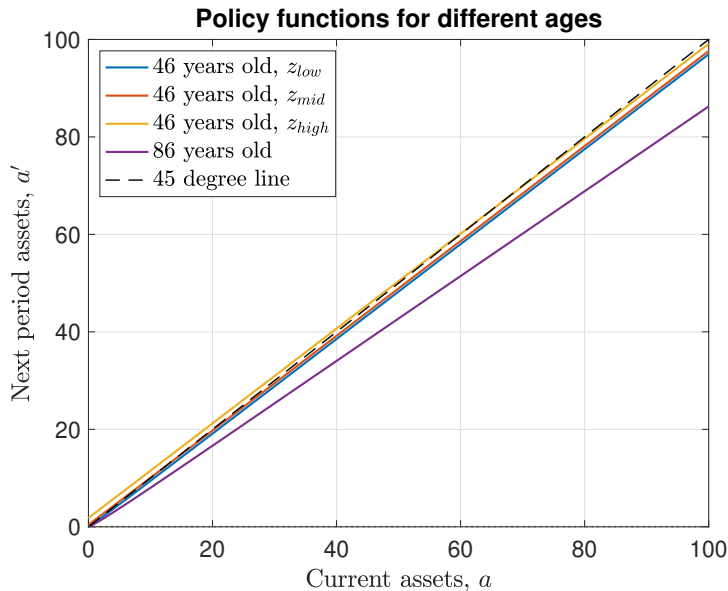# Hugget (JME, 1996)
Life-Cycle Heterogenous Agents
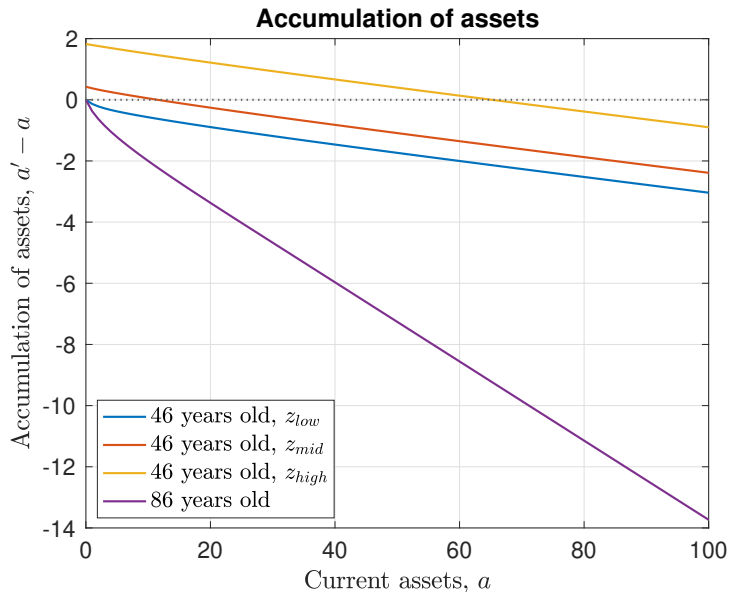
Carlos Rojas Quiroz

November 2022
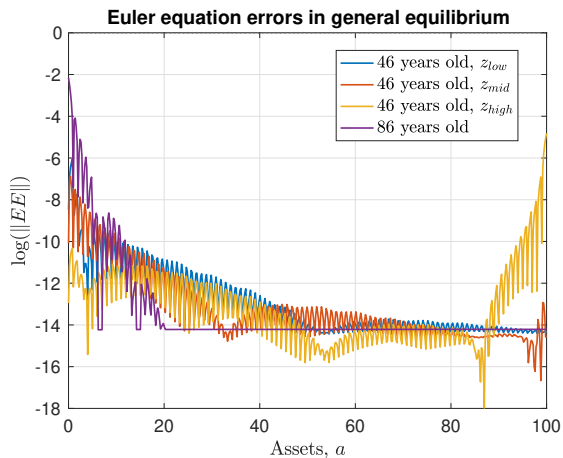
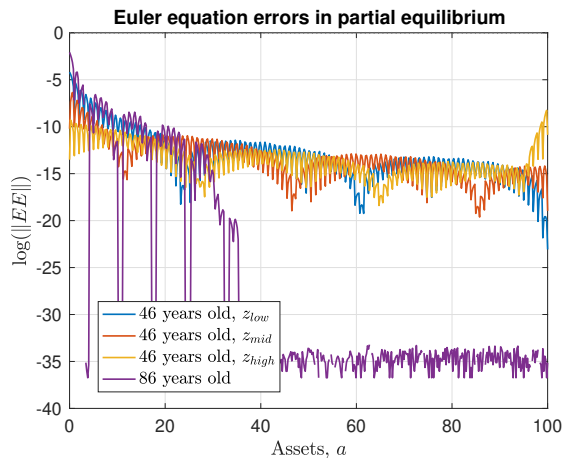# Policy functions, $g_j(a, z)$

