Table 1: Aggregate Consumption Dynamics in Rep Agent Economy

Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Independent Variables			or IV	$\bar{R}^2$	IV OID
Frictionless : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	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)			
Sticky : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.819			OLS		
(0.041)					
Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$					
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.364			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 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)

Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Independent Variables			or IV	$\bar{R}^2$	IV OID
Frictionless : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	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)			
Sticky : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.778			OLS		
(0.044)					
Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$					
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	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: Aggregate Consumption Dynamics in Small Open Economy

Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Independent Variables			or IV	$\bar{R}^2$	IV OID
Frictionless : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.023			OLS		
(0.599)					
	0.343		IV		
	(0.067)				
		0.0021	IV		
		(-0.0186)			
0.101	0.312	0.0000	IV		
(0.659)	(0.167)	(-0.0023)			
Sticky : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.599			OLS		
(0.057)					
Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$					
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.247			OLS		
(0.069)					
0.658			IV		
(0.143)					
	0.067		IV		
	(0.150)				
		-0.0186	IV		
		(0.0042)			
0.659	0.167	-0.0023	IV		
(0.253)	(0.180)	(0.0099)			

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 10 of 12 subintervals.

Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 90% level for 10 of 12 subintervals.

Table 4: Aggregate Consumption Dynamics in Small Open Markov Economy (11 states)

Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Independent Variables			or IV	$\bar{R}^2$	IV OID
Frictionless : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.385			OLS		
(0.848)					
	0.432		IV		
	(0.993)				
		-0.0011	IV		
		(-0.0016)			
-0.128	0.226	-0.0007	IV		
(0.618)	(0.343)	(0.0002)			
Sticky : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.848			OLS		
(0.037)					
Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$					
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.355			OLS		
(0.066)					
0.778			IV		
(0.121)					
	0.993		IV		
	(0.252)				
		-0.0016	IV		
		(0.0005)			
0.618	0.343	0.0002	IV		
(0.248)	(0.455)	(0.0008)			
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 10 of 12 subintervals.					
Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 90% level for 10 of 12 subintervals.					

Table 5: Aggregate Consumption Dynamics in HA-DSGE Economy

Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Independent Variables			or IV	$\bar{R}^2$	IV OID
Frictionless : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.040			OLS		
(0.557)					
	0.236		IV		
	(0.086)				
		-0.0002	IV		
		(-0.0008)			
0.100	0.217	-0.0003	IV		
(0.338)	(0.082)	(-0.0002)			
Sticky : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.557			OLS		
(0.059)					
Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$					
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.213			OLS		
(0.069)					
0.372			IV		
(0.113)					
	0.086		IV		
	(0.157)				
		-0.0008	IV		
		(0.0004)			
0.338	0.082	-0.0002	IV		
(0.151)	(0.168)	(0.0005)			
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 6 of 12 subintervals.					
Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 90% level for 10 of 12 subintervals.					

Table 6: Aggregate Consumption Dynamics in HA-DSGE Markov Economy (11 states)

Expectations : Dep Var			OLS	2nd Stage	IV F p-val
Independent Variables			or IV	$\bar{R}^2$	IV OID
Frictionless : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.383			OLS		
(0.775)					
	0.513		IV		
	(0.930)				
		-0.0005	IV		
		(-0.0006)			
-0.076	0.148	-0.0004	IV		
(0.498)	(0.249)	(-0.0001)			
Sticky : $\Delta \log \mathbf{C}_{t+1}$					
$\Delta \log \mathbf{C}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.775			OLS		
(0.044)					
Sticky : $\Delta \log \widetilde{\mathbf{C}}_t$					
$\Delta \log \widetilde{\mathbf{C}}_t$	$\Delta \log \mathbf{Y}_{t+1}$	A_t			
0.277			OLS		
(0.068)					
0.689			IV		
(0.110)					
	0.930		IV		
	(0.233)				
		-0.0006	IV		
		(0.0001)			
0.498	0.249	-0.0001	IV		
(0.194)	(0.409)	(0.0003)			
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 11 of 12 subintervals.					
Horserace coefficient on $\Delta \log \widetilde{\mathbf{C}}_t$ significant at 90% level for 11 of 12 subintervals.					