)
Median λ	0.2197 (0.0038)
Std. Dev. λ	0.0734 (0.0061)
Mean r	0.0030 (0.0005)
Median r	$1.19{\cdot}10^{-7}$ ($1.14{\cdot}10^{-7}$)
Std. Dev. r	0.0319 (0.0035)
$Corr(r, \lambda)$	0.1865 (0.0270)
No. of Obs.	22,834

Table A12: The Benchmark Model, Including other insurance choices as covariates

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5440* (0.0077)	-11.8442* (0.1029)
Age		-0.0007 (0.0027)	-0.0592* (0.0221)
Age^2		$1.07{\cdot}10^{-5}$ ($2.73{\cdot}10^{-5}$)	$6.28{\cdot}10^{-4}$* ($2.18{\cdot}10^{-4}$)
Female		0.0013 (0.0090)	0.1907* (0.0683)
Family	Single	omitted	omitted
	Married	-0.0194 (0.0111)	0.1855 (0.0962)
	Divorced	0.0394* (0.0168)	-0.1708 (0.1592)
	Widower	0.0130 (0.0290)	-0.1264 (0.2341)
	Other (NA)	-0.0619 (0.1016)	-0.4727 (0.7733)
Education	Elementary	-0.0177 (0.0316)	0.1269 (0.2085)
	High School	omitted	omitted
	Technical	0.0010 (0.0180)	0.2231 (0.1289)
	Academic	-0.0243* (0.0120)	0.2211* (0.0825)
	Other (NA)	-0.0019 (0.0104)	0.0112 (0.0816)
Emigrant		0.0042 (0.0093)	-0.0101 (0.0679)
Car Attributes:			
Log(Value)		0.0812* (0.0170)	0.7015* (0.1239)
Car Age		0.0053* (0.0023)	-0.0348 (0.0179)
Commercial Car		-0.0729* (0.0175)	0.0266 (0.1209)
Log(Engine size)		0.1286* (0.0232)	-0.3709* (0.1843)
Driving:			
License Years		-0.0014 (0.0018)	0.0144 (0.0141)
License Years^2		$-1.77{\cdot}10^{-5}$ ($3.89{\cdot}10^{-5}$)	$-1.34{\cdot}10^{-4}$ ($2.69{\cdot}10^{-4}$)
Good Driver		-0.0617* (0.0116)	-0.0610 (0.0846)
"Any Driver"		0.0343* (0.0112)	0.2584* (0.0745)
Secondary Car		-0.0404* (0.0132)	0.1460* (0.0860)
Business Use		0.0592* (0.0138)	-0.3787* (0.1152)
History Length		0.0020 (0.0050)	0.3042* (0.0535)
Claim History		0.1279* (0.0162)	0.0272 (0.1721)
Young Driver:			
Young driver		-0.0021 (0.0082)	-0.2855 (0.2149)
Gender	Male	omitted	-
	Female	0.0336* (0.0061)	-
Age	17-19	omitted	-
	19-21	-0.0378* (0.0122)	-
	21-24	-0.0438* (0.0126)	-
	>24	0.0099 (0.0121)	-
Experience	<1	omitted	-
	1-3	-0.0057 (0.0104)	-
	>3	0.0734* (0.0120)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0782* (0.0129)	-1.4646* (0.0872)
Third year		-0.0873* (0.0146)	-2.8896* (0.1203)
Fourth year		-0.1585* (0.0174)	-3.8197* (0.1412)
Fifth year		-0.4140* (0.0241)	-3.9098* (0.1497)
Other Coverages:			
Audio coverage		0.0533* (0.0188)	0.3538* (0.0644)
Towing coverage		0.0002 (0.0213)	0.1234 (0.1227)
Windshield coverage		0.0572* (0.0228)	0.8126* (0.1742)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1541 (0.0083)
σ_r	3.1655 (0.0753)
ρ	0.8229 (0.0287)
Unconditional Stats:	
Mean λ	0.2191 (0.0014)
Median λ	0.2166 (0.0017)
Std. Dev. λ	0.0492 (0.0017)
Mean r	0.0019 (0.0002)
Median r	$7.03{\cdot}10^{-6}$ ($7.26{\cdot}10^{-7}$)
Std. Dev. r	0.0202 (0.0015)
$Corr(r, \lambda)$	0.2060 (0.0087)
No. of Obs.	105,800

