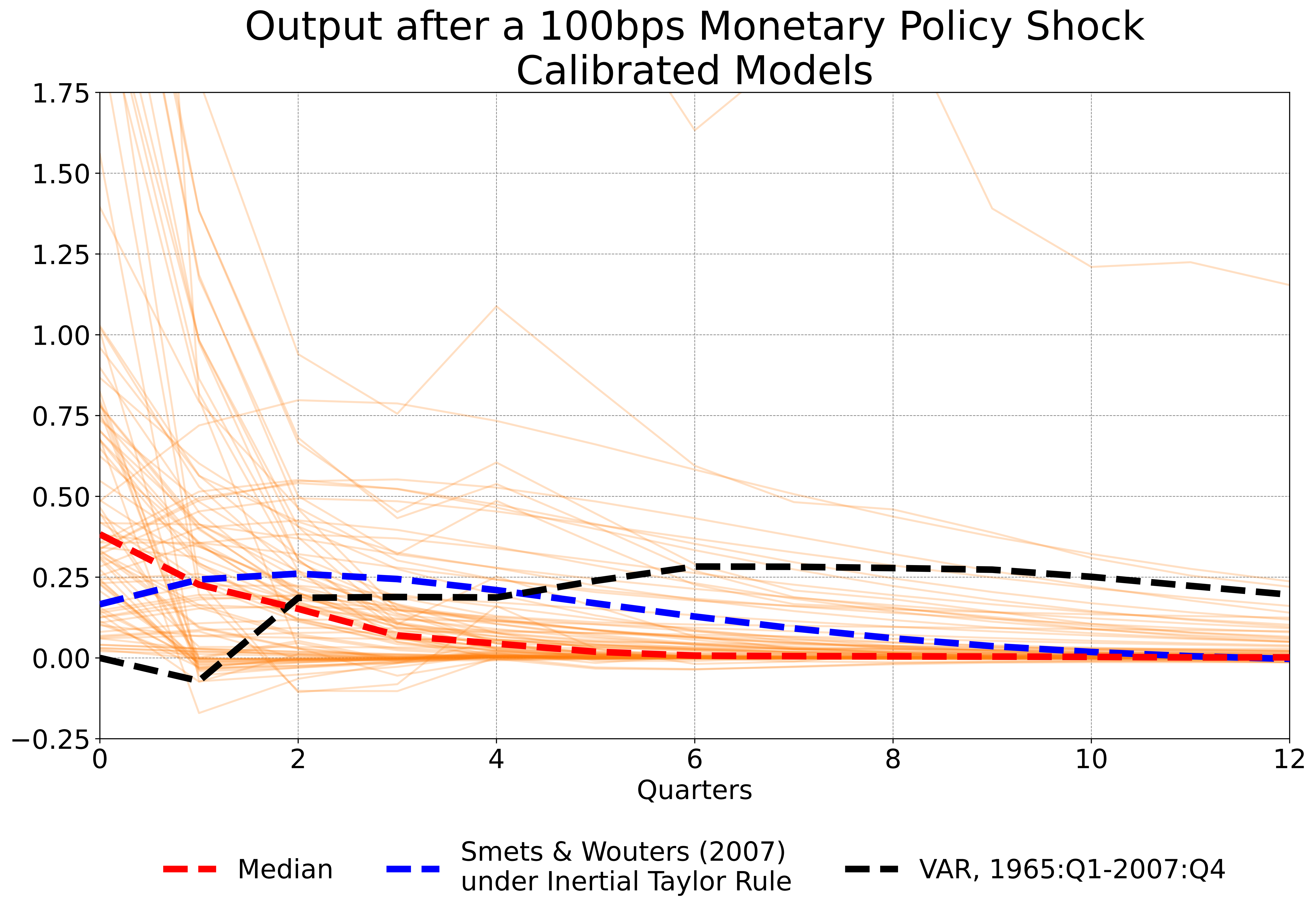
Output after a 100bps Monetary Policy Shock
Calibrated Models
1.75
1.50
1.25
1.00
0.75
0.50
0.25
0.00
−0.25
0
2
4
6
8
10
12
Quarters
Median
Smets & Wouters (2007)
under Inertial Taylor Rule
VAR, 1965:Q1-2007:Q4