

# Life Cycle Dynamic Programming under Unemployment Shock

This is the example vignette for function: [snw\\_vfi\\_main\\_bisec\\_vec](#) from the [PrjOptiSNW Package](#). This function solves for policy function using Exact Vectorized Solution. Dense Solution Analysis. Unemployment Shock. The file focuses on the change in value function, asset choice, and consumption choice given a one period unemployment shock (that does not reappear in the future again).

## Test SNW\_VFI\_UNEMP Defaults Dense

Solve the Regular Value and Also the Unemployment Value.

First, solve for value without unemployment issue (use the vectorized code that was previously tested):

```
mp_params = snw_mp_param('default_docdense');
mp_controls = snw_mp_control('default_test');
[V_VFI_ss,ap_VFI_ss,cons_VFI_ss,mp_valpol_more_ss] = ...
    snw_vfi_main_bisec_vec(mp_params, mp_controls);
```

```
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:83 of 82, time-this-age:1.8205
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:82 of 82, time-this-age:3.1788
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:81 of 82, time-this-age:3.0847
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:80 of 82, time-this-age:3.0421
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:79 of 82, time-this-age:3.0229
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:78 of 82, time-this-age:3.075
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:77 of 82, time-this-age:3.0089
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:76 of 82, time-this-age:3.0223
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:75 of 82, time-this-age:3.0628
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:74 of 82, time-this-age:2.9162
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:73 of 82, time-this-age:2.8128
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:72 of 82, time-this-age:2.8287
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:71 of 82, time-this-age:2.8302
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:70 of 82, time-this-age:2.8056
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:69 of 82, time-this-age:2.7875
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:68 of 82, time-this-age:2.9285
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:67 of 82, time-this-age:2.9005
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:66 of 82, time-this-age:2.8196
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:65 of 82, time-this-age:2.791
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:64 of 82, time-this-age:2.8039
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:63 of 82, time-this-age:2.7649
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:62 of 82, time-this-age:2.8592
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:61 of 82, time-this-age:2.7595
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:60 of 82, time-this-age:2.7984
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:59 of 82, time-this-age:2.8238
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:58 of 82, time-this-age:2.8372
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:57 of 82, time-this-age:2.847
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:56 of 82, time-this-age:2.8287
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:55 of 82, time-this-age:2.8489
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:54 of 82, time-this-age:2.8663
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:53 of 82, time-this-age:2.8091
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:52 of 82, time-this-age:2.8397
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:51 of 82, time-this-age:2.8433
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:50 of 82, time-this-age:2.8445
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:49 of 82, time-this-age:2.7143
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:48 of 82, time-this-age:2.6729
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:47 of 82, time-this-age:2.9111
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:46 of 82, time-this-age:2.8268
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:45 of 82, time-this-age:2.8303
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:44 of 82, time-this-age:2.8012
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:43 of 82, time-this-age:2.7892
SNW_VFI_MAIN_BISEC_VEC: Finished Age Group:42 of 82, time-this-age:2.8242
```



r82	-5.9673	-5.9561	-5.8793	-5.6833	-5.3468	1.5958	1.5989	1.6018	1.6046	1.6073
r83	-3.5892	-3.578	-3.5012	-3.3052	-2.9687	0.97904	0.98004	0.98097	0.98185	0.9826

xxx TABLE:ap\_VFI xxxxxxxxxxxxxxxxxxxx

	c1	c2	c3	c4	c5	c526496	c526497	c526498	c526499	c526500
r1	0	0	0.0005656	0.0075134	0.022901	114.75	120.41	126.27	132.38	138.8
r2	0	0	0.00051498	0.0065334	0.021549	114.86	120.53	126.41	132.54	138.95
r3	0	0	0.00051498	0.0049294	0.019875	114.97	120.65	126.56	132.7	139.12
r4	0	0	0.00051498	0.0047937	0.019672	115.73	121.42	127.34	133.51	139.92
r5	0	0	0.00048517	0.0046683	0.019484	116.5	122.21	128.15	134.32	140.74
r79	0	0	0	0	0	81.091	85.68	90.335	94.378	98.419
r80	0	0	0	0	0	76.669	80.563	84.304	88.04	91.693
r81	0	0	0	0	0	68.313	71.534	74.475	77.832	81.11
r82	0	0	0	0	0	50.126	53.467	56.953	58.745	60.587
r83	0	0	0	0	0	0	0	0	0	0

xxx TABLE:cons\_VFI xxxxxxxxxxxxxxxxxxxx

	c1	c2	c3	c4	c5	c526496	c526497	c526498	c526499	c526500
r1	0.036717	0.037251	0.040426	0.04363	0.048012	9.6491	9.817	9.9649	10.073	10.18
r2	0.036717	0.037251	0.040477	0.04461	0.049364	9.8118	9.9685	10.101	10.191	10.28
r3	0.036717	0.037251	0.040477	0.046214	0.051039	9.9779	10.12	10.234	10.302	10.38
r4	0.038144	0.038678	0.041903	0.047776	0.052666	10.131	10.258	10.354	10.405	10.45
r5	0.039534	0.040068	0.043323	0.04929	0.054241	10.272	10.384	10.463	10.5	10.55
r79	0.2179	0.21844	0.22216	0.23228	0.25197	35.858	37.092	38.455	40.627	41.8
r80	0.2179	0.21844	0.22216	0.23228	0.25197	40.253	42.183	44.459	46.938	48.1
r81	0.2179	0.21844	0.22216	0.23228	0.25197	48.587	51.19	54.266	57.123	59.2
r82	0.2179	0.21844	0.22216	0.23228	0.25197	66.755	69.238	71.77	76.192	78.2
r83	0.2179	0.21844	0.22216	0.23228	0.25197	116.87	122.69	128.71	134.92	140.1

Second, solve for the unemployment value, use the exact-bisec result code, call the `snw_vfi_main_bisec_vec.m` function with a third input of existing value:

```
mp_params('xi') = 0.5;
mp_params('b') = 0;
[V_VFI_unemp,ap_VFI_unemp,cons_VFI_unemp,mp_valpol_more_unemp] = ...
    snw_vfi_main_bisec_vec(mp_params, mp_controls, V_VFI_ss);
```

```
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 1 of 82, time-this-age:2.8563
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 2 of 82, time-this-age:3.0648
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 3 of 82, time-this-age:2.7929
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 4 of 82, time-this-age:2.8051
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 5 of 82, time-this-age:2.8264
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 6 of 82, time-this-age:2.836
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 7 of 82, time-this-age:2.8277
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 8 of 82, time-this-age:2.7941
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 9 of 82, time-this-age:2.8232
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 10 of 82, time-this-age:2.7723
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 11 of 82, time-this-age:2.8291
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 12 of 82, time-this-age:2.7968
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 13 of 82, time-this-age:2.848
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 14 of 82, time-this-age:2.8093
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 15 of 82, time-this-age:2.8312
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 16 of 82, time-this-age:2.8063
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 17 of 82, time-this-age:2.8041
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 18 of 82, time-this-age:2.8034
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 19 of 82, time-this-age:2.796
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 20 of 82, time-this-age:2.8926
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 21 of 82, time-this-age:3.4005
SNW_VFI_MAIN_BISEC_VEC 1 Period Unemp Shock: Age 22 of 82, time-this-age:3.0663
```

SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 23 of 82, time-this-age:2.839  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 24 of 82, time-this-age:3.0613  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 25 of 82, time-this-age:3.1482  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 26 of 82, time-this-age:2.9432  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 27 of 82, time-this-age:2.964  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 28 of 82, time-this-age:2.9991  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 29 of 82, time-this-age:2.7389  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 30 of 82, time-this-age:2.8259  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 31 of 82, time-this-age:2.7929  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 32 of 82, time-this-age:2.7872  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 33 of 82, time-this-age:2.8341  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 34 of 82, time-this-age:2.9876  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 35 of 82, time-this-age:3.0836  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 36 of 82, time-this-age:2.7955  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 37 of 82, time-this-age:2.9634  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 38 of 82, time-this-age:2.7022  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 39 of 82, time-this-age:2.6388  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 40 of 82, time-this-age:2.6754  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 41 of 82, time-this-age:2.6157  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 42 of 82, time-this-age:2.7739  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 43 of 82, time-this-age:3.0513  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 44 of 82, time-this-age:2.6043  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 45 of 82, time-this-age:2.6203  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 46 of 82, time-this-age:2.9099  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 47 of 82, time-this-age:2.8328  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 48 of 82, time-this-age:2.5949  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 49 of 82, time-this-age:2.5623  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 50 of 82, time-this-age:2.4733  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 51 of 82, time-this-age:2.4966  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 52 of 82, time-this-age:2.4712  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 53 of 82, time-this-age:2.5194  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 54 of 82, time-this-age:2.5973  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 55 of 82, time-this-age:2.6167  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 56 of 82, time-this-age:2.8954  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 57 of 82, time-this-age:2.6303  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 58 of 82, time-this-age:2.5062  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 59 of 82, time-this-age:2.8318  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 60 of 82, time-this-age:3.1076  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 61 of 82, time-this-age:2.4185  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 62 of 82, time-this-age:2.5062  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 63 of 82, time-this-age:3.0883  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 64 of 82, time-this-age:2.715  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 65 of 82, time-this-age:2.5774  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 66 of 82, time-this-age:2.6634  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 67 of 82, time-this-age:2.4816  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 68 of 82, time-this-age:2.4953  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 69 of 82, time-this-age:2.7169  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 70 of 82, time-this-age:2.5446  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 71 of 82, time-this-age:2.6734  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 72 of 82, time-this-age:2.5802  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 73 of 82, time-this-age:2.5602  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 74 of 82, time-this-age:2.5524  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 75 of 82, time-this-age:2.5331  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 76 of 82, time-this-age:2.5831  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 77 of 82, time-this-age:2.5422  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 78 of 82, time-this-age:2.5236  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 79 of 82, time-this-age:2.5017  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 80 of 82, time-this-age:2.4577  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 81 of 82, time-this-age:2.7372  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 82 of 82, time-this-age:2.71  
 SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock: Age 83 of 82, time-this-age:1.6049  
 Completed SNW\_VFI\_MAIN\_BISEC\_VEC 1 Period Unemp Shock;SNW\_MP\_PARAM=default\_docdense;SNW\_MP\_CONTROL=default\_test;time

xx  
 CONTAINER NAME: mp\_outcomes ND Array (Matrix etc)

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX										
	i	idx	ndim	numel	rowN	colN	sum	mean	std	coefvari
	—	—	—	—	—	—	—	—	—	—
V_VFI	1	1	6	4.37e+07	83	5.265e+05	-1.7805e+08	-4.0743	27.116	-6.6554
ap_VFI	2	2	6	4.37e+07	83	5.265e+05	1.3789e+09	31.553	36.673	1.1622
cons_VFI	3	3	6	4.37e+07	83	5.265e+05	2.1097e+08	4.8277	8.3289	1.7252

xxx TABLE:V_VFI XXXXXXXXXXXXXXXXXXXX										
	c1	c2	c3	c4	c5	c526496	c526497	c526498	c526499	c526500
	—	—	—	—	—	—	—	—	—	—
r1	-372.97	-371.47	-362.94	-349.52	-336.96	21.573	21.728	21.882	22.036	22.19
r2	-360.84	-359.34	-350.81	-337.39	-324.98	21.595	21.745	21.894	22.044	22.19
r3	-348.91	-347.41	-338.88	-325.46	-313.34	21.617	21.762	21.906	22.052	22.20
r4	-336.09	-334.7	-326.73	-314.01	-302.44	21.633	21.772	21.913	22.056	22.20
r5	-324.48	-323.18	-315.72	-303.62	-292.54	21.634	21.77	21.907	22.046	22.18
r79	-9.9437	-9.9325	-9.8557	-9.6597	-9.3232	2.5374	2.5482	2.5584	2.568	2.57
r80	-8.9023	-8.8911	-8.8143	-8.6183	-8.2818	2.3024	2.3107	2.3185	2.3259	2.332
r81	-7.6363	-7.6251	-7.5484	-7.3524	-7.0159	2.0057	2.0114	2.0168	2.0218	2.026
r82	-5.9673	-5.9561	-5.8793	-5.6833	-5.3468	1.5952	1.5984	1.6014	1.6042	1.606
r83	-3.5892	-3.578	-3.5012	-3.3052	-2.9687	0.97886	0.97987	0.98082	0.98171	0.9825

xxx TABLE:ap_VFI XXXXXXXXXXXXXXXXXXXX										
	c1	c2	c3	c4	c5	c526496	c526497	c526498	c526499	c526500
	—	—	—	—	—	—	—	—	—	—
r1	0	0	0	0	0.0092181	110.06	115.71	121.55	127.62	133.93
r2	0	0	0	0	0.008238	110.03	115.68	121.54	127.62	133.95
r3	0	0	0	0	0.0066341	109.99	115.65	121.53	127.63	133.97
r4	0	0	0	0	0.0058019	110.28	115.95	121.84	127.96	134.33
r5	0	0	0	0	0.004998	110.58	116.27	122.17	128.31	134.69
r79	0	0	0	0	0	81.091	85.229	89.297	93.341	97.382
r80	0	0	0	0	0	75.865	79.539	83.28	87.016	90.669
r81	0	0	0	0	0	67.781	70.521	73.462	76.819	81.091
r82	0	0	0	0	0	50.126	53.467	56.108	57.742	60.587
r83	0	0	0	0	0	0	0	0	0	0

xxx TABLE:cons_VFI XXXXXXXXXXXXXXXXXXXX										
	c1	c2	c3	c4	c5	c526496	c526497	c526498	c526499	c526500
	—	—	—	—	—	—	—	—	—	—
r1	0.018623	0.019158	0.022901	0.033062	0.04363	9.4708	9.6491	9.817	9.9649	10.11
r2	0.018623	0.019158	0.022901	0.033062	0.04461	9.6414	9.8118	9.9685	10.101	10.25
r3	0.018623	0.019158	0.022901	0.033062	0.046214	9.8179	9.9779	10.12	10.234	10.38
r4	0.019354	0.019888	0.023632	0.033792	0.047776	9.9825	10.131	10.258	10.354	10.50
r5	0.020066	0.020601	0.024344	0.034504	0.04929	10.135	10.272	10.384	10.463	10.61
r79	0.2179	0.21844	0.22216	0.23228	0.25197	34.82	36.506	38.455	40.627	42.79
r80	0.2179	0.21844	0.22216	0.23228	0.25197	40.033	42.183	44.459	46.938	49.42
r81	0.2179	0.21844	0.22216	0.23228	0.25197	48.106	51.19	54.266	57.123	60.19
r82	0.2179	0.21844	0.22216	0.23228	0.25197	65.751	68.234	71.611	76.192	80.77
r83	0.2179	0.21844	0.22216	0.23228	0.25197	115.87	121.69	127.71	133.93	140.25