Table A13: The Benchmark Model, Including an additional income proxy I

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5349* (0.0072)	-11.8844* (0.1047)
Age		-0.0006 (0.0026)	-0.0549* (0.0226)
Age^2		$1.15 \cdot 10^{-5}$ ($2.71 \cdot 10^{-5}$)	$5.71 \cdot 10^{-4}$* ($2.25 \cdot 10^{-4}$)
Female		0.0044 (0.0097)	0.2083* (0.0763)
Family	Single	omitted	omitted
	Married	-0.0180 (0.0120)	0.2285* (0.1059)
	Divorced	0.0358* (0.0166)	-0.1926 (0.1609)
	Widower	0.0069 (0.0283)	-0.0817 (0.2364)
	Other (NA)	-0.0684 (0.0975)	-0.3924 (0.8041)
Education	Elementary	-0.0237 (0.0321)	0.1287 (0.2207)
	High School	omitted	omitted
	Technical	-0.0078 (0.0185)	0.3204* (0.1352)
	Academic	-0.0273* (0.0121)	0.2341* (0.0863)
	Other (NA)	-0.0010 (0.0100)	0.0043 (0.0837)
Emigrant		0.0036 (0.0100)	-0.0202 (0.0759)
Car Attributes:			
Log(Value)		0.0753* (0.0187)	0.7323* (0.1410)
Car Age		0.0044 (0.0024)	-0.0462* (0.0193)
Commercial Car		-0.0595* (0.0176)	-0.0906 (0.1341)
Log(Engine size)		0.1299* (0.0234)	-0.2500 (0.1991)
Driving:			
License Years		-0.0006 (0.0018)	0.0122 (0.0147)
License Years^2		$-2.91 \cdot 10^{-5}$ ($3.64 \cdot 10^{-5}$)	$-1.19 \cdot 10^{-4}$ ($2.73 \cdot 10^{-4}$)
Good Driver		-0.0678* (0.0118)	-0.0340 (0.0936)
"Any Driver"		0.0355* (0.0113)	0.3226* (0.0785)
Secondary Car		-0.0363* (0.0167)	0.0796 (0.1055)
Business Use		0.0568* (0.0141)	-0.3991* (0.1251)
History Length		-0.0007 (0.0053)	0.3060* (0.0592)
Claim History		0.1279* (0.0168)	0.0633 (0.1806)
Young Driver:			
Young driver		0.0521 (0.0267)	-0.2459 (0.2526)
Gender	Male	omitted	-
	Female	0.0301* (0.0062)	-
Age	17-19	omitted	-
	19-21	-0.0380* (0.0129)	-
	21-24	-0.0450* (0.0132)	-
	>24	0.0134 (0.0127)	-
Experience	<1	omitted	-
	1-3	0.0017 (0.0110)	-
	>3	0.0771* (0.0127)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0778* (0.0138)	-1.4501* (0.0947)
Third year		-0.0877* (0.0154)	-2.8972* (0.1239)
Fourth year		-0.1562* (0.0167)	-3.8311* (0.1399)
Fifth year		-0.4083* (0.0269)	-3.9814* (0.1536)
Income Proxy:			
Mean income in tract		0.0075 (0.0187)	-0.3328* (0.1543)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1544 (0.0094)
σ_r	3.2137 (0.0769)
ρ	0.8170 (0.0296)
Unconditional Stats:	
Mean λ	0.2210 (0.0014)
Median λ	0.2186 (0.0017)
Std. Dev. λ	0.0493 (0.0018)
Mean r	0.0020 (0.0002)
Median r	$6.76 \cdot 10^{-6}$ ($7.22 \cdot 10^{-7}$)
Std. Dev. r	0.0209 (0.0016)
$Corr(r, \lambda)$	0.2077 (0.0098)
No. of Obs.	93,918

