



Referee1's report -Round 1

Submission Number:EB-22-00560

Implications for determinacy with average inflation targeting

Yamin Ahmad

University of Wisconsin - Whitewater

James Murray

University of Wisconsin - La Crosse

Report on “Implications for Determinacy with Average
Inflation Targeting” (Submission Number: EB-22-00560-R1)
by Yamin Ahmad and James Murray

February 1, 2023

I am globally satisfied with the changes and improvements made by the authors.

Some small problems of typo

- Page 2, “A rational expectations model is considered determinant...”, here the word “determinant” should be replaced by “determinate” to be coherent with the literature that studies “determinacy” and “indeterminacy”.
- Page 2 “backwards and forward-looking windows” should be rewritten as “backward- and forward-looking windows”
- Page 4, to be coherent with the usage made for “backward-looking” and “forward-looking” in the rest of the text, “backwards-looking” should be replaced by “backward-looking”
- Page 5, “the forward or backward looking time” should be rewritten as “the forward- or backward-looking time”
- Page 5, “Considering the forward-looking nature of the target average, similarly let the expected average future inflation be given by,” in this sentence, we have a verb in the form of present participle (Considering) and a verb in its initial form “let”, where is the subject? Or, these two verbs might take the same form.
- Page 5, in the last two lines, you use “a longer forward horizon” but “a shorter forward-horizon”. You must adopt one or another form but not too at the same time. Use the form a native English speaker would use.
- Page 6, “We use the method in Sims (2002) to solve the model and identify if the model is determinant or indeterminant for various parameter values”, here “determinant or indeterminant” should be rewritten as “determinate or indeterminate”.

- Page 8 “63% weight on the current the current inflation rate” , it seems that there is a repetition of “the current”.