

README

CARAMP & SINGH “BOND PREMIUM CYCLICALITY AND LIQUIDITY TRAPS”

REPLICATION CODES FOR THE REVIEW OF ECONOMIC STUDIES

SOFTWARE REQUIREMENTS

1. MATLAB with Dynare installed
2. Stata

Instructions for Dynare installation and configuration:

Please see the DYNARE webpage: https://www.dynare.org/resources/quick_start/

REPLICATION FOLDER

The Replication folder is organized into two subfolders:

- 1) Theory (Uses Matlab with Dynare installed and set to path):
 - a) 1_Figure_4/ RUN_Figure_4.m: generates Figure 4 in the main text.
 - b) 2_Figure_5/ RUN_Figure_5.m generates Figure 5 in the main text.
 - c) 3_Figure_7_QE / RUN_Figure_7_QE., generates Figure 7 for Appendix D’s QE experiment.
 - d) 4_Figure_9_10_AppendixG/ RUN_Figure_9_10.m generates Figures 9 and 10 for the Appendix G’s monetary policy experiments.
- 2) Empirics (uses Stata and Matlab):
 - a) 1_Tables123/RUN_tables_aug2022.do produces Tables 1 through 3 reported in the main text
 - b) 2_Figures_2_3/RUN_figures_2_3.do produces Figures 2 and 3 in the main text.
 - c) 3_Figure_6/RUN_Figure_6.m produces Figure 6 in Appendix B.
 - d) 4_Figure_8/RUN_Figure_8.do produces Figure 8 in Appendix G.

The Software was checked on an iMac with following specs:

1. 3.3 GHz 6-Core Intel Core i5 with macOS Monterey 12.4.
2. MATLAB Version: 9.11.0.1873467 (R2021b) Update 3
3. Dynare 5.0
4. Stata/SE 17.0 for Mac (Intel 64-bit)