Table A14: The Benchmark Model, Including an additional income proxy II

Variable		ln(λ) equation	ln(r) equation
Demographics:			
Constant		-1.5386* (0.0079)	-11.9018* (0.1127)
Age		-0.0008 (0.0028)	-0.0501* (0.0241)
Age^2		$1.33 \cdot 10^{-5}$ ($2.91 \cdot 10^{-5}$)	$5.17 \cdot 10^{-4}$* ($2.39 \cdot 10^{-4}$)
Female		0.0077 (0.0097)	0.1543 (0.0785)
Family	Single	omitted	omitted
	Married	-0.0204 (0.0130)	0.2390* (0.1168)
	Divorced	0.0336 (0.0177)	-0.2203 (0.1763)
	Widower	-0.0074 (0.0324)	-0.0427 (0.2527)
	Other (NA)	-0.0909 (0.1140)	-0.1126 (0.7975)
Education	Elementary	-0.0154 (0.0322)	0.0799 (0.2311)
	High School	omitted	omitted
	Technical	-0.0103 (0.0186)	0.3388* (0.1371)
	Academic	-0.0294* (0.0132)	0.2404* (0.0917)
	Other (NA)	-0.0018 (0.0105)	0.0108 (0.0881)
Emigrant		0.0006 (0.0097)	0.0277 (0.0728)
Car Attributes:			
Log(Value)		0.0798* (0.0190)	0.6623* (0.1432)
Car Age		0.0045 (0.0024)	-0.0574* (0.0198)
Commercial Car		-0.0630* (0.0200)	-0.0953 (0.1434)
Log(Engine size)		0.1268* (0.0242)	-0.2913 (0.2048)
Driving:			
License Years		-0.0006 (0.0020)	0.0095 (0.0164)
License Years^2		$-2.98 \cdot 10^{-5}$ ($4.04 \cdot 10^{-5}$)	$-6.70 \cdot 10^{-5}$ ($3.02 \cdot 10^{-4}$)
Good Driver		-0.0701* (0.0123)	-0.0094 (0.0961)
"Any Driver"		0.0351* (0.0111)	0.3208* (0.0804)
Secondary Car		-0.0388* (0.0158)	0.0551 (0.1031)
Business Use		0.0611* (0.0151)	-0.4300* (0.1344)
History Length		0.0017 (0.0056)	0.3017* (0.0641)
Claim History		0.1252* (0.0177)	0.0493 (0.1884)
Young Driver:			
Young driver		0.0524* (0.0249)	-0.2737 (0.2401)
Gender	Male	omitted	-
	Female	0.0353* (0.0067)	-
Age	17-19	omitted	-
	19-21	-0.0516* (0.0138)	-
	21-24	-0.0569* (0.0139)	-
	>24	0.0112 (0.0132)	-
Experience	<1	omitted	-
	1-3	0.0114 (0.0115)	-
	>3	0.0882* (0.0135)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0767* (0.0131)	-1.4632* (0.0951)
Third year		-0.0881* (0.0149)	-2.9337* (0.1354)
Fourth year		-0.1592* (0.0176)	-3.8478* (0.1476)
Fifth year		-0.4039* (0.0257)	-3.9973* (0.1627)
Income Proxy:			
Socio-Econ index		-0.0079 (0.0067)	0.1272* (0.0537)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1603 (0.0094)
σ_r	3.2155 (0.0764)
ρ	0.8064 (0.0297)
Unconditional Stats:	
Mean λ	0.2204 (0.0015)
Median λ	0.2174 (0.0017)
Std. Dev. λ	0.0503 (0.0019)
Mean r	0.0020 (0.0002)
Median r	$6.65 \cdot 10^{-6}$ ($7.50 \cdot 10^{-7}$)
Std. Dev. r	0.0209 (0.0016)
$Corr(r, \lambda)$	0.2060 (0.0099)
No. of Obs.	88,128

