FF_VFI_AZ_VEC Savings Vectorized Grid Examples

back to Fan's Intro Math for Econ, Matlab Examples, or Dynamic Asset Repositories

This is the example vignette for function: **ff_vfi_az_vec** from the **MEconTools Package**. This function solves the dynamic programming problem for a (a,z) model. Households can save a, and face AR(1) shock z. The problem is solved over the infinite horizon.

This is the **vectorized** code, its speed is much faster than the looped code. The function is designed to have small memory footprint and requires low computing resources, yet is fast.

The code uses **common grid**, with the same state space and choice space grids. **ff_vfi_az_bisec_vec** from the **MEconTools Package** solves the same problem but using continuous exact percentage asset choices, which is more precise than the solution here, and perhaps a little bit slower and relies on First Order Conditions. The **ff_vfi_az_mzoom_vec** also solves the same class of problems with continuous exact percentage asset choices, and does not rely on First Order Conditions, but is slower than **ff_vfi_az_bisec_vec**.

Links to Other Code:

Core Savings/Borrowing Dynamic Programming Solution Functions that are functions in the **MEconTools Package.** :

- Common Choice and States Grid <u>Loop</u>: ff_vfi_az_loop
- Common Choice and States Grid Vectorized: ff_vfi_az_vec
- States Grid + Continuous Exact Savings as Share of Cash-on-Hand, rely on FOC, <u>Loop</u>: ff_vfi_az_bisec_loop
- States Grid + Continuous Exact Savings as Share of Cash-on-Hand, rely on FOC <u>Vectorized</u>: ff_vfi_az_bisec_vec
- States Grid + Continuous Exact Savings as Share of Cash-on-Hand, VALUE comparison, <u>Loop</u>:
 ff vfi az mzoom loop
- States Grid + Continuous Exact Savings as Share of Cash-on-Hand, VALUE comparison, <u>Vectorized</u>:
 ff vfi az mzoom vec

Test FF_VFI_AZ_VEC Defaults

Call the function with defaults. By default, shows the asset policy function summary. Model parameters can be changed by the mp params.

```
%mp params
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('fl_crra') = 1.5;
mp_params('fl_beta') = 0.94;
ff_vfi_az_vec(mp_params);
Elapsed time is 0.136223 seconds.
CONTAINER NAME: mp_ffcmd ND Array (Matrix etc)
idx ndim
                   numel rowN
                                 colN
                                                            coefvari
       i
                                       sum
                                              mean
                                                     std
                                                                    min
                                                                         max
```

| | ар | 1 1 | 2 | 700 | 100 7 | 9855.1 | 14.079 | 14.408 | 1.0234 | 0 | 50 |
|-----|-------|------------|------------|------------|----------|------------|---------|-----------|--------|---|----|
| XXX | TABLE | :ap xxxxxx | xxxxxxxxxx | ΚX | | | | | | | |
| | | c1 | c2 | c 3 | c4 | c 5 | c6 | c7 | | | |
| | | | | | | | | | | | |
| | r1 | 0 | 0 | 0 | 0.045213 | 0.25576 | 0.61095 | 1.0362 | | | |
| | r2 | 0 | 0 | 0 | 0.045213 | 0.25576 | 0.61095 | 1.0362 | | | |
| | r3 | 0 | 0 | 0 | 0.045213 | 0.25576 | 0.61095 | 1.0362 | | | |
| | r4 | 0 | 0 | 0 | 0.06647 | 0.25576 | 0.61095 | 1.0362 | | | |
| | r5 | 0 | 0 | 0 | 0.06647 | 0.25576 | 0.61095 | 1.164 | | | |
| | r96 | 43.924 | 43.924 | 43.924 | 43.924 | 43.924 | 45.102 | 45.102 | | | |
| | r97 | 45.102 | 45.102 | 45.102 | 45.102 | 45.102 | 46.298 | 46.298 | | | |
| | r98 | 46.298 | 46.298 | 46.298 | 46.298 | 46.298 | 47.513 | 47.513 | | | |
| | r99 | 47.513 | 47.513 | 47.513 | 47.513 | 47.513 | 48.747 | 48.747 | | | |
| | r100 | 48.747 | 48.747 | 48.747 | 48.747 | 48.747 | 50 | 50 | | | |

Test FF_VFI_AZ_BISEC_VEC Speed Tests

Call the function with different a and z grid size, print out speed:

```
mp_support = containers.Map('KeyType','char', 'ValueType','any');
mp_support('bl_timer') = true;
mp_support('ls_ffcmd') = {};
% A grid 50, shock grid 5:
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 50;
mp_params('it_z_n') = 5;
ff_vfi_az_vec(mp_params, mp_support);
```

Elapsed time is 0.025309 seconds.

```
% A grid 750, shock grid 15:
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 750;
mp_params('it_z_n') = 15;
ff_vfi_az_vec(mp_params, mp_support);
```

Elapsed time is 4.855482 seconds.

```
% A grid 600, shock grid 45:
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 600;
mp_params('it_z_n') = 45;
ff_vfi_az_vec(mp_params, mp_support);
```

Elapsed time is 12.201130 seconds.

