

A new angle

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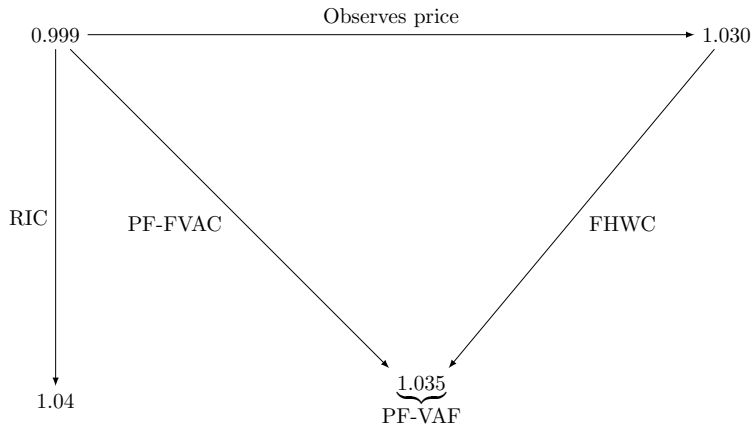
Slide 1

Table: Microeconomic Model Calibration

Calibrated Parameters			
Test1	Parameter	Value	Source
Test2	Γ	1.03	PSID: Carroll (1992)
Test3	R	1.04	Conventional
Test4	β	0.96	Conventional
Test5	ρ	2	Conventional
Test6	φ	0.005	PSID: Carroll (1992)
Test7	σ_ψ	0.1	PSID: Carroll (1992)
Test8	σ_θ	0.1	PSID: Carroll (1992)

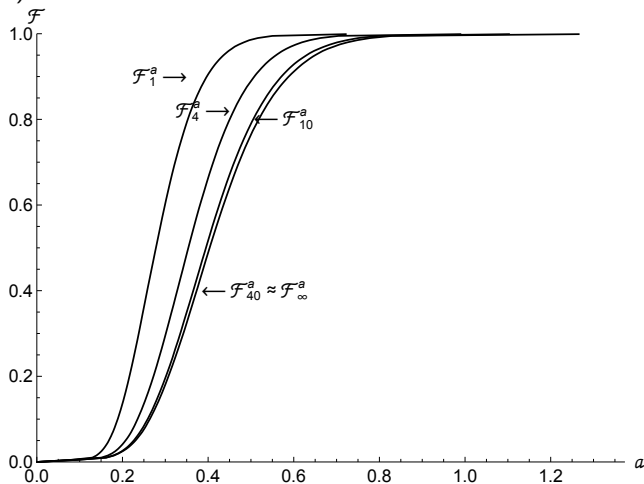
$$\bar{k} = \left[\frac{(1 - \epsilon)\beta^{1/(1-\epsilon)}}{\Xi(1 + \beta)} \right] \quad (1)$$

Figure



Convergence To The Invariant Distribution

Szeidl (2013) Proves Existence of an Invariant Distribution of m, c, a , etc.



SZEIDL, ADAM (2013): "Stable Invariant Distribution in Buffer-Stock Saving and Stochastic Growth Models," *Manuscript, Central European University*, Available at http://www.personal.ceu.hu/staff/Adam_Szeidl/papers/invariant_revision.pdf.