Table 1: Aggre	gate Consur	nption Dy	namics in	Rep A	gent Economy
Table 1. Aggle	gaic Consui	\mathbf{n}	mannes m	100011	gone Doomonny

Expectations : Dep Var		OLS	2nd Stage	IV F p -val	
Independent Variables		or IV	$ar{R}^2$	IV OID	
Fricti	$\Delta = \Delta \log S$	$g \mathbf{C}_{t+1}$			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.017			OLS		
(0.819)					
	0.392		IV		
	(0.114)				
		0.0001	IV		
		(-0.0003)			
0.226	0.335	-0.0001	IV		
(0.704)	(0.131)	(-0.0001)			
Sti	icky : $\Delta \log \mathbf{C}$	7 ⊘t+1			
	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.819	0 11-	-	OLS		
(0.041)					
S	$\frac{1}{\text{ticky}: \Delta \log}$	$\widetilde{\widetilde{\mathbf{C}}}_{t}$			
~ .	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.364	0 0/1	U	OLS		
(0.066)					
0.718			IV		
(0.142)					
, ,	0.114		IV		
	(0.162)				
	, ,	-0.0003	IV		
		(0.0001)			
0.704	0.131	-0.0001	IV		
(0.209)	(0.185)	(0.0002)			
	Memo: For	instrument	$\mathbf{z} \cdot \mathbf{Z}_{\mu} \wedge 1_{\alpha}$	$\bar{R}^2 = \mathbf{Z}_t \zeta$, $\bar{R}^2 = \mathbf{Z}_t \zeta$: 7??

Memo: For instruments \mathbf{Z}_t , $\Delta \log \mathbf{C}_{t+1} = \mathbf{Z}_t \zeta$, $\bar{R}^2 = ???$

Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 95% level for 12 of 12 subintervals. Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 90% level for 12 of 12 subintervals.

Table 2: Aggregate Consumption Dynamics in Rep Agent Markov Economy (11 states)

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Expe	ctations : De	ep Var	OLS	2nd Stage	IV F p-val
Independent Variables		or IV	$ar{R}^2$	IV OID	
Fricti	ionless : Δ lo	$g C_{t+1}$			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
-0.015			OLS		
(0.778)					
	0.097		IV		
	(0.652)				
		0.0000	IV		
		(-0.0001)			
-0.273	-0.310	0.0001	IV		
(0.494)	(0.240)	(0.0000)			
Sti	$ m ficky: \Delta \log {f C}$	\sum_{t+1}			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.778			OLS		
(0.044)					
St	ticky : $\Delta \log$	$\widetilde{\widetilde{\mathbf{C}}}_t$			
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.243			OLS		
(0.069)					
0.693			IV		
(0.178)					
	0.652		IV		
	(0.269)				
		-0.0001	IV		
		(0.0001)			
0.494	0.240	0.0000	IV		
(0.260)	(0.442)	(0.0001)			

Memo: For instruments \mathbf{Z}_t , $\Delta \log \mathbf{C}_{t+1} = \mathbf{Z}_t \zeta$, $\bar{R}^2 = ???$

Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 95% level for 8 of 12 subintervals. Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 90% level for 8 of 12 subintervals.

	Table 3: Ag	gregate Co	nsumption	n Dynamics in Sma	all Open Econom
Expectations : Dep Var			OLS	2nd Stage	IV F p -val
Inde	Independent Variables		or IV	$ar{R}^2$	IV OID
Fricti	$\Delta \log : \Delta \log$	$g \mathbf{C}_{t+1}$			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.006			OLS		
(0.553)					
	0.313		IV		
	(0.021)				
		0.0008	IV		
		(-0.0013)			
-0.075	0.282	0.0005	IV		
(0.712)	(0.068)	(0.0005)			
Sti	$ m fcky:\Delta\log {f C}$	\sum_{t+1}			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.553			OLS		
(0.059)					
S1	ticky : $\Delta \log$	$\widetilde{ extbf{C}}_t$			
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.217			OLS		
(0.069)					
0.654			IV		
(0.161)					
	0.021		IV		
	(0.166)				
		-0.0013	IV		
		(0.0007)			
0.712	0.068	0.0005	IV		
(0.239)	(0.238)	(0.0014)			
	Memo: For	instrument	s \mathbf{Z}_t , $\Delta \log$	$g \mathbf{C}_{t+1} = \mathbf{Z}_t \zeta, \bar{R}^2$	= ???

