Euler Equation Estimation

1 PSID

Table 1: PSID Euler Equation (Baseline)

	(1) baseline	(2) age control	(3) age polynomial	(4) IV L.a	(5) IV L.a L.y	(6) IV L.a L.c L.y
Log Liquid Assets	0.00355*	0.00825***	0.00815***	0.00546	0.00461	0.00745**
	(0.00215)	(0.00219)	(0.00218)	(0.00338)	(0.00332)	(0.00332)
Constant	0.00583	0.00306	-0.00554	0.01648	0.02266	0.00193
	(0.02090)	(0.04272)	(0.07055)	(0.07289)	(0.07277)	(0.07276)
Age controls	No	Yes	Yes	Yes	Yes	Yes
Adjusted R^2	0.000	0.009	0.008	0.009	0.009	0.009
Observations	15166	15166	15166	15092	15092	15092

Standard errors in parentheses

Sample: Households with liq assets > 1,000 at time t and t-1, ages 25 to 60, not moving homes that year

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Table 2: PSID Euler Equation (More Controls)

	(1) baseline	(2) age control	(3) age polynomial	(4) IV L.a	(5) IV L.a L.y	(6) IV L.a L.c L.y
Log Liquid Assets	0.00430**	0.00766***	0.00755***	0.00476	0.00432	0.00638*
	(0.00212)	(0.00216)	(0.00216)	(0.00336)	(0.00330)	(0.00330)
Constant	0.03992*	0.02140	-0.05555	-0.09961**	-0.09523**	-0.11579***
	(0.02242)	(0.04306)	(0.07178)	(0.03955)	(0.03910)	(0.03909)
Age controls	No	Yes	Yes	Yes	Yes	Yes
Year controls	Yes	Yes	Yes	Yes	Yes	Yes
Kids controls	Yes	Yes	Yes	Yes	Yes	Yes
Adjusted R^2	0.023	0.028	0.028	0.028	0.028	0.028
Observations	15092	15092	15092	15092	15092	15092

Standard errors in parentheses

Sample: Households with liq assets > 1,000 at time t and t-1, ages 25 to 60, not moving homes that year

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$