$$\Omega = \frac{1-\alpha}{1-\alpha+\alpha\,\epsilon}$$

$$\psi^{n}_{ya} = \frac{1+\phi}{\alpha+\phi+(1-\alpha)\,\sigma}$$

$$\lambda^{gali} = \frac{(1-\theta)\,(1-\theta\,\beta)}{\theta}\,\Omega_t$$

$$\kappa = \lambda^{gali}_{t}\,\left(\sigma + \frac{\alpha+\phi}{1-\alpha}\right)$$

$$\pi_t = \beta\,\pi_{t+1} + \kappa_t\,\tilde{y}_t \tag{1}$$

$$w_{rt} = \sigma\,c_{Rt} + \phi\,n_{Rt} \tag{2}$$

$$w_{rt} = \sigma\,c_{Kt} + \phi\,n_{Kt} \tag{3}$$

$$c_{Rt} = c_{Rt+1} - \frac{1}{\sigma}\,(i_t - \pi_{t+1}) \tag{4}$$

$$c_{Kt}\,(1-\Lambda\,(1-\beta)) = w_{rt} + n_{Kt} - \beta\,\Lambda\,(i_{t-1} - \pi_t - {r^r}_{t-1} + {r^r}_t) \tag{5}$$

$$\tilde{y}_t = c_{Rt}\,\bar{C_R} + c_{Kt}\,\bar{C_K} \tag{6}$$

$$n_t = n_{Rt}\,\bar{N_R} + n_{Kt}\,\bar{N_K} \tag{7}$$

$$i_t = \pi_t\,\phi_\pi + \tilde{y}_t\,\phi_y + \nu_t \tag{8}$$

$${r^r}_t = i_t - \pi_{t+1} \tag{9}$$

$${y^{nat}}_t = \psi^{n}_{ya,t}\,a_t \tag{10}$$

$$\tilde{y}_t = y_t - {y^{nat}}_t \tag{11}$$

$$\nu_t = \rho_\nu\,\nu_{t-1} + \varepsilon_{\nu t} \tag{12}$$

$$a_t = 0 \tag{13}$$

$$y_t = a_t + (1-\alpha)\,n_t \tag{14}$$