Table 4: Aggregate Cor	nsumption Dyna	amics in Small (Open Markov I	로conomy ((11 states)
Expectations : Dep	Var OLS	S 2nd St	sage IV	$\overline{F p\text{-val}}$	

Expectations : Dep Var		OLS	2nd Stage	IV F p -ve	
Independent Variables		or IV	$ar{R}^2$	IV OID	
Fricti	$\Delta \log \Delta \log$	$\operatorname{g} \mathbf{C}_{t+1}$			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.361			OLS		
(0.853)					
	0.293		IV		
	(1.173)				
		-0.0002	IV		
		(-0.0004)			
-0.059	0.148	-0.0000	IV		
(0.538)	(0.421)	(0.0002)			
Sti	$ ho$ cky : $\Delta \log C$	\sum_{t+1}			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.050			OTO		
0.853			OLS		
0.853 (0.037)			OLS		
(0.037)	ticky : $\Delta \log$	$\overline{\widetilde{ ext{C}}_t}$	OLS		
(0.037)	$rac{ ext{ticky}:\Delta\log}{\Delta\log\mathbf{Y}_{t+1}}$	$\overline{\widetilde{\mathbf{C}}_t}$ A_t	OLS		
(0.037)	-		OLS		
$\frac{(0.037)}{\text{S}}$ $\Delta \log \widetilde{\mathbf{C}}_t$	-				
(0.037) S $\Delta \log \widetilde{\mathbf{C}}_t$ 0.367	-				
(0.037) S $\Delta \log \widetilde{\mathbf{C}}_t$ 0.367 (0.066)	-		OLS		
(0.037) S^{t} $\Delta \log \widetilde{\mathbf{C}}_{t}$ 0.367 (0.066) 0.772	-		OLS		
(0.037) S^{t} $\Delta \log \widetilde{\mathbf{C}}_{t}$ 0.367 (0.066) 0.772	$\Delta \log \mathbf{Y}_{t+1}$		OLS IV		
(0.037) S^{t} $\Delta \log \widetilde{\mathbf{C}}_{t}$ 0.367 (0.066) 0.772	$\Delta \log \mathbf{Y}_{t+1}$ 1.173		OLS IV		
(0.037) S^{t} $\Delta \log \widetilde{\mathbf{C}}_{t}$ 0.367 (0.066) 0.772	$\Delta \log \mathbf{Y}_{t+1}$ 1.173	A_t	OLS IV IV		
(0.037) S^{t} $\Delta \log \widetilde{\mathbf{C}}_{t}$ 0.367 (0.066) 0.772	$\Delta \log \mathbf{Y}_{t+1}$ 1.173	A_t -0.0004	OLS IV IV		

	Table 5: Ag	ggregate Co	nsumpti	on Dynamics in	HA-DSGE Economy
Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Inde	Independent Variables		or IV	$ar{R}^2$	IV OID
Fricti	onless : Δ lo	$g \mathbf{C}_{t+1}$			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.015			OLS		
(0.504)					
	0.192		IV		
	(0.078)				
		-0.0000	IV		
		(-0.0003)			
-0.045	0.186	-0.0001	IV		
(0.308)	(0.112)	(-0.0001)			
Sti	cky : $\Delta \log \mathbf{C}$	C_{t+1}			
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.504			OLS		
(0.061)					
		~.			
~	ticky : $\Delta \log$				
	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.187			OLS		
(0.070)					
0.335			IV		
(0.118)					
	0.078		IV		
	(0.144)				
		-0.0003	IV		
		(0.0002)			
0.308	0.112	-0.0001	IV		
(0.160)	(0.174)	(0.0003)			
	Memo: For	instrument	$\mathbf{z} \mathbf{Z}_t, \Delta \mathbf{l}$	$\operatorname{og} \mathbf{C}_{t+1} = \mathbf{Z}_t \zeta,$	$\bar{R}^2 = ???$

Table 6: Aggregate Consumption Dynamics in HA-DSGE Markov Economy (11 states) IV F p-val Expectations: Dep Var OLS 2nd Stage \bar{R}^2 Independent Variables or IV IV OID Frictionless : $\Delta \log \mathbf{C}_{t+1}$ $\Delta \log \mathbf{C}_t \quad \Delta \log \mathbf{Y}_{t+1}$ 0.382OLS (0.786)0.472IV (0.981)-0.0003 IV (-0.0004)IV -0.0580.058-0.0003 (0.392)(0.479)(0.0001)Sticky: $\Delta \log \mathbf{C}_{t+1}$ $\Delta \log \mathbf{C}_t$ $\Delta \log \mathbf{Y}_{t+1}$ A_t 0.786OLS (0.043)Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$ $\Delta \log \widetilde{\mathbf{C}}_t$ $\Delta \log \mathbf{Y}_{t+1}$ A_t 0.286OLS (0.068)0.682IV (0.108)0.981IV (0.240)IV -0.0004(0.0001)0.3920.4790.0001IV(0.784)(0.0003)(0.339)Memo: For instruments \mathbf{Z}_t , $\Delta \log \mathbf{C}_{t+1} = \mathbf{Z}_t \zeta$, $\bar{R}^2 =$???