Test FF_VFI_AZ_VEC Control Outputs

Run the function first without any outputs, but only the timer.

```
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 50;
mp_params('it_z_n') = 5;
mp_support = containers.Map('KeyType','char', 'ValueType','any');
```

```
mp_support('bl_timer') = true;
mp_support('bl_print_params') = false;
mp_support('bl_print_iterinfo') = false;
mp_support('ls_ffcmd') = {};
ff_vfi_az_vec(mp_params, mp_support);
```

Elapsed time is 0.022504 seconds.

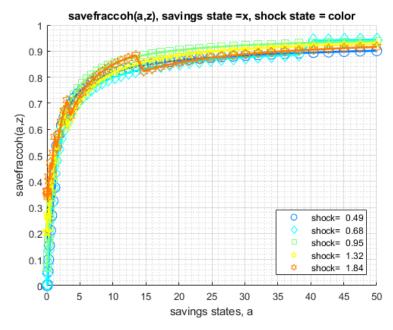
Run the function and show policy function for savings choice. For ls_ffcmd, ls_ffsna, ls_ffgrh, can include these: 'v', 'ap', 'c', 'y', 'coh', 'savefraccoh'. These are value, aprime savings choice, consumption, income, cash on hand, and savings fraction as cash-on-hand.

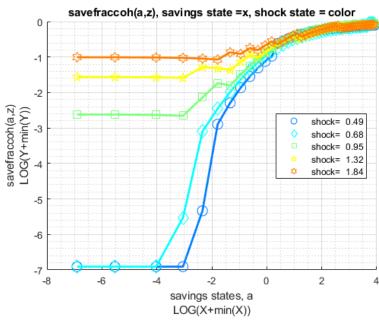
```
mp_support = containers.Map('KeyType','char', 'ValueType','any');
mp_support('bl_print_params') = false;
mp_support('bl_print_iterinfo') = false;
% ls_ffcmd: summary print which outcomes
mp_support('ls_ffcmd') = {};
% ls_ffsna: detail print which outcomes
mp_support('ls_ffsna') = {'savefraccoh'};
% ls_ffgrh: graphical print which outcomes
mp_support('ls_ffgrh') = {'savefraccoh'};
ff_vfi_az_vec(mp_params, mp_support);
```

Elapsed time is 0.041571 seconds.

