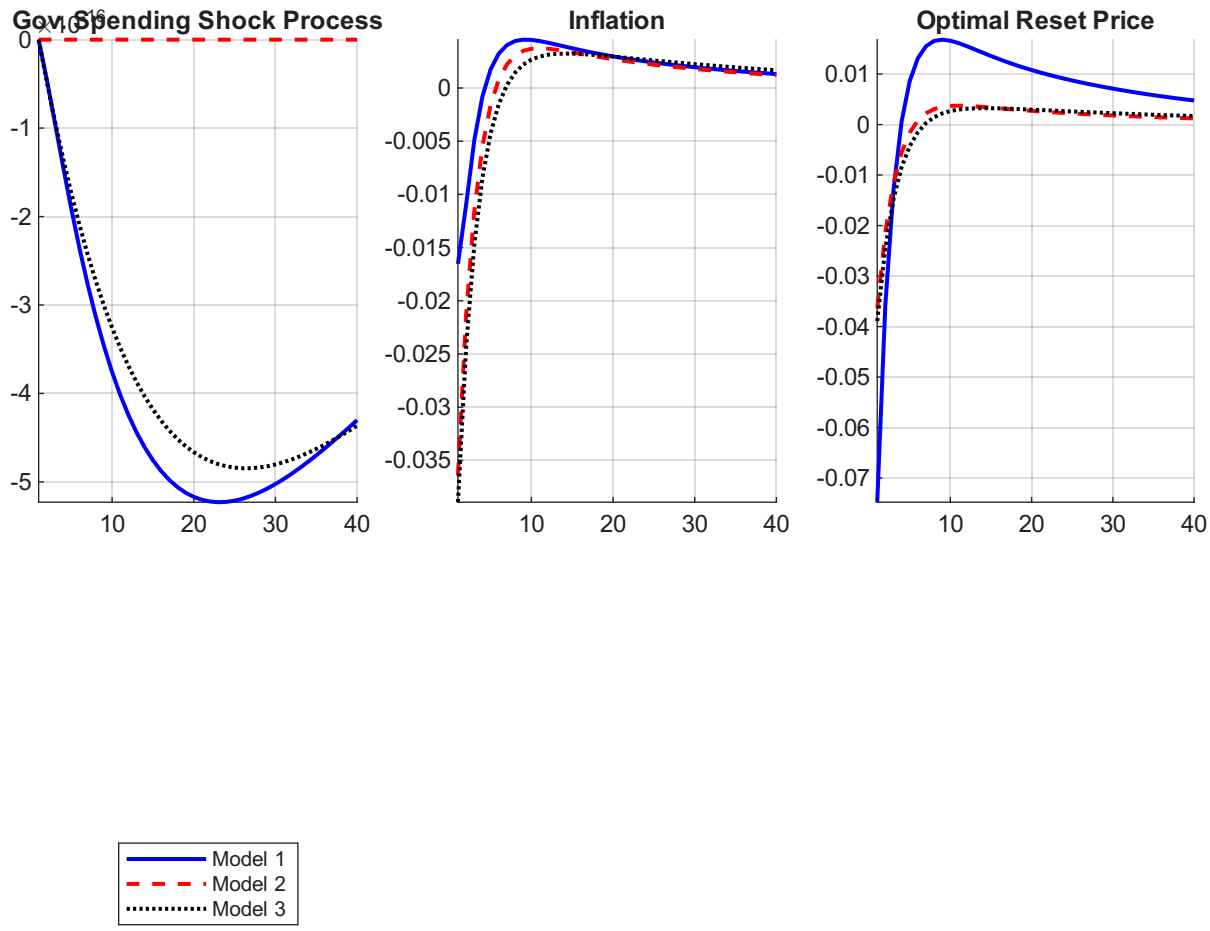
Gov. Spending Shock Process
×10^-16
0
-1
-2
-3
-4
-5
10
20
30
40
Inflation
0
-0.005
-0.01
-0.015
-0.02
-0.025
-0.03
-0.035
10
20
30
40
Optimal Reset Price
0.01
0
-0.01
-0.02
-0.03
-0.04
-0.05
-0.06
-0.07
10
20
30
40
Model 1
Model 2
Model 3