Table A15: The Benchmark Model, Including an additional income proxy III

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5348* (0.0072)	-11.8853* (0.1047)
Age		-0.0009 (0.0027)	-0.0509* (0.0235)
Age^2		$1.46 \cdot 10^{-5}$ ($2.80 \cdot 10^{-5}$)	$5.30 \cdot 10^{-4}$* ($2.36 \cdot 10^{-4}$)
Female		0.0055 (0.0100)	0.1966* (0.0801)
Family	Single	omitted	omitted
	Married	-0.0177 (0.0119)	0.2116* (0.1056)
	Divorced	0.0358* (0.0166)	-0.2021 (0.1607)
	Widower	0.0066 (0.0281)	-0.0931 (0.2355)
	Other (NA)	-0.0666 (0.0972)	-0.4026 (0.8084)
Education	Elementary	-0.0233 (0.0321)	0.1120 (0.2216)
	High School	omitted	omitted
	Technical	-0.0076 (0.0184)	0.3189* (0.1352)
	Academic	-0.0288* (0.0126)	0.2585* (0.0914)
	Other (NA)	0.0012 (0.0110)	-0.0316 (0.0951)
Emigrant		0.0039 (0.0100)	-0.0264 (0.0760)
Car Attributes:			
Log(Value)		0.0747* (0.0187)	0.7377* (0.1414)
Car Age		0.0044 (0.0024)	-0.0459* (0.0194)
Commercial Car		-0.0589* (0.0176)	-0.0975 (0.1341)
Log(Engine size)		0.1298* (0.0234)	-0.2519 (0.1993)
Driving:			
License Years		-0.0006 (0.0018)	0.0130 (0.0146)
License Years^2		$-2.92 \cdot 10^{-5}$ ($3.63 \cdot 10^{-5}$)	$-1.27 \cdot 10^{-4}$ ($2.73 \cdot 10^{-4}$)
Good Driver		-0.0679* (0.0118)	-0.0353 (0.0935)
"Any Driver"		0.0348* (0.0113)	0.3272* (0.0787)
Secondary Car		-0.0367* (0.0167)	0.0824 (0.1054)
Business Use		0.0569* (0.0141)	-0.3960* (0.1252)
History Length		-0.0008 (0.0053)	0.3080* (0.0592)
Claim History		0.1283* (0.0169)	0.0556 (0.1810)
Young Driver:			
Young driver		0.0520 (0.0268)	-0.2450 (0.2528)
Gender	Male	omitted	-
	Female	0.0302* (0.0062)	-
Age	17-19	omitted	-
	19-21	-0.0385* (0.0129)	-
	21-24	-0.0453* (0.0132)	-
	>24	0.0134 (0.0127)	-
Experience	<1	omitted	-
	1-3	0.0019 (0.0110)	-
	>3	0.0774* (0.0128)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0774* (0.0136)	-1.4502* (0.0942)
Third year		-0.0876* (0.0153)	-2.8965* (0.1251)
Fourth year		-0.1566* (0.0165)	-3.8267* (0.1400)
Fifth year		-0.4078* (0.0269)	-3.9800* (0.1548)
Income Proxy:			
Matched income in tract		0.0024 (0.0050)	-0.0365 (0.0471)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1545 (0.0094)
σ_r	3.2141 (0.0768)
ρ	0.8168 (0.0296)
Unconditional Stats:	
Mean λ	0.2210 (0.0014)
Median λ	0.2186 (0.0017)
Std. Dev. λ	0.0492 (0.0017)
Mean r	0.0020 (0.0002)
Median r	$6.76 \cdot 10^{-6}$ ($7.21 \cdot 10^{-7}$)
Std. Dev. r	0.0209 (0.0016)
$Corr(r, \lambda)$	0.2079 (0.0098)
No. of Obs.	93,918