| group | a | mean_z_0_4858 | mean_z_0_67798 | mean_z_0_9462 | mean_z_1_3205 | mean_z_1_84 |
|-------|----------|---------------|----------------|---------------|---------------|-------------|
| 1 | 0 | 0 | 0 | 0.071865 | 0.20862 | 0.36462 |
| 2 | 0.002975 | 0 | 0 | 0.071698 | 0.20827 | 0.36418 |
| 3 | 0.016829 | 0 | 0 | 0.070928 | 0.20666 | 0.36216 |
| 4 | 0.046375 | 0 | 0.0029827 | 0.069341 | 0.20331 | 0.35793 |
| 5 | 0.095198 | 0.0038183 | 0.044243 | 0.11681 | 0.27649 | 0.35114 |
| 6 | 0.1663 | 0.054362 | 0.084837 | 0.17517 | 0.26637 | 0.34171 |
| 7 | 0.26234 | 0.099899 | 0.13609 | 0.16422 | 0.25383 | 0.41847 |
| 8 | 0.38568 | 0.15381 | 0.19428 | 0.22348 | 0.32132 | 0.40047 |
| 9 | 0.53852 | 0.21153 | 0.25554 | 0.28573 | 0.39055 | 0.47258 |
| 10 | 0.72291 | 0.26934 | 0.31659 | 0.34814 | 0.36175 | 0.44538 |
| 11 | 0.94076 | 0.3247 | 0.37504 | 0.40848 | 0.42229 | 0.50941 |
| 12 | 1.1939 | 0.37617 | 0.42941 | 0.46521 | 0.4802 | 0.57087 |
| 13 | 1.484 | 0.53695 | 0.47898 | 0.51743 | 0.5344 | 0.5291 |
| 14 | 1.8128 | 0.57847 | 0.52356 | 0.56473 | 0.58429 | 0.58056 |
| 15 | 2.1817 | 0.61468 | 0.56329 | 0.6071 | 0.62958 | 0.62823 |
| 16 | 2.5924 | 0.6462 | 0.5985 | 0.64475 | 0.67028 | 0.67186 |
| 17 | 3.0463 | 0.67365 | 0.62963 | 0.67804 | 0.60721 | 0.71141 |
| 18 | 3.5449 | 0.69762 | 0.65713 | 0.70737 | 0.6404 | 0.65255 |
| 19 | 4.0894 | 0.71859 | 0.68142 | 0.73318 | 0.67021 | 0.68509 |
| 20 | 4.6813 | 0.73701 | 0.70293 | 0.75587 | 0.6969 | 0.71446 |
| 21 | 5.3218 | 0.75325 | 0.722 | 0.77584 | 0.72078 | 0.74089 |
| 22 | 6.0121 | 0.76763 | 0.73895 | 0.79344 | 0.74211 | 0.76461 |
| 23 | 6.7536 | 0.7804 | 0.75407 | 0.80897 | 0.76119 | 0.78587 |
| 24 | 7.5474 | 0.7918 | 0.76759 | 0.8227 | 0.77824 | 0.80491 |
| 25 | 8.3948 | 0.80201 | 0.77972 | 0.83486 | 0.79351 | 0.82194 |
| 26 | 9.2967 | 0.81119 | 0.79063 | 0.84567 | 0.80719 | 0.83719 |
| 27 | 10.254 | 0.81947 | 0.80049 | 0.8553 | 0.81948 | 0.85083 |
| 28 | 11.269 | 0.82697 | 0.80941 | 0.86389 | 0.83053 | 0.86306 |
| 29 | 12.342 | 0.83379 | 0.81752 | 0.87159 | 0.84048 | 0.87401 |
| 30 | 13.473 | 0.84001 | 0.8249 | 0.87849 | 0.84946 | 0.88384 |
| 31 | 14.665 | 0.84569 | 0.83165 | 0.8847 | 0.85759 | 0.82241 |
| 32 | 15.918 | 0.8509 | 0.83782 | 0.8903 | 0.86495 | 0.83188 |

| 33 | 17.233 | 0.8557 | 0.8435 | 0.89536 | 0.87163 | 0.84053 |
|----|--------|---------|---------|---------|---------|---------|
| 34 | 18.611 | 0.86012 | 0.84872 | 0.89995 | 0.8777 | 0.84844 |
| 35 | 20.053 | 0.86421 | 0.85354 | 0.90411 | 0.88324 | 0.85568 |
| 36 | 21.56 | 0.86799 | 0.858 | 0.9079 | 0.8883 | 0.86231 |
| 37 | 23.133 | 0.87151 | 0.86214 | 0.91136 | 0.89292 | 0.86841 |
| 38 | 24.773 | 0.87479 | 0.86598 | 0.91452 | 0.89716 | 0.87401 |
| 39 | 26.481 | 0.87784 | 0.86955 | 0.91741 | 0.90105 | 0.87917 |
| 40 | 28.258 | 0.8807 | 0.87289 | 0.92007 | 0.90463 | 0.88393 |
| 41 | 30.104 | 0.88337 | 0.87601 | 0.92251 | 0.90793 | 0.88833 |
| 42 | 32.021 | 0.88588 | 0.87893 | 0.92475 | 0.91097 | 0.8924 |
| 43 | 34.01 | 0.88824 | 0.88166 | 0.92683 | 0.91378 | 0.89617 |
| 44 | 36.07 | 0.89046 | 0.88423 | 0.92874 | 0.91638 | 0.89966 |
| 45 | 38.204 | 0.89256 | 0.88665 | 0.93052 | 0.91879 | 0.90291 |
| 46 | 40.412 | 0.89453 | 0.9403 | 0.93216 | 0.92102 | 0.90592 |
| 47 | 42.695 | 0.8964 | 0.94141 | 0.93368 | 0.9231 | 0.90873 |
| 48 | 45.053 | 0.89817 | 0.94245 | 0.9351 | 0.92504 | 0.91135 |
| 49 | 47.488 | 0.89985 | 0.94341 | 0.93642 | 0.92684 | 0.9138 |
| 50 | 50 | 0.90144 | 0.9443 | 0.93765 | 0.92853 | 0.91608 |