## Difference Between Value and Choices In Unemployment and Future Periods

```
V_VFI_unemp_drop = V_VFI_ss - V_VFI_unemp;
ap_VFI_unemp_drop = ap_VFI_ss - ap_VFI_unemp;
cons_VFI_unemp_drop = cons_VFI_ss - cons_VFI_unemp;
```

## Dense Param Results Define Frames

Define the matrix dimensions names and dimension vector values. Policy and Value Functions share the same ND dimensional structure.

```
% Grids:
age_grid = 18:100;
agrid = mp_params('agrid');
eta_H_grid = mp_params('eta_H_grid');
eta_S_grid = mp_params('eta_S_grid');
ar_st_eta_HS_grid = string(cellstr([num2str(eta_H_grid', 'hz=%3.2f;'), num2str(eta_S_grid', 'wz=%3.2f;')], 'wz=%3.2f;'), 'hz=%3.2f;');
edu_grid = [0,1];
marry_grid = [0,1];
kids_grid = (1:1:mp_params('n_kidsgrid'))';
% NaN(n_jgrid,n_agrid,n_etagrid,n_educgrid,n_marriedgrid,n_kidsgrid);
cl_mp_datasetdesc = {};
cl_mp_datasetdesc{1} = containers.Map({'name', 'labval'}, {'age', age_grid});
cl_mp_datasetdesc{2} = containers.Map({'name', 'labval'}, {'savings', agrid});
cl_mp_datasetdesc{3} = containers.Map({'name', 'labval'}, {'eta', 1:length(eta_H_grid)});
cl_mp_datasetdesc{4} = containers.Map({'name', 'labval'}, {'edu', edu_grid});
cl_mp_datasetdesc{5} = containers.Map({'name', 'labval'}, {'marry', marry_grid});
cl_mp_datasetdesc{6} = containers.Map({'name', 'labval'}, {'kids', kids_grid});
```

## Analyze Savings and Shocks

First, analyze Savings Levels and Shocks, Aggregate Over All Others, and do various other calculations.

```
% Generate some Data
mp_support_graph = containers.Map('KeyType', 'char', 'ValueType', 'any');
mp_support_graph('cl_st_xtitle') = {'Savings States, a'};
mp_support_graph('st_legend_loc') = 'eastoutside';
mp_support_graph('bl_graph_logy') = true; % do not log
mp_support_graph('it_legend_select') = 15; % how many shock legends to show
mp_support_graph('cl_colors') = 'jet';
```

MEAN(VA(A,Z) - VA(A,Z|unemp)), MEAN(AP(A,Z) - AP(A,Z|unemp)), MEAN(C(A,Z) - C(A,Z|unemp))

Tabulate value and policies along savings and shocks:

```
% Set
% NaN(n_jgrid,n_agrid,n_etagrid,n_educgrid,n_marriedgrid,n_kidsgrid);
ar_permute = [1,4,5,6,3,2];
% Value Function
tb_az_v = ff_summ_nd_array("MEAN(v(A,Z) - v(A,Z|unemp))", V_VFI_unemp_drop, true, ["mean"], 4,
```

xxx	MEAN(v(A,Z) - v(A,Z unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	savings	mean_eta_1	mean_eta_2	mean_eta_3	mean_eta_4	mean_eta_5	mean_eta_6	mean_eta_7	mean_eta_8
1	0	15.753	14.805	13.912	13.072	12.281	11.536	10.791	10.046
2	0.00051498	15.337	14.438	13.588	12.785	12.027	11.312	10.597	9.882
3	0.0041199	12.876	12.241	11.629	11.039	10.472	9.9274	9.3909	8.8544
4	0.013905	8.732	8.4647	8.1866	7.9028	7.6175	7.3333	7.0491	6.7648
5	0.032959	5.3335	5.2652	5.1704	5.0584	4.9373	4.8124	4.6875	4.5626
6	0.064373	3.3899	3.3915	3.3682	3.3255	3.2698	3.2074	3.1450	3.0826

```
% Aprime Choice
```

```
tb_az_ap = ff_summ_nd_array("MEAN(AP(A,Z) - AP(A,Z|unemp))", ap_VFI_unemp_drop, true, ["mean"],
```

```
xxx MEAN(AP(A,Z) - AP(A,Z|unemp)) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
group savings mean_eta_1 mean_eta_2 mean_eta_3 mean_eta_4 mean_eta_5 mean_eta_6 mean_eta_7
```

group	savings	mean_eta_1	mean_eta_2	mean_eta_3	mean_eta_4	mean_eta_5	mean_eta_6	mean_eta_7
1	0	0	0	0	0	0	0	6.640
2	0.00051498	0	0	0	3.2355e-07	8.8303e-07	1.3402e-06	1.685
3	0.0041199	1.1212e-05	3.4693e-05	5.9476e-05	6.9903e-05	7.1182e-05	6.7854e-05	6.236
4	0.013905	0.0011498	0.0012034	0.0012469	0.001273	0.0012824	0.0012822	0.00
5	0.032959	0.0039015	0.0041225	0.0043159	0.0044467	0.0045114	0.0045317	0.00
6	0.064373	0.0055048	0.0060139	0.0065548	0.007121	0.007606	0.0079089	0.00

% Consumption Choices

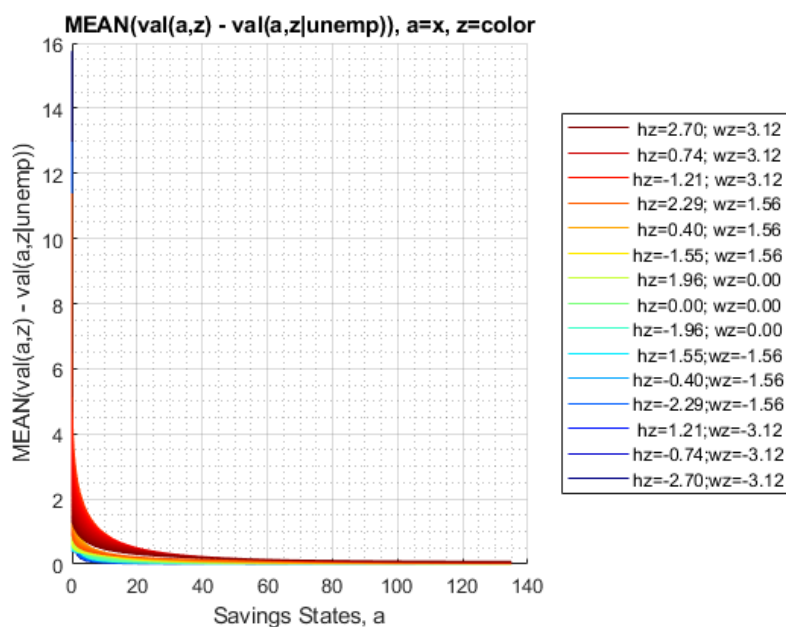
```
tb_az_c = ff_summ_nd_array("MEAN(C(A,Z) - C(A,Z|unemp))", cons_VFI_unemp_drop, true, ["mean"],
```

```
xxx MEAN(C(A,Z) - C(A,Z|unemp)) xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
group savings mean_eta_1 mean_eta_2 mean_eta_3 mean_eta_4 mean_eta_5 mean_eta_6 mean_eta_7
```