Table A16: The Benchmark Model, Including estimated mileage as a covariate

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.6106* (0.0103)	-11.9988* (0.1534)
Age		-0.0027 (0.0037)	-0.0339 (0.0324)
Age^2		$4.33 \cdot 10^{-5}$ ($3.77 \cdot 10^{-5}$)	$3.06 \cdot 10^{-4}$ ($3.19 \cdot 10^{-4}$)
Female		0.0083 (0.0133)	0.1619 (0.1047)
Family	Single	omitted	omitted
	Married	-0.0110 (0.0176)	0.1387 (0.1560)
	Divorced	0.0612* (0.0249)	-0.3845 (0.2497)
	Widower	0.0054 (0.0431)	-0.3379 (0.3471)
	Other (NA)	dropped	dropped
Education	Elementary	-0.0216 (0.0450)	0.1997 (0.2844)
	High School	omitted	omitted
	Technical	0.0008 (0.0244)	0.3680* (0.1723)
	Academic	-0.0045 (0.0157)	0.1132 (0.1154)
	Other (NA)	-0.0066 (0.0148)	0.0064 (0.1197)
Emigrant		0.0130 (0.0132)	-0.0715 (0.0990)
Car Attributes:			
Log(Value)		0.0902* (0.0245)	0.8822* (0.1798)
Car Age		0.0058 (0.0032)	-0.0358 (0.0260)
Commercial Car		-0.1304* (0.0277)	0.1964 (0.1725)
Log(Engine size)		0.1551* (0.0334)	-0.4756 (0.2704)
Driving:			
License Years		-0.0006 (0.0026)	0.0016 (0.0208)
License Years^2		$-5.42 \cdot 10^{-5}$ ($5.24 \cdot 10^{-5}$)	$1.92 \cdot 10^{-4}$ ($3.85 \cdot 10^{-4}$)
Good Driver		-0.0934* (0.0163)	0.1109 (0.1254)
"Any Driver"		0.0342* (0.0148)	0.3731* (0.1050)
Secondary Car		-0.0392* (0.0182)	0.1373 (0.1198)
Business Use		0.0398 (0.0214)	-0.1596 (0.1712)
History Length		-0.0015 (0.0084)	0.3120* (0.0977)
Claim History		0.1354* (0.0229)	0.0135 (0.2479)
Young Driver:			
Young driver		0.0764* (0.0267)	-0.4268 (0.2648)
Gender	Male	omitted	-
	Female	0.0407* (0.0098)	-
Age	17-19	omitted	-
	19-21	-0.0539* (0.0202)	-
	21-24	-0.0716* (0.0211)	-
	>24	-0.0045 (0.0200)	-
Experience	<1	omitted	-
	1-3	0.0065 (0.0174)	-
	>3	0.0997* (0.0199)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0682* (0.0189)	-1.4707* (0.1369)
Third year		-0.0955* (0.0197)	-2.9808* (0.1759)
Fourth year		-0.1652* (0.0198)	-4.0281* (0.1886)
Fifth year		-0.4233* (0.0308)	-4.1516* (0.2024)
Mileage:			
Log(Estimated Mileage)		0.0604* (0.0123)	-0.2740* (0.0871)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2112 (0.0132)
σ_r	3.2347 (0.099)
ρ	0.6765 (0.0514)
Unconditional Stats:	
Mean λ	0.2079 (0.0017)
Median λ	0.2016 (0.0021)
Std. Dev. λ	0.0591 (0.0025)
Mean r	0.0023 (0.0003)
Median r	$6.26 \cdot 10^{-6}$ ($8.94 \cdot 10^{-7}$)
Std. Dev. r	0.0229 (0.0021)
$Corr(r, \lambda)$	0.1893 (0.0133)
No. of Obs.	60,422