Run the function and show summaries for savings and fraction of coh saved:

```
mp_params('it_a_n') = 100;
mp_params('it_z_n') = 9;
mp_support('ls_ffcmd') = {'ap', 'savefraccoh'};
mp_support('ls_ffsna') = {};
mp_support('ls_ffgrh') = {};
mp_support('bl_vfi_store_all') = true; % store c(a,z), y(a,z)
ff_vfi_az_vec(mp_params, mp_support);
Elapsed time is 0.230510 seconds.
CONTAINER NAME: mp ffcmd ND Array (Matrix etc)
i
                                                                                     std
                                                                                              coefvari
                       idx
                              ndim
                                      numel
                                               rowN
                                                      colN
                                                               sum
                                                                         mean
                                                                                                         min
                                                                                               1.013
                  1
                        1
                               2
                                       900
                                               100
                                                       9
                                                               12904
                                                                         14.338
                                                                                    14.524
                                                                                                          0
    ap
    savefraccoh
                  2
                        2
                               2
                                       900
                                               100
                                                       9
                                                              619.51
                                                                        0.68834
                                                                                   0.26953
                                                                                              0.39157
xxx TABLE:ap xxxxxxxxxxxxxxxxxx
                                 с3
                                            с4
                                                                    с6
                                                                               c7
                                                                                                    с9
                                                         c5
                                                                                          c8
             c1
                       c2
   r1
                          0
                                    0
                                                                  0.25576
                                                                                                 1.6023
                0
                                                 0
                                                      0.092813
                                                                             0.61095
                                                                                        1.0362
                0
                          0
                                    0
                                                 0
                                                                                                 1.6023
    r2
                                                      0.092813
                                                                  0.25576
                                                                             0.61095
                                                                                        1.0362
    r3
                0
                          0
                                    0
                                                 0
                                                      0.092813
                                                                  0.25576
                                                                             0.61095
                                                                                        1.0362
                                                                                                 1.6023
    r4
                0
                          0
                                    0
                                         0.00051272
                                                      0.092813
                                                                  0.25576
                                                                             0.61095
                                                                                        1.0362
                                                                                                 1.6023
    r5
                0
                          0
                                    0
                                         0.0029004
                                                      0.092813
                                                                  0.25576
                                                                             0.61095
                                                                                       1.0362
                                                                                                 1.6023
           43.924
                     43.924
                               43.924
                                            43.924
                                                        43.924
                                                                   45.102
                                                                              45.102
                                                                                       45.102
                                                                                                 46.298
    r96
    r97
           45.102
                     45.102
                               45.102
                                            45.102
                                                        45.102
                                                                   46.298
                                                                              46.298
                                                                                       46.298
                                                                                                 47.513
    r98
           46.298
                     46.298
                               46.298
                                            46.298
                                                        46.298
                                                                   47.513
                                                                              47.513
                                                                                        47.513
                                                                                                 48.747
           47.513
                                                                   48.747
                                                                                                     50
    r99
                     47.513
                               47.513
                                            47.513
                                                        47.513
                                                                              48.747
                                                                                        48.747
           48.747
                     48.747
                               48.747
                                            48.747
                                                        48.747
    r100
                                                                       50
                                                                                  50
                                                                                           50
                                                                                                     50
xxx TABLE:savefraccoh xxxxxxxxxxxxxxxxxx
                                                                                  c7
             c1
                        c2
                                   с3
                                               c4
                                                            c5
                                                                       с6
                                                                                             c8
                                                                                                       c9
    r1
                 0
                            0
                                       0
                                                         0.070073
                                                                     0.15255
                                                                                0.28789
                                                                                           0.38573
                                                                                                     0.47121
    r2
                 0
                            0
                                       0
                                                    0
                                                         0.070045
                                                                      0.1525
                                                                                0.28781
                                                                                           0.38565
                                                                                                     0.47114
    r3
                 0
                            0
                                       0
                                                    0
                                                         0.069914
                                                                     0.15228
                                                                                0.28748
                                                                                           0.3853
                                                                                                      0.4708
    r4
                 0
                            0
                                       0
                                            0.00048613
                                                         0.069636
                                                                                0.28676
                                                                                           0.38454
                                                                                                     0.47007
                                                                      0.1518
    r5
                 0
                            0
                                      0
                                            0.0027273
                                                                                0.28559
                                                         0.069182
                                                                     0.15101
                                                                                           0.38329
                                                                                                     0.46886
    r96
           0.92625
                      0.92358
                                 0.92022
                                                0.916
                                                          0.91072
                                                                     0.92836
                                                                                0.91992
                                                                                           0.90945
                                                                                                     0.92033
    r97
           0.92676
                      0.92416
                                 0.92088
                                              0.91677
                                                          0.91162
                                                                     0.92918
                                                                                0.92095
                                                                                           0.91073
                                                                                                     0.92169
    r98
           0.92727
                      0.92473
                                 0.92153
                                              0.91752
                                                          0.91249
                                                                     0.92998
                                                                                0.92194
                                                                                           0.91196
                                                                                                       0.923
    r99
           0.92776
                      0.92528
                                 0.92216
                                              0.91824
                                                          0.91333
                                                                     0.93076
                                                                                0.92291
                                                                                           0.91315
                                                                                                     0.92426
    r100
           0.92823
                      0.92581
                                 0.92277
                                               0.91895
                                                          0.91416
                                                                     0.93151
                                                                                0.92384
                                                                                           0.91431
                                                                                                     0.90252
```

