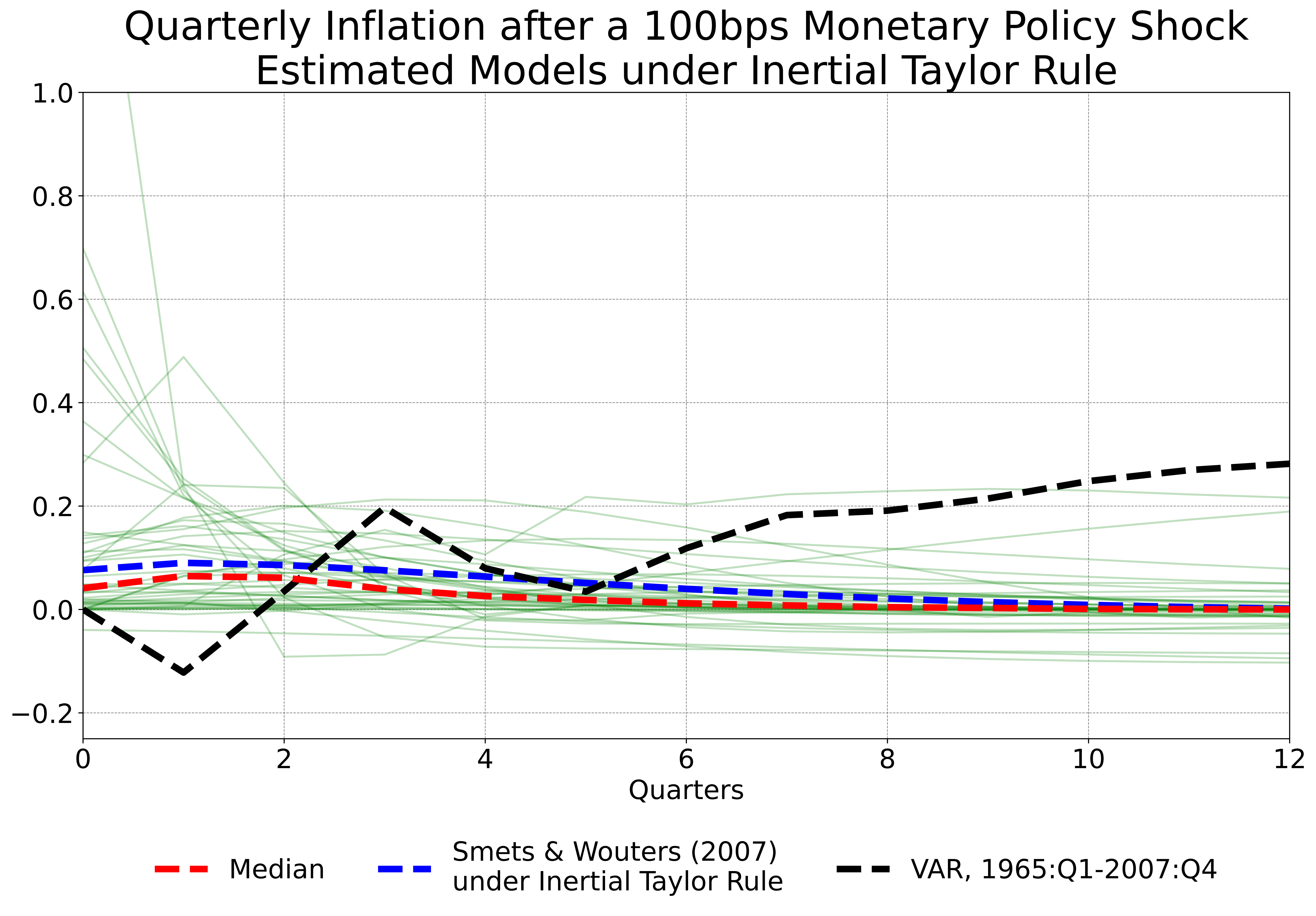
Quarterly Inflation after a 100bps Monetary Policy Shock
Estimated Models under Inertial Taylor Rule
1.0
0.8
0.6
0.4
0.2
0.0
−0.2
0
2
4
6
8
10
12
Quarters
Median
Smets & Wouters (2007)
under Inertial Taylor Rule
VAR, 1965:Q1-2007:Q4