Table A17: CARA Utility

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.5423* (0.0074)	-11.5167* (0.0896)
Age		-0.0004 (0.0026)	-0.0525* (0.0187)
Age^2		$-8.63\cdot10^{-6}$ ($2.61\cdot10^{-5}$)	$5.47\cdot10^{-4}$* ($1.84\cdot10^{-4}$)
Female		0.0010 (0.0085)	0.1778* (0.0563)
Family	Single	omitted	omitted
	Married	-0.0190 (0.0114)	0.1667* (0.0855)
	Divorced	0.0394* (0.0154)	-0.1528 (0.1315)
	Widower	0.0131 (0.0279)	-0.1112 (0.1996)
	Other (NA)	-0.0552 (0.0960)	-0.4093 (0.6467)
Education	Elementary	-0.0195 (0.0329)	0.1111 (0.1860)
	High School	omitted	omitted
	Technical	-0.0023 (0.0187)	0.2059 (0.1162)
	Academic	-0.0253* (0.0122)	0.1796* (0.0727)
	Other (NA)	-0.0026 (0.0106)	0.0088 (0.0715)
Emigrant		0.0029 (0.0089)	0.0002 (0.0567)
Car Attributes:			
Log(Value)		0.0815* (0.0175)	0.5849* (0.1097)
Car Age		0.0054* (0.0023)	-0.0379* (0.0153)
Commercial Car		-0.0710* (0.0184)	-0.0397 (0.1067)
Log(Engine size)		0.1289* (0.0233)	-0.2877 (0.1609)
Driving:			
License Years		-0.0014 (0.0017)	0.0135 (0.0119)
License Years^2		$-1.75\cdot10^{-5}$ ($3.44\cdot10^{-5}$)	$-1.38\cdot10^{-4}$ ($2.21\cdot10^{-4}$)
Good Driver		-0.0638* (0.0110)	-0.0178 (0.0712)
"Any Driver"		0.0349* (0.0102)	0.2646* (0.0623)
Secondary Car		-0.0391* (0.0137)	0.0965 (0.0756)
Business Use		0.0599* (0.0133)	-0.3231* (0.0978)
History Length		0.0011 (0.0052)	0.2730* (0.0462)
Claim History		0.1292* (0.0154)	0.0326 (0.1475)
Young Driver:			
Young driver		0.0534* (0.0242)	-0.2237 (0.1953)
Gender	Male	omitted	-
	Female	0.0349* (0.0061)	-
Age	17-19	omitted	-
	19-21	-0.0382* (0.0121)	-
	21-24	-0.0440* (0.0124)	-
	>24	0.0109 (0.0119)	-
Experience	<1	omitted	-
	1-3	-0.0060 (0.0104)	-
	>3	0.0747* (0.0120)	-
Company Year:			
First year		omitted	omitted
Second year		-0.0755* (0.0121)	-1.2583* (0.0739)
Third year		-0.0842* (0.0136)	-2.4998* (0.1045)
Fourth year		-0.1490* (0.0159)	-3.3446* (0.116)
Fifth year		-0.4006* (0.0244)	-3.4919* (0.1188)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.1498 (0.0100)
σ_r	2.7624 (0.0651)
ρ	0.8261 (0.0285)
Unconditional Stats:	
Mean λ	0.2192 (0.0013)
Median λ	0.2169 (0.0017)
Std. Dev. λ	0.0480 (0.0020)
Mean r	$8.67\cdot10^{-4}$ ($7.18\cdot10^{-5}$)
Median r	$9.79\cdot10^{-6}$ ($8.82\cdot10^{-7}$)
Std. Dev. r	0.0090 (0.0008)
$Corr(r,\lambda)$	0.2008 (0.0092)
No. of Obs.	105,800