Test FF_VFI_AZ_VEC Change Interest Rate and Discount

Show only save fraction of cash on hand:

```
mp_support = containers.Map('KeyType','char', 'ValueType','any');
mp_support('bl_print_params') = false;
mp_support('bl_print_iterinfo') = false;
mp_support('ls_ffcmd') = {'savefraccoh'};
mp_support('ls_ffsna') = {};
```

```
mp_support('ls_ffgrh') = {};
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 100;
mp_params('it_z_n') = 7;
mp_params('fl_a_max') = 50;
mp_params('st_grid_type') = 'grid_powerspace';
```

Solve the model with several different interest rates and discount factor:

```
% Lower Savings Incentives
mp params('fl beta') = 0.80;
mp_params('fl_r') = 0.01;
ff_vfi_az_vec(mp_params, mp_support);
Elapsed time is 0.058079 seconds.
-----
CONTAINER NAME: mp ffcmd ND Array (Matrix etc)
xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx
                     idx
                            ndim
                                                  colN
                                                                            std
                                                                                     coefvari
                                                                                               min
                 i
                                   numel
                                           rowN
                                                                   mean
                                                          sum
   savefraccoh
                 1
                      1
                            2
                                    700
                                           100
                                                   7
                                                          357.49
                                                                  0.5107
                                                                                     0.53945
                                                                                                0
                                                                           0.2755
xxx TABLE:savefraccoh xxxxxxxxxxxxxxxxxx
            c1
                      c2
                                c3
                                          c4
                                                    с5
                                                                с6
                                                                            c7
   r1
                                    0
                                                             0.0002246
                                                                         0.041573
   r2
                0
                          0
                                    0
                                              0
                                                        0
                                                            0.00022455
                                                                         0.041566
   r3
                0
                          0
                                    0
                                              0
                                                        0
                                                             0.0012689
                                                                         0.041533
   r4
                0
                                                              0.001266
                                                                         0.041462
                          0
                                    0
                                              0
                                                        0
   r5
                0
                          0
                                    0
                                              0
                                                             0.0034759
                                                                         0.041345
                              0.79995
                                        0.79456
   r96
          0.78455
                    0.78145
                                                   0.7876
                                                               0.77865
                                                                          0.76719
          0.78669
                    0.78366
                              0.77972
                                        0.79679
                                                  0.78998
   r97
                                                               0.78122
                                                                          0.77001
   r98
          0.78878
                    0.78582
                              0.78197
                                        0.79897
                                                  0.79231
                                                               0.78374
                                                                          0.77276
   r99
          0.79084
                    0.78794
                              0.78417
                                        0.77927
                                                  0.79459
                                                                0.7862
                                                                          0.77545
   r100
          0.79285
                    0.79001
                              0.78633
                                        0.78154
                                                  0.79682
                                                                0.7886
                                                                          0.77808
% Higher Savings Incentives
mp_params('fl_beta') = 0.95;
mp_params('fl_r') = 0.04;
ff_vfi_az_vec(mp_params, mp_support);
Elapsed time is 0.177867 seconds.
CONTAINER NAME: mp_ffcmd ND Array (Matrix etc)
idx
                            ndim
                                   numel
                                                  colN
                                                                              std
                                                                                       coefvari
                                                                                                 min
                                           rowN
                                                                   mean
   savefraccoh
                      1
                            2
                                    700
                                           100
                                                   7
                                                         479.94
                                                                  0.68563
                                                                             0.27152
                                                                                      0.39602
xxx TABLE:savefraccoh xxxxxxxxxxxxxxxxxx
            c1
                      c2
                                  c3
                                              c4
                                                        c5
                                                                  с6
                                                                            c7
                0
                          0
                                            0.07007
                                                      0.17967
                                                                0.30874
                                                                          0.43404
   r1
                                      0
   r2
                0
                          0
                                      0
                                           0.070042
                                                      0.17961
                                                                0.30866
                                                                          0.43396
```

