

Calibration in the Sequence-Space-Jacobian toolkit

Table 1: Model parameters and steady state

| Structural parameters | Values |
|--|---------------------|
| Discount factor | $\beta = 0.987475$ |
| Reciprocal of EIS | $\sigma = 2$ |
| Depreciation rate | $\delta = 0.12$ |
| Capital share | $\alpha = 0.3$ |
| Parameters in grids | |
| Persistence of AR(1) labor process | $\rho_e = 0.966$ |
| Standard deviation of labor innovation | $\sigma_e = 0.5$ |
| Number of labor gridpoints | $n_e = 5$ |
| Number of asset gridpoints | $n_a = 500$ |
| Minimum value in asset grid | $\underline{A} = 0$ |
| Maximum value in asset grid | $\bar{A} = 5$ |
| Steady state | |
| Production | $Y = 1$ |
| Labor | $L = 1$ |
| Capital | $K = 2.631578$ |
| Assets | $A = 2.631578$ |
| Productivity | $Z = 0.748057$ |
| Consumption | $C = 0.684210$ |
| Interest rate | $r = -0.006$ |
| Wage | $w = 0.7$ |