Table A18: Imperfect Information - A Model of Learning about Own Risk Type

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.6703* (0.0064)	-13.3315* (0.1467)
Age		-0.0097* (0.0035)	-0.0303 (0.0311)
Age^2		$1.06 \cdot 10^{-4}$* ($3.51 \cdot 10^{-5}$)	$3.86 \cdot 10^{-4}$ ($3.13 \cdot 10^{-4}$)
Female		-0.0034 (0.0107)	0.2778* (0.1011)
Family	Single	omitted	omitted
	Married	-0.0580* (0.0141)	0.4344* (0.1442)
	Divorced	0.0289 (0.0208)	-0.1475 (0.2436)
	Widower	-0.0213 (0.0327)	-0.0075 (0.3417)
	Other (NA)	-0.0457 (0.1004)	-0.9323 (1.2432)
Education	Elementary	-0.0420 (0.0371)	0.2928 (0.2987)
	High School	omitted	omitted
	Technical	0.0096 (0.0222)	0.3029 (0.1934)
	Academic	-0.0311* (0.0136)	0.2475* (0.1173)
	Other (NA)	-0.0157 (0.0123)	0.1127 (0.1252)
Emigrant		0.0109 (0.0105)	-0.0244 (0.0980)
Car Attributes:			
Log(Value)		0.1494* (0.0182)	1.7121* (0.1929)
Car Age		0.0090* (0.0026)	-0.0817* (0.0271)
Commercial Car		-0.1050* (0.0188)	0.2538 (0.1626)
Log(Engine size)		0.2021* (0.0260)	-0.7413* (0.2720)
Driving:			
License Years		-0.0055* (0.0023)	0.0019 (0.0197)
License Years^2		$5.39 \cdot 10^{-5}$ ($4.26 \cdot 10^{-5}$)	$1.43 \cdot 10^{-4}$ ($3.65 \cdot 10^{-4}$)
Good Driver		-0.0657* (0.0123)	-0.0903 (0.1197)
"Any Driver"		0.0634* (0.0114)	0.4071* (0.1016)
Secondary Car		-0.0409* (0.0138)	0.1570 (0.1244)
Business Use		0.0833* (0.0165)	-0.6970* (0.1701)
History Length		-0.0062 (0.0068)	0.3988* (0.0850)
Claim History		0.3184* (0.0234)	-0.6378* (0.2855)
Young Driver:			
Young driver		0.1319* (0.0227)	-0.6241* (0.2905)
Gender	Male	omitted	-
	Female	0.0283* (0.0113)	-
Age	17-19	omitted	-
	19-21	-0.0130 (0.0219)	-
	21-24	-0.0290 (0.0240)	-
	>24	0.0277 (0.0233)	-
Experience	<1	omitted	-
	1-3	-0.0446* (0.0192)	-
	>3	0.0595* (0.0219)	-
Company Year:			
First year		omitted	omitted
Second year		-0.1553* (0.0139)	-2.0421* (0.1263)
Third year		-0.2730* (0.0168)	-3.4016* (0.1781)
Fourth year		-0.4225* (0.0177)	-4.5195* (0.2149)
Fifth year		-0.7360* (0.0203)	-4.4454* (0.1965)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.2745 (0.0089)
σ_r	3.2711 (0.0893)
ρ	0.7721 (0.0370)
Unconditional Stats:	
Mean λ	0.2041 (0.0012)
Median λ	0.1906 (0.0012)
Std. Dev. λ	0.0840 (0.0020)
Mean r	0.0012 (0.0001)
Median r	$1.58 \cdot 10^{-6}$ ($2.32 \cdot 10^{-7}$)
Std. Dev. r	0.0164 (0.0015)
$Corr(r, \lambda)$	0.1995 (0.0104)
No. of Obs.	105,800