0.17935

0.30833

0.4336

0.069911

0

r3

0

0

| r4 | 0 | 0 | 0 | 0.069633 | 0.17881 | 0.30762 | 0.43284 |
|------|---------|---------|------------|----------|---------|---------|---------|
| r5 | 0 | 0 | 0.00049972 | 0.069179 | 0.17792 | 0.30645 | 0.43158 |
| r96 | 0.92489 | 0.92134 | 0.91672 | 0.91072 | 0.92717 | 0.91691 | 0.92776 |
| r97 | 0.92544 | 0.92198 | 0.91747 | 0.91162 | 0.92802 | 0.91801 | 0.92895 |
| r98 | 0.92598 | 0.9226 | 0.9182 | 0.91249 | 0.92885 | 0.91908 | 0.9301 |
| r99 | 0.9265 | 0.9232 | 0.91891 | 0.91333 | 0.92965 | 0.92011 | 0.93121 |
| r100 | 0.927 | 0.92379 | 0.9196 | 0.91416 | 0.93042 | 0.9211 | 0.90914 |

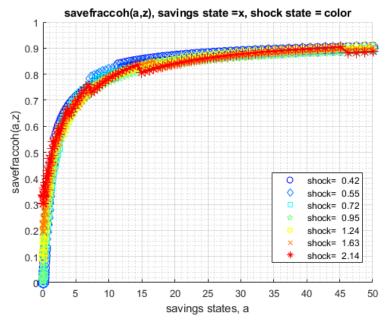
Test FF_VFI_AZ_VEC Changing Risk Aversion

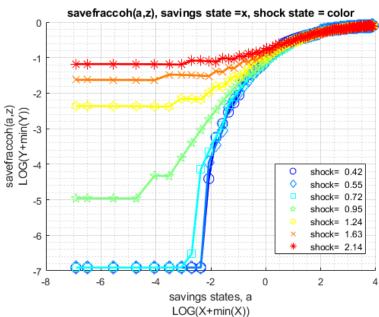
Here, again, show fraction of coh saved in summary tabular form, but also show it graphically.

```
mp_support = containers.Map('KeyType','char', 'ValueType','any');
mp_support('bl_print_params') = false;
mp_support('bl_print_iterinfo') = false;
mp_support('ls_ffcmd') = {'savefraccoh'};
mp_support('ls_ffsna') = {};
mp_support('ls_ffgrh') = {'savefraccoh'};
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 100;
mp_params('it_a_n') = 7;
mp_params('fl_a_max') = 50;
mp_params('st_grid_type') = 'grid_powerspace';
```

Solve the model with different risk aversion levels, higher preferences for risk:

```
% Lower Risk Aversion
mp_params('fl_crra') = 0.5;
ff_vfi_az_vec(mp_params, mp_support);
Elapsed time is 0.181638 seconds.
CONTAINER NAME: mp ffcmd ND Array (Matrix etc)
idx
                            ndim
                                   numel
                                                   colN
                                                                     mean
                                                                               std
                                                                                       coefvari
                                                                                                  min
                                            rowN
                                                           sum
   savefraccoh
                      1
                             2
                                    700
                                            100
                                                          450.35
                                                                              0.2803
                                                                                       0.43568
                                                                                                   0
                 1
                                                                    0.64336
xxx TABLE:savefraccoh xxxxxxxxxxxxxxxxxx
                                                        с5
                                            c4
                                                                  с6
                                                                            c7
            c1
                      c2
                                 с3
   r1
                                         0.0060341
                                                     0.093241
                                                                0.19572
                                                                          0.30604
                                         0.0060316
                                                     0.093213
                                                                0.19567
                                                                          0.30599
   r2
                                         0.0060204
                                                      0.09308
                                                                0.19546
                                                                          0.30574
   r3
                                                     0.092798
   r4
                0
                                    0
                                         0.0059964
                                                                0.19501
                                                                           0.3052
   r5
                0
                                    0
                                          0.012229
                                                     0.092335
                                                                0.19427
                                                                          0.30431
                          0
                                                      0.90296
                                                                0.89297
                                                                          0.90379
   r96
          0.90049
                    0.89703
                               0.89253
                                           0.88669
   r97
                               0.89351
                                                      0.90404
                                                                0.89429
          0.90128
                    0.89791
                                           0.88781
                                                                          0.88181
   r98
           0.90205
                     0.89876
                               0.89447
                                           0.88891
                                                      0.9051
                                                                0.89557
                                                                          0.88337
   r99
           0.9028
                     0.89959
                               0.89541
                                           0.88998
                                                      0.90612
                                                                0.89681
                                                                          0.88489
          0.90354
                     0.9004
   r100
                               0.89632
                                           0.89101
                                                      0.90711
                                                                0.89802
                                                                          0.88636
```





When risk aversion increases, at every state-space point, the household wants to save more.

```
% Higher Risk Aversion
mp_params('fl_crra') = 5;
ff_vfi_az_vec(mp_params, mp_support);
```

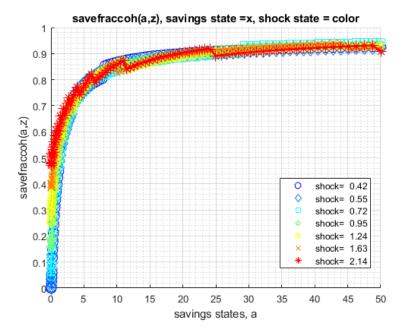
Elapsed time is 0.152901 seconds.