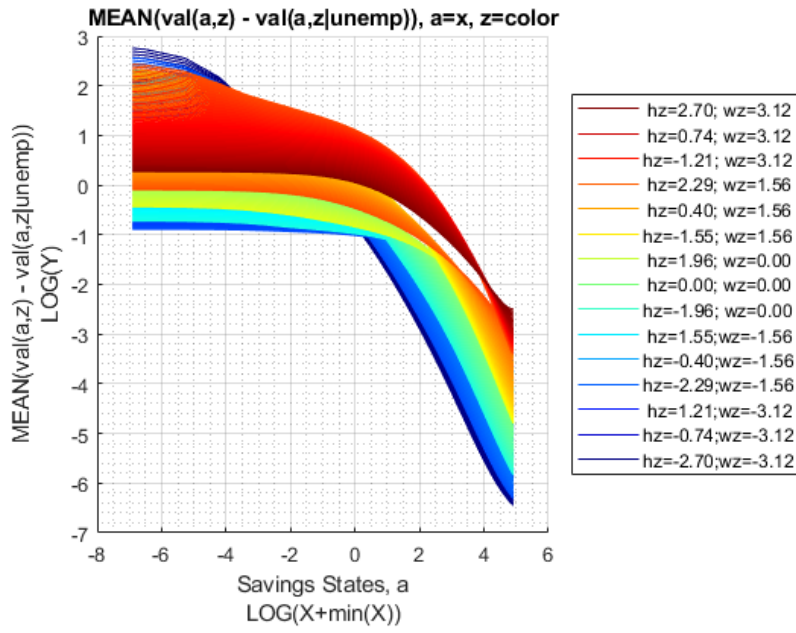
group	savings	mean_eta_1	mean_eta_2	mean_eta_3	mean_eta_4	mean_eta_5	mean_eta_6	mean_eta_7
1	0	0.019317	0.020449	0.021654	0.022935	0.024299	0.02575	0.0
2	0.00051498	0.019317	0.020449	0.021653	0.022934	0.024298	0.025748	0.0
3	0.0041199	0.019303	0.020411	0.021591	0.022862	0.024224	0.025679	0.0
4	0.013905	0.018158	0.019236	0.020397	0.021652	0.023006	0.024457	0.0
5	0.032959	0.015393	0.016304	0.017314	0.018464	0.019763	0.021193	0.0
6	0.064373	0.013769	0.014391	0.015053	0.015767	0.016645	0.017792	0.0

Graph Mean Values Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(val(a,z) - val(a,z|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(val(a,z) - val(a,z|unemp))'};
ff_graph_grid((tb_az_v{1:end, 3:end})', ar_st_eta_HS_grid, agrid, mp_support_graph);
```

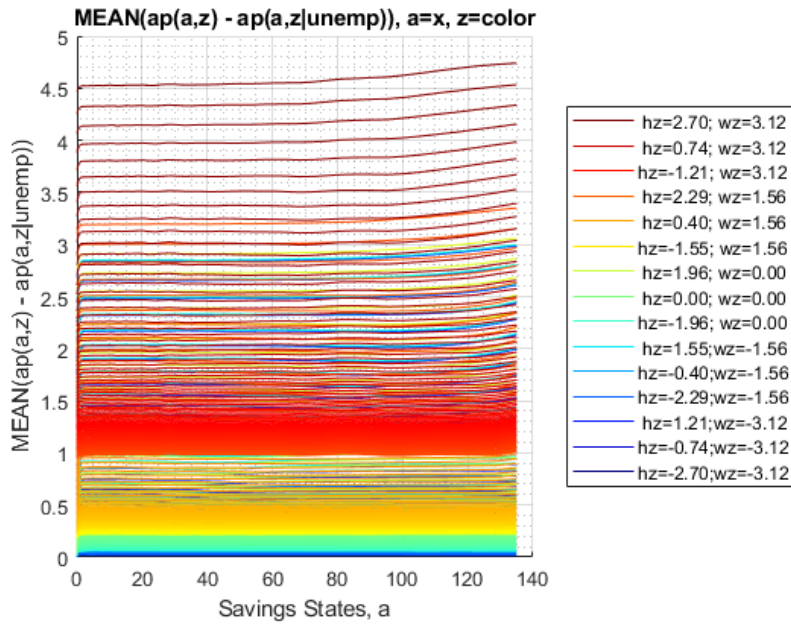




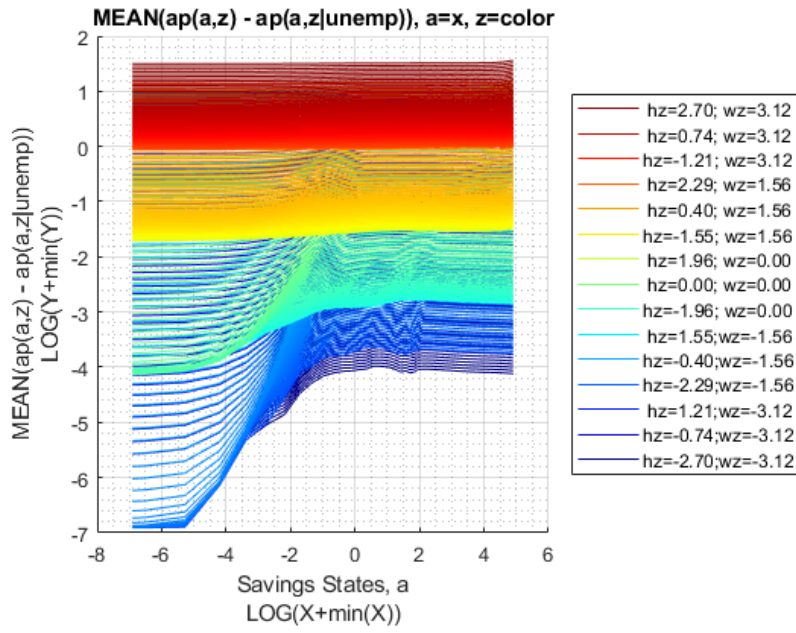


Graph Mean Savings Choices Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(ap(a,z) - ap(a,z|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(ap(a,z) - ap(a,z|unemp))'};
ff_graph_grid((tb_az_ap{1:end, 3:end}),'', ar_st_eta_HS_grid, agrid, mp_support_graph);
```