Policy functions for different ages

Legend:
- 46 years old, z_{low}
- 46 years old, z_{mid}
- 46 years old, z_{high}
- 86 years old
- 45 degree line

X-axis: Current assets, a

Y-axis: Next period assets, a'

Assets accumulation, $g_j(a, z) - a$

Euler equation errors, $\log(|EE|)$

Euler equation errors in partial equilibrium

Euler equation errors in general equilibrium

Equilibrium values

r^g	w	θ	b	$\frac{K}{Y}$	Gini
0.0300	1.2465	0.1313	0.4804	3.2713	0.6967

NOTE: Policy function has been computed by EGM
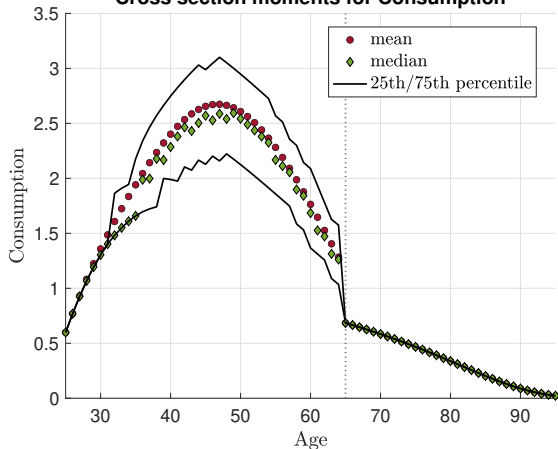
Histogram of assets

Assets distribution
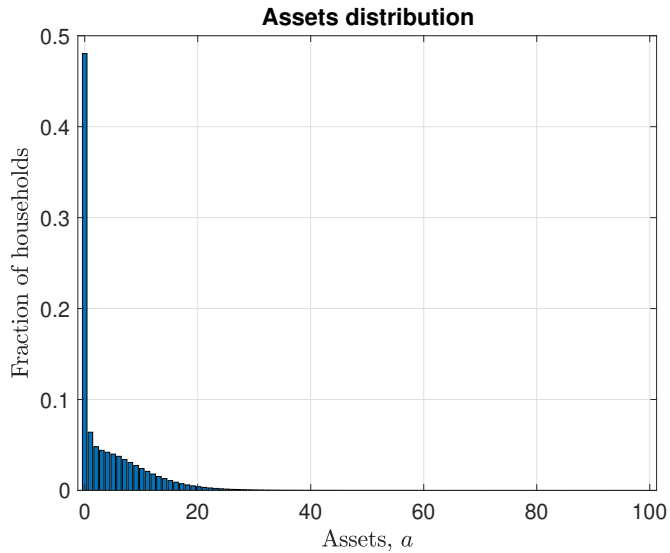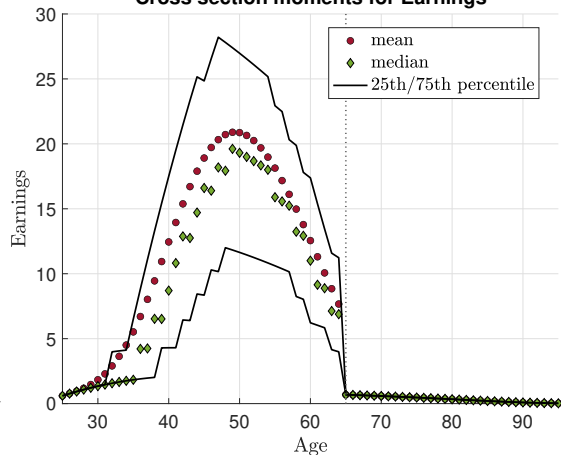
Assets distribution per age
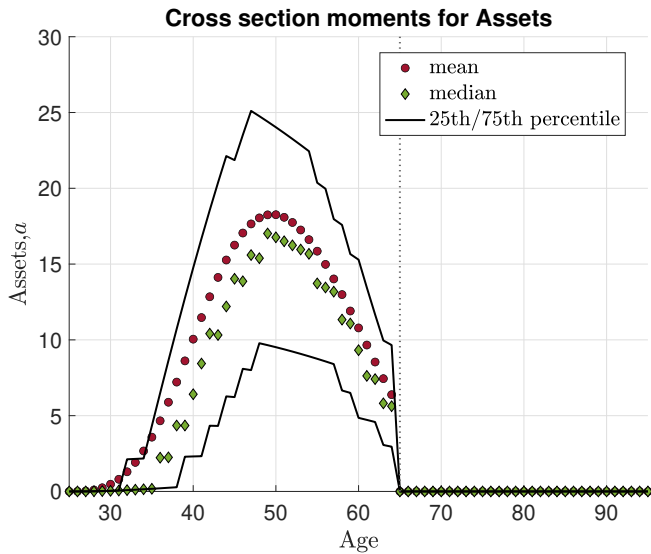
Earnings and consumption distribution per age

Cross section moments for Consumption

Cross section moments for Earnings

Earnings and consumption features per age