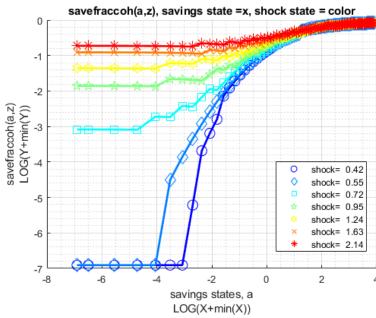
xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

CONTAINER NAME: mp_ffcmd ND Array (Matrix etc)

| | i | idx | ndim | numel | rowN | colN | sum | mean | std | coefvari | min |
|-------------|---|-----|------|-------|------|------|--------|---------|---------|----------|-----|
| | - | | | | | | | | | | |
| savefraccoh | 1 | 1 | 2 | 700 | 100 | 7 | 500.59 | 0.71513 | 0.25488 | 0.35641 | 0 |

| xxx TABLE: | savefraccoh | xxxxxxxxx | XXXXXXX | | | | |
|------------|-------------|-----------|------------|---------|---------|---------|---------|
| | c1 | c2 | c 3 | c4 | c5 | c6 | с7 |
| | | | | | | | |
| r1 | 0 | 0 | 0.044811 | 0.15534 | 0.25694 | 0.40177 | 0.48276 |
| r2 | 0 | 0 | 0.044787 | 0.15528 | 0.25686 | 0.40168 | 0.48268 |
| r3 | 0 | 0 | 0.044678 | 0.15499 | 0.2565 | 0.40124 | 0.48228 |
| r4 | 0 | 0 | 0.044445 | 0.15437 | 0.25572 | 0.40032 | 0.48143 |
| r5 | 0 | 0 | 0.064784 | 0.15337 | 0.25445 | 0.39879 | 0.48003 |
| r96 | 0.92489 | 0.92134 | 0.94129 | 0.93513 | 0.92717 | 0.91691 | 0.92776 |
| r97 | 0.92544 | 0.92198 | 0.9418 | 0.9358 | 0.92802 | 0.91801 | 0.92895 |
| r98 | 0.92598 | 0.9226 | 0.9423 | 0.93644 | 0.92885 | 0.91908 | 0.9301 |
| r99 | 0.9265 | 0.9232 | 0.94278 | 0.93706 | 0.92965 | 0.92011 | 0.93121 |
| r100 | 0.927 | 0.92379 | 0.94324 | 0.93765 | 0.93042 | 0.9211 | 0.90914 |





Test FF_VFI_AZ_VEC with Higher Uncertainty

Increase the standard deviation of the Shock.

```
mp_support = containers.Map('KeyType','char', 'ValueType','any');
mp_support('bl_print_params') = false;
mp_support('bl_print_iterinfo') = false;
mp_support('ls_ffcmd') = {'savefraccoh'};
mp_support('ls_ffsna') = {};
mp_support('ls_ffgrh') = {};
mp_params = containers.Map('KeyType','char', 'ValueType','any');
mp_params('it_a_n') = 150;
mp_params('it_a_n') = 15;
mp_params('fl_a_max') = 50;
mp_params('st_grid_type') = 'grid_powerspace';
% graph color spectrum
mp_params('cl_colors') = 'copper';
```