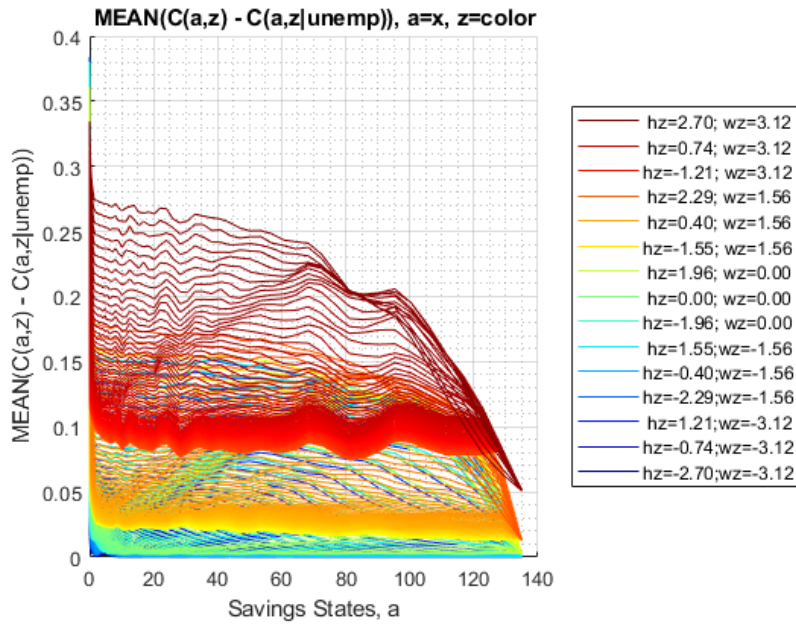


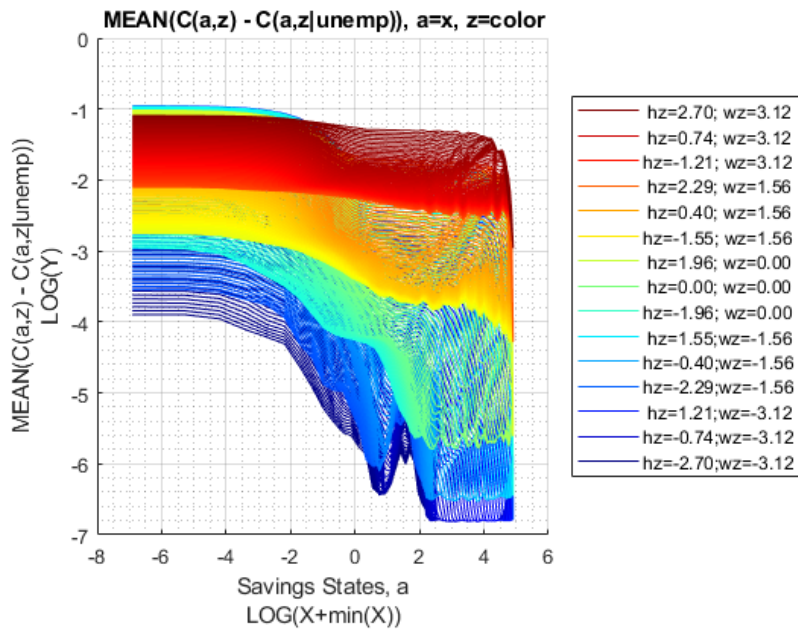




Graph Mean Consumption Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(C(a,z) - C(a,z|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(C(a,z) - C(a,z|unemp))'};
ff_graph_grid((tb_az_c{1:end, 3:end}),'', ar_st_eta_HS_grid, agrid, mp_support_graph);
```





## Analyze Kids and Marriage and Age

Aggregating over education, savings, and shocks, what are the differential effects of Marriage and Age.

```
% Generate some Data
mp_support_graph = containers.Map('KeyType', 'char', 'ValueType', 'any');
ar_row_grid = [...
    "k0M0", "k1M0", "k2M0", "k3M0", "k4M0", ...
    "k0M1", "k1M1", "k2M1", "k3M1", "k4M1"];
mp_support_graph('cl_st_xtitle') = {'Age'};
mp_support_graph('st_legend_loc') = 'best';
mp_support_graph('bl_graph_logy') = true; % do not log
mp_support_graph('st_rounding') = '6.2f'; % format shock legend
mp_support_graph('cl_scatter_shapes') = {...
    'o', 'd', 's', 'x', '*', ...
    'o', 'd', 's', 'x', '*'};
mp_support_graph('cl_colors') = {...
    'red', 'red', 'red', 'red', 'red'...
    'blue', 'blue', 'blue', 'blue', 'blue'};
```

$\text{MEAN}(V(KM,J) - V(KM,J | \text{unemp}))$ ,  $\text{MEAN}(ap(KM,J) - ap(KM,J | \text{unemp}))$ ,  $\text{MEAN}(c(KM,J) - c(KM,J | \text{unemp}))$

Tabulate value and policies:

```
% Set
% NaN(n_jgrid,n_agrid,n_etagrid,n_educgrid,n_marriedgrid,n_kidsgrid);
ar_permute = [2,3,4,1,6,5];
% Value Function
tb_az_v = ff_summ_nd_array("MEAN(V(KM,J) - V(KM,J | unemp))", V_VFI_unemp_drop, true, ["mean"],
```

xxx	MEAN(V(KM,J) - V(KM,J   unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	kids	marry	mean_age_18	mean_age_19	mean_age_20	mean_age_21	mean_age_22	mean_age_23	
1	1	0	0.61637	0.59885	0.58106	0.56498	0.55117	0.53931	

2	2	0	0.82734	0.80489	0.78136	0.75704	0.73572	0.71697
3	3	0	0.96755	0.94502	0.92045	0.89136	0.86587	0.84346
4	4	0	1.0948	1.0713	1.045	1.0118	0.9827	0.95713
5	5	0	1.2011	1.1779	1.151	1.1149	1.0833	1.0556
6	1	1	0.76784	0.74924	0.73091	0.71544	0.70238	0.69155
7	2	1	0.93021	0.90698	0.88323	0.86203	0.84347	0.82724
8	3	1	1.0185	0.9941	0.96877	0.94495	0.92408	0.9058
9	4	1	1.1171	1.0915	1.0645	1.0382	1.0151	0.99478
10	5	1	1.1585	1.1346	1.1083	1.0807	1.0569	1.0362

#### % Aprime Choice

