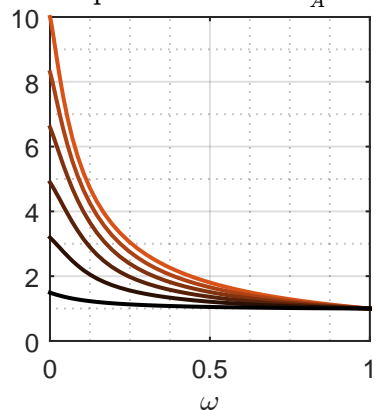
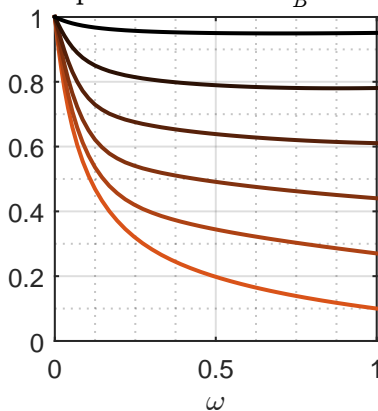