Lower standard deviation of shock:

```
% Lower Risk Aversion
mp params('fl shk std') = 0.10;
ff_vfi_az_vec(mp_params, mp_support);
Elapsed time is 0.544499 seconds.
CONTAINER NAME: mp_ffcmd ND Array (Matrix etc)
i
                        ndim
                                                                     std
                                                                            coefvari
                   idx
                              numel
                                      rowN
                                            colN
                                                   sum
                                                           mean
                                                                                      min
   savefraccoh
                   1
                         2
                               2250
                                      150
                                             15
                                                   1506.3
                                                           0.66947
                                                                    0.28673
                                                                             0.4283
               1
xxx TABLE:savefraccoh xxxxxxxxxxxxxxxxx
           c1
                   c2
                            c3
                                     c4
                                              с5
                                                       c11
                                                                c12
                                                                        c13
                                                                                 c14
                                                                                          c15
                               0
                                                     0.14061
                                                              0.1891
                                                                      0.24154
                                                                                0.2699
                                                                                        0.324
   r1
                       0
                                                     0.1406
   r2
              0
                      0
                               0
                                        0
                                                 0
                                                              0.18908
                                                                      0.24152
                                                                               0.26988
                                                                                        0.324
                                                                      0.24142
   r3
              0
                      0
                               0
                                        0
                                                 0
                                                     0.14053
                                                              0.189
                                                                               0.26977
                                                                                        0.324
                                                              0.18881
   r4
              0
                      0
                               0
                                        0
                                                 0
                                                   0.14038
                                                                      0.2412 0.26956
                                                                                        0.324
   r5
                      0
                                                             0.18851
                                                                      0.24085
              0
                               0
                                       0
                                                0 0.14013
                                                                                        0.323
                                                                               0.2692
         0.93087 0.92957 0.92815 0.92661 0.92492 0.92712
                                                             0.92403 0.92069 0.91706
                                                                                        0.913
   r146
        0.93121 0.92994 0.92854 0.92702 0.92537 0.92768
                                                             0.92465 0.92135 0.91778
                                                                                        0.913
   r147
   r148
        0.93156
                 0.9303 0.92893 0.92743 0.92581 0.92823 0.92525 0.92201 0.91849
                                                                                        0.914
   r149 0.93189 0.93065
                          0.9293 0.92783 0.92623 0.92878 0.92584 0.92264 0.91918
                                                                                        0.915
   r150
         0.93222
                  0.931
                           0.92967
                                   0.92823
                                            0.92665
                                                    0.9293
                                                              0.92641
                                                                      0.92327
                                                                               0.91986
                                                                                        0.916
```

Higher shock standard deviation: low shock high asset save more, high shock more asset save less, high shock low asset save more:

CONTAINER NAME: mp_ffcmd ND Array (Matrix etc)

| | | i | idx | ndim | numel | rowN | colN | sum | mean | std | coefvari | min |
|-----------|-----------|-----|----------|------------|-------|---------|------------|--------|----------|-----------|-----------|-------|
| | | - | | | | | | | | | | |
| savef | raccoh | 1 | 1 | 2 | 2250 | 150 | 15 | 1678.8 | 0.74614 | 0.22779 | 0.30529 | 0 (|
| xxx TABLE | :savefrac | coh | xxxxxxxx | (XXXXXXXX | x | | | | | | | |
| | c1 | | c2 | c 3 | | с4 | c 5 | c11 | c12 | c13 | c14 | c15 |
| | | _ | | | | | | | | | | |
| r1 | | 0 | 0 | | 0 | 0 | 0 | 0.5361 | 2 0.5985 | 3 0.67884 | 0.73891 | 0.776 |
| r2 | | 0 | 0 | | 0 | 0 | 0 | 0.5360 | 9 0.598 | 5 0.67882 | 0.73889 | 0.776 |
| r3 | | 0 | 0 | | 0 | 0 | 0 | 0.5359 | 4 0.5983 | 9 0.67873 | 0.73883 | 0.776 |
| r4 | | 0 | 0 | | 0 | 0 | 0 | 0.5356 | 3 0.5981 | 4 0.67853 | 0.73868 | 0.776 |
| r5 | | 0 | 0 | | 0 | 0 | 0 | 0.5351 | 1 0.5977 | 4 0.6782 | L 0.73843 | 0.77 |
| r146 | 0.9269 | 6 | 0.9262 | 0.925 | 13 | 0.92359 | 0.92142 | 0.9165 | 3 0.907 | 8 0.88992 | 0.86057 | 0.804 |
| r147 | 0.9272 | 1 | 0.92647 | 0.925 | 41 | 0.9239 | 0.92176 | 0.9174 | 0.9089 | 5 0.89144 | 1 0.84828 | 0.793 |
| r148 | 0.9274 | -6 | 0.92673 | 0.925 | 69 | 0.92421 | 0.9221 | 0.9182 | 7 0.9100 | 7 0.87813 | 0.83621 | 0.782 |
| r149 | 0.927 | 7 | 0.92698 | 0.925 | 96 | 0.9245 | 0.92243 | 0.919 | 0.8960 | 5 0.86507 | 0.82436 | 0.772 |
| r150 | 0 9279 | 4 | 0 92724 | 0 926 | 23 | 0 9248 | 0 92276 | 0 9046 | 7 0 8823 | 3 0 8522 | 7 0 81273 | 0.763 |