Table A19: Risk Distribution with Thinner Tails

Variable		$\ln(\lambda)$ equation	$\ln(r)$ equation
Demographics:			
Constant		-1.7716* (0.0081)	-13.1811* (0.255)
Age		-0.0077* (0.0023)	-0.0081 (0.0271)
Age^2		$8.86 \cdot 10^{-5}$* ($2.40 \cdot 10^{-5}$)	$3.54 \cdot 10^{-5}$ ($2.69 \cdot 10^{-4}$)
Female		0.0099 (0.0069)	0.2224* (0.0730)
Family	Single	omitted	omitted
	Married	-0.0368* (0.0088)	0.6912* (0.1130)
	Divorced	0.0276 (0.0147)	-0.0424 (0.1948)
	Widower	-0.0104 (0.0227)	0.1377 (0.2477)
	Other (NA)	-0.1175 (0.0938)	0.7196 (0.9142)
Education	Elementary	-0.0456 (0.0258)	0.5858* (0.2303)
	High School	omitted	omitted
	Technical	0.0294* (0.0133)	-0.0729 (0.1515)
	Academic	-0.0451* (0.0085)	0.5930* (0.0873)
	Other (NA)	-0.0224* (0.0076)	0.2875* (0.0776)
Emigrant		0.0072 (0.0069)	-0.0341 (0.0690)
Car Attributes:			
Log(Value)		0.1633* (0.0123)	1.0013* (0.1604)
Car Age		0.0028 (0.0019)	-0.0161 (0.0213)
Commercial Car		-0.0822* (0.0144)	0.4207* (0.1485)
Log(Engine size)		0.1736* (0.0215)	-0.9890* (0.2608)
Driving:			
License Years		-0.0044* (0.0015)	0.0592* (0.0178)
License Years^2		$2.41 \cdot 10^{-5}$ ($2.82 \cdot 10^{-5}$)	$-6.42 \cdot 10^{-4}$* ($2.92 \cdot 10^{-4}$)
Good Driver		-0.0680* (0.0086)	-0.0012 (0.0956)
"Any Driver"		0.0663* (0.0075)	0.1348* (0.0774)
Secondary Car		-0.0503* (0.0086)	0.4231* (0.0798)
Business Use		0.0603* (0.0126)	-0.7765* (0.1414)
History Length		0.0137* (0.0049)	0.5018* (0.0818)
Claim History		0.2579* (0.0182)	-1.6289* (0.2333)
Young Driver:			
Young driver		0.1122* (0.0201)	-0.7575* (0.2531)
Gender	Male	omitted	-
	Female	-0.0034 (0.0151)	-
Age	17-19	omitted	-
	19-21	-0.0198 (0.0264)	-
	21-24	-0.0521 (0.0296)	-
	>24	0.0064 (0.0271)	-
Experience	<1	omitted	-
	1-3	-0.0319 (0.0229)	-
	>3	0.0448 (0.0274)	-
Company Year:			
First year		omitted	omitted
Second year		-0.1831* (0.0103)	-1.0366* (0.1071)
Third year		-0.3043* (0.0118)	-2.1374* (0.1385)
Fourth year		-0.4568* (0.0131)	-2.9919* (0.1745)
Fifth year		-0.7098* (0.0160)	-2.5040* (0.1665)

Additional Quantities	
Var-covar matrix (Σ):	
σ_λ	0.5326 (0.0069)
σ_r	3.8233 (0.1153)
ρ	-0.9156 (0.0205)
Unconditional Stats:	
Mean λ	0.2053 (0.0008)
Median λ	0.1708 (0.0014)
Std. Dev. λ	0.1545 (0.0028)
Mean r	0.0017 (0.0001)
Median r	$1.94 \cdot 10^{-6}$ ($5.41 \cdot 10^{-7}$)
Std. Dev. r	0.0204 (0.0013)
$Corr(r, \lambda)$	-0.0763 (0.0021)
No. of Obs.	105,800