```
tb_az_ap = ff_summ_nd_array("MEAN(ap(KM,J) - ap(KM,J | unemp))", ap_VFI_unemp_drop, true, ["mea
```

xxx	MEAN(ap(KM,J) - ap(KM,J   unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	kids	marry	mean_age_18	mean_age_19	mean_age_20	mean_age_21	mean_age_22	mean_age_23	
1	1	0	0.54429	0.54157	0.53838	0.57688	0.61527	0.6532	
2	2	0	0.53828	0.53451	0.53011	0.56791	0.60562	0.64305	
3	3	0	0.53173	0.52734	0.52253	0.55991	0.59734	0.63445	
4	4	0	0.5276	0.523	0.51797	0.55513	0.59235	0.62931	
5	5	0	0.52354	0.51894	0.51381	0.55085	0.58805	0.62503	
6	1	1	1.1323	1.1757	1.2198	1.3119	1.4048	1.4978	
7	2	1	1.0396	1.0753	1.1115	1.1942	1.2777	1.361	
8	3	1	0.97097	1.002	1.0331	1.1097	1.187	1.2641	
9	4	1	0.89591	0.92257	0.94909	1.0212	1.0937	1.1657	
10	5	1	0.78017	0.79798	0.81575	0.87811	0.94079	1.0033	

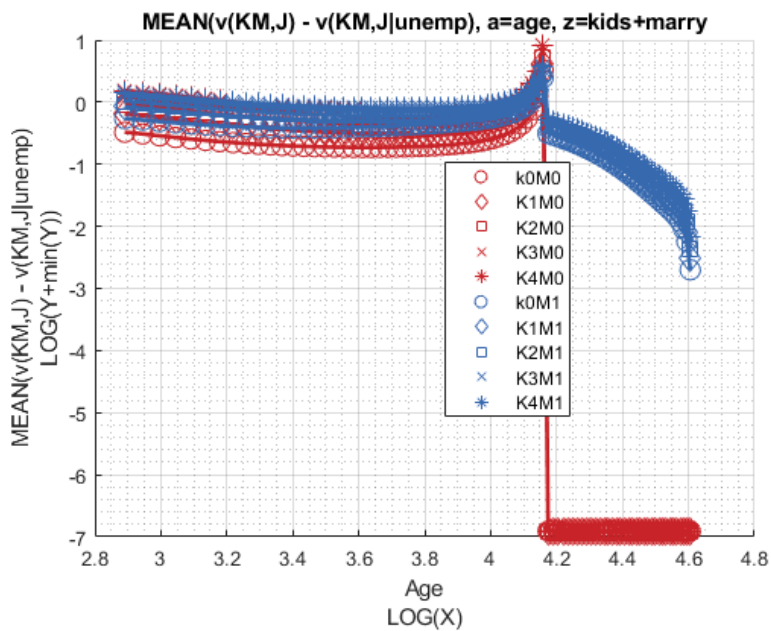
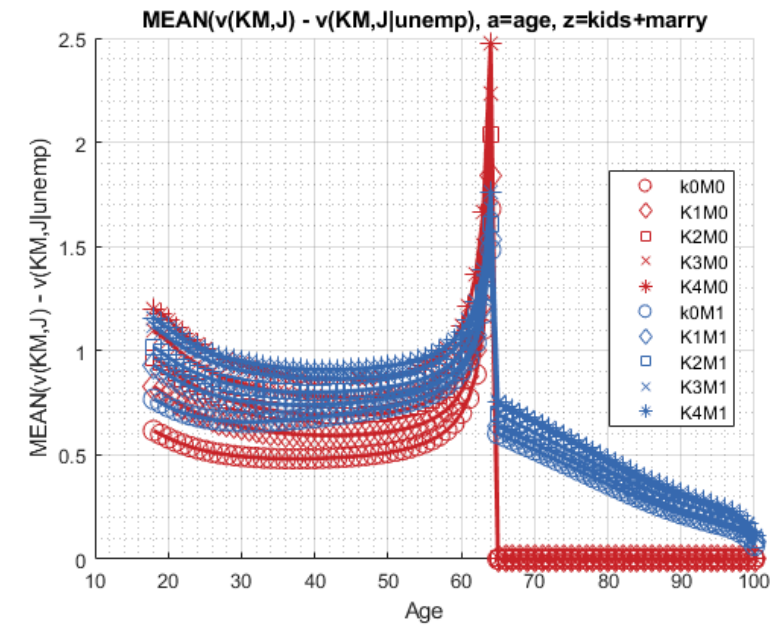
#### % Consumption Choices

```
tb_az_c = ff_summ_nd_array("MEAN(c(KM,J) - c(KM,J | unemp))", cons_VFI_unemp_drop, true, ["mea
```

xxx	MEAN(c(KM,J) - c(KM,J   unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	kids	marry	mean_age_18	mean_age_19	mean_age_20	mean_age_21	mean_age_22	mean_age_23	
1	1	0	0.050084	0.052801	0.055995	0.056344	0.056497	0.056525	
2	2	0	0.056094	0.059866	0.064267	0.065317	0.06615	0.066684	
3	3	0	0.062643	0.067034	0.071841	0.073312	0.074434	0.07528	
4	4	0	0.06677	0.071371	0.076406	0.078097	0.079421	0.080419	
5	5	0	0.07083	0.075431	0.080561	0.082377	0.083719	0.084705	
6	1	1	0.091654	0.09722	0.1029	0.10693	0.11041	0.11363	
7	2	1	0.087426	0.093165	0.099035	0.10362	0.10765	0.11146	
8	3	1	0.089332	0.094467	0.10022	0.10478	0.10884	0.11271	
9	4	1	0.095488	0.099656	0.10451	0.10733	0.10981	0.11241	
10	5	1	0.1018	0.10631	0.11124	0.11381	0.11605	0.11801	

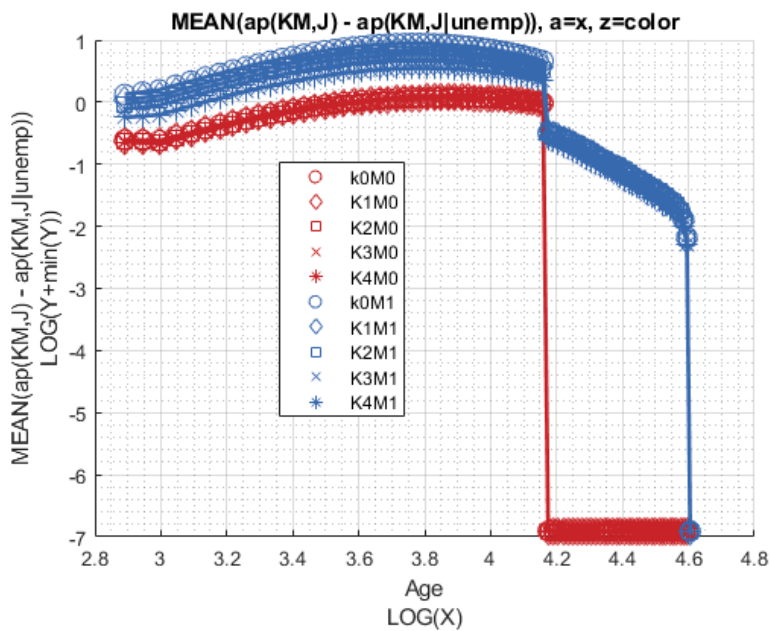
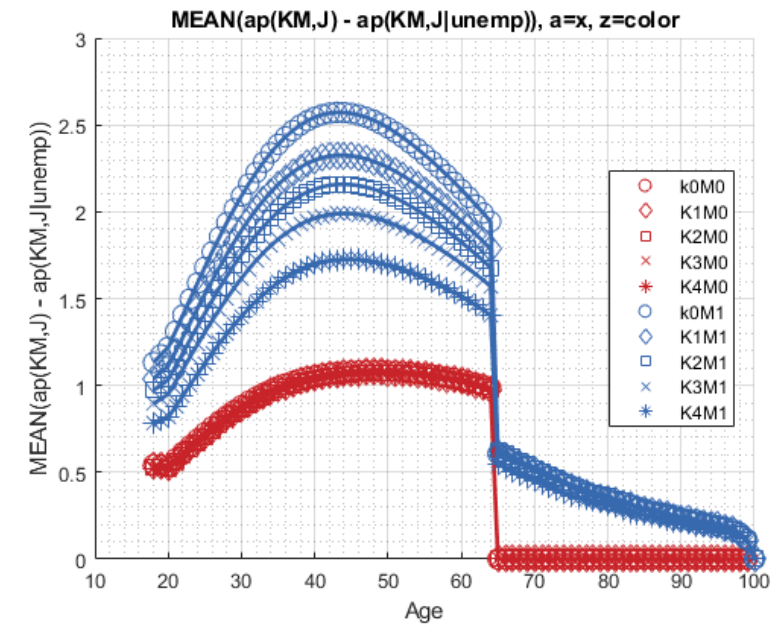
Graph Mean Values Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(v(KM,J) - v(KM,J|unemp), a=age, z=kids+marry}';
mp_support_graph('cl_st_ytitle') = {'MEAN(v(KM,J) - v(KM,J|unemp)}';
ff_graph_grid((tb_az_v{1:end, 4:end}), ar_row_grid, age_grid, mp_support_graph);
```



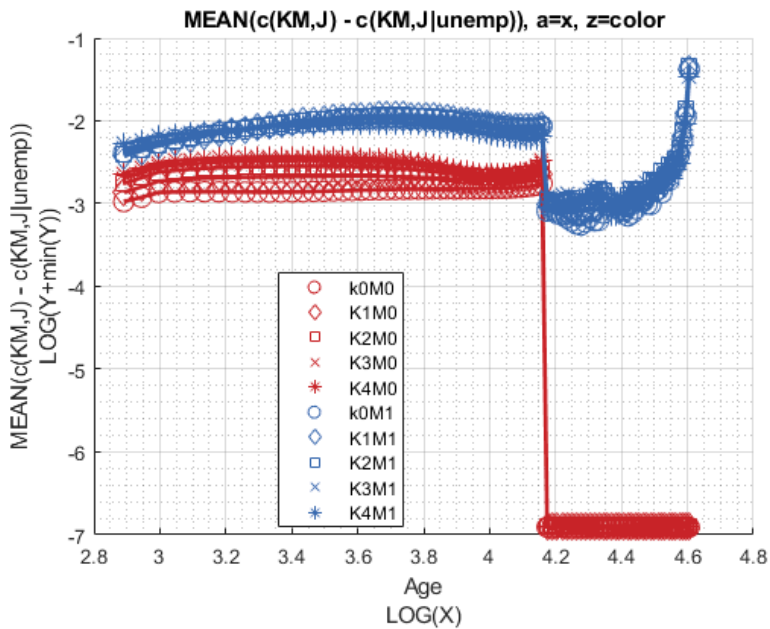
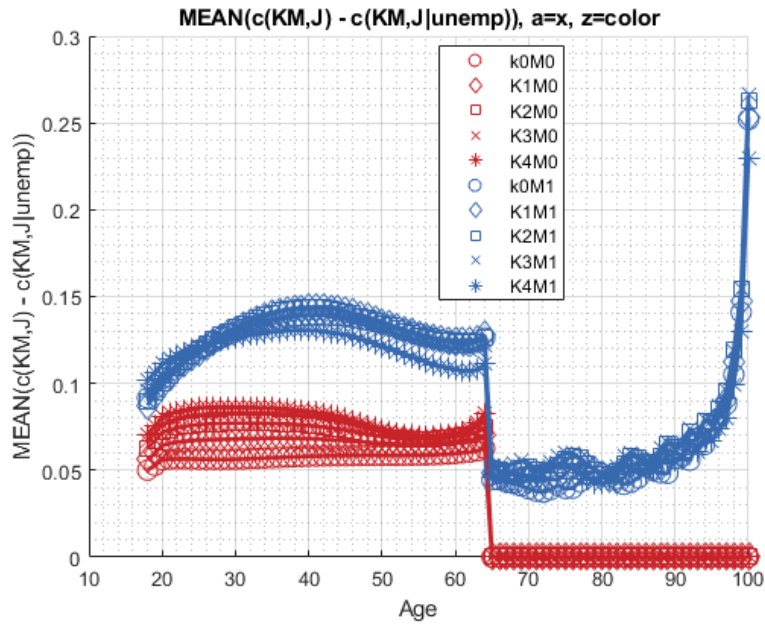
Graph Mean Savings Choices Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(ap(KM,J) - ap(KM,J|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(ap(KM,J) - ap(KM,J|unemp))'};
ff_graph_grid((tb_az_ap{1:end, 4:end}), ar_row_grid, age_grid, mp_support_graph);
```



Graph Mean Consumption Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(c(KM,J) - c(KM,J|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(c(KM,J) - c(KM,J|unemp))'};
ff_graph_grid((tb_az_c{1:end, 4:end}), ar_row_grid, age_grid, mp_support_graph);
```



## Analyze Education and Marriage and Age

Aggregating over education, savings, and shocks, what are the differential effects of Marriage and Age.

```
% Generate some Data
mp_support_graph = containers.Map('KeyType', 'char', 'ValueType', 'any');
ar_row_grid = ["E0M0", "E1M0", "E0M1", "E1M1"];
mp_support_graph('cl_st_xtitle') = {'Age'};
mp_support_graph('st_legend_loc') = 'best';
mp_support_graph('bl_graph_logy') = true; % do not log
mp_support_graph('st_rounding') = '6.2f'; % format shock legend
mp_support_graph('cl_scatter_shapes') = {'*', 'p', '*', 'p'};
mp_support_graph('cl_colors') = {'red', 'red', 'blue', 'blue'};
```



MEAN(v(EKM,J) - v(EKM,J|unemp)), MEAN(ap(EM,J) - ap(EM,J|unemp)), MEAN(c(EM,J) - c(EM,J|unemp))

Tabulate value and policies:

```
% Set
% NaN(n_jgrid,n_agrid,n_etagrid,n_educgrid,n_marriedgrid,n_kidsgrid);
ar_permute = [2,3,6,1,4,5];
% Value Function
tb_az_v = ff_summ_nd_array("MEAN(v(EM,J) - v(EM,J|unemp))", V_VFI_unemp_drop, true, ["mean"], 3
```

xxx	MEAN(v(EM,J) - v(EM,J unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	edu	marry	mean_age_18	mean_age_19	mean_age_20	mean_age_21	mean_age_22	mean_age_23	
1	0	0	0.98303	0.96405	0.94385	0.92458	0.90689	0.89065	
2	1	0	0.89982	0.87513	0.84768	0.81144	0.78062	0.75436	
3	0	1	1.0503	1.0306	1.0104	0.99222	0.97585	0.96111	
4	1	1	0.94657	0.91993	0.89191	0.86431	0.84092	0.82113	

```
% Aprime Choice
tb_az_ap = ff_summ_nd_array("MEAN(ap(EM,J) - ap(EM,J|unemp))", ap_VFI_unemp_drop, true, ["mean"], 3
```

xxx	MEAN(ap(EM,J) - ap(EM,J unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	edu	marry	mean_age_18	mean_age_19	mean_age_20	mean_age_21	mean_age_22	mean_age_23	
1	0	0	0.54395	0.54191	0.53951	0.56214	0.58423	0.60576	
2	1	0	0.52222	0.51623	0.50961	0.56213	0.61523	0.66826	
3	0	1	0.93033	0.95904	0.98801	1.0446	1.1011	1.1571	
4	1	1	0.99726	1.0304	1.0637	1.1614	1.2605	1.3597	

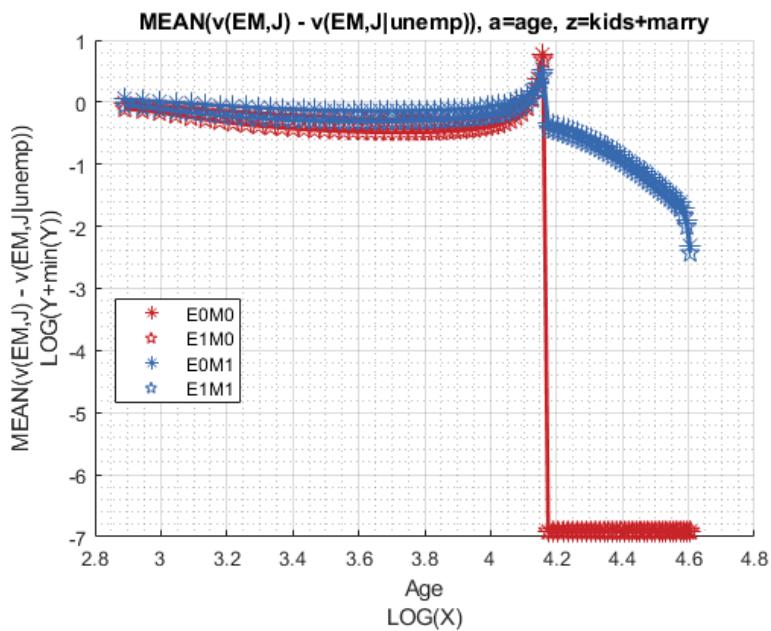
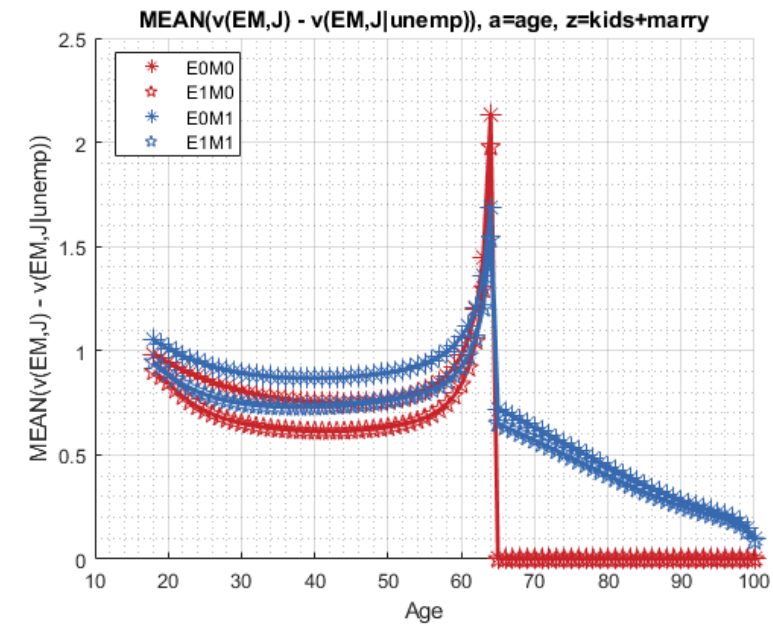
```
% Consumption Choices
tb_az_c = ff_summ_nd_array("MEAN(c(EM,J) - c(EM,J|unemp))", cons_VFI_unemp_drop, true, ["mean"], 3
```

xxx	MEAN(c(EM,J) - c(EM,J unemp))	xxxxxxxxxxxxxxxxxxxxxxxxxxxx							
group	edu	marry	mean_age_18	mean_age_19	mean_age_20	mean_age_21	mean_age_22	mean_age_23	
1	0	0	0.05042	0.052463	0.054861	0.055684	0.056488	0.05722	
2	1	0	0.072148	0.078138	0.084767	0.086495	0.0876	0.088226	
3	0	1	0.079245	0.082789	0.086633	0.089336	0.091941	0.094543	
4	1	1	0.10704	0.11354	0.12053	0.12525	0.12917	0.13274	

Graph Mean Values Change:

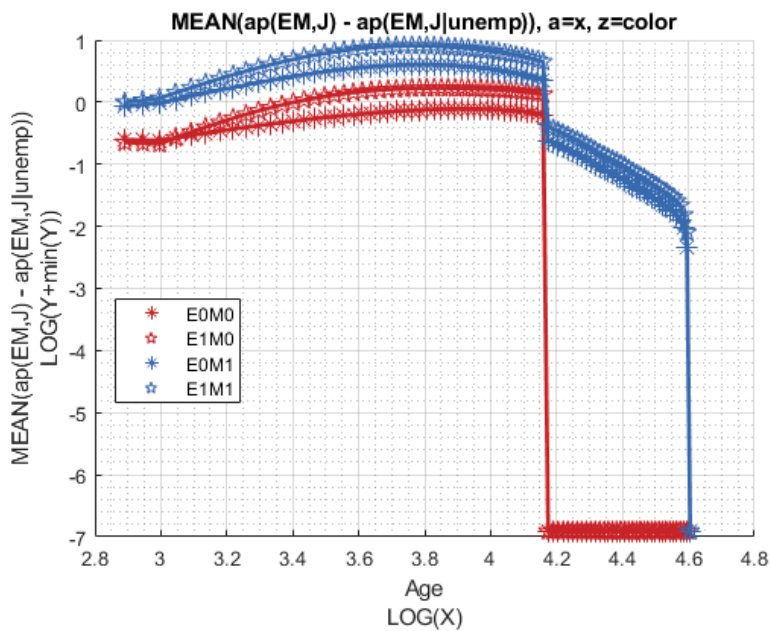
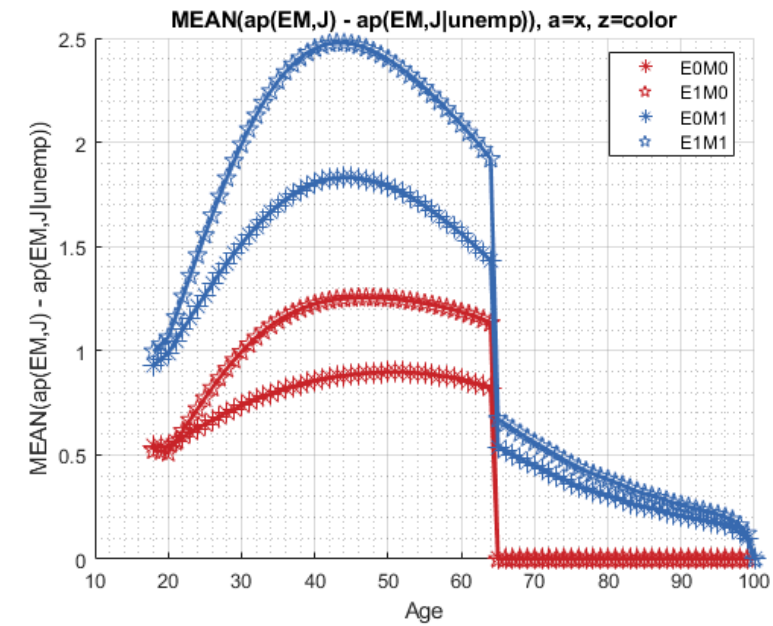
```
mp_support_graph('cl_st_graph_title') = {'MEAN(v(EM,J) - v(EM,J|unemp))', a=age, z=kids+marry'};
mp_support_graph('cl_st_ytitle') = {'MEAN(v(EM,J) - v(EM,J|unemp))'};
ff_graph_grid((tb_az_v{1:end, 4:end}), ar_row_grid, age_grid, mp_support_graph);
```





Graph Mean Savings Choices Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(ap(EM,J) - ap(EM,J|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(ap(EM,J) - ap(EM,J|unemp))'};
ff_graph_grid((tb_az_ap{1:end, 4:end}), ar_row_grid, age_grid, mp_support_graph);
```



Graph Mean Consumption Change:

```
mp_support_graph('cl_st_graph_title') = {'MEAN(c(EM,J) - c(EM,J|unemp)), a=x, z=color'};
mp_support_graph('cl_st_ytitle') = {'MEAN(c(EM,J) - c(EM,J|unemp))'};
ff_graph_grid((tb_az_c{1:end, 4:end}), ar_row_grid, age_grid, mp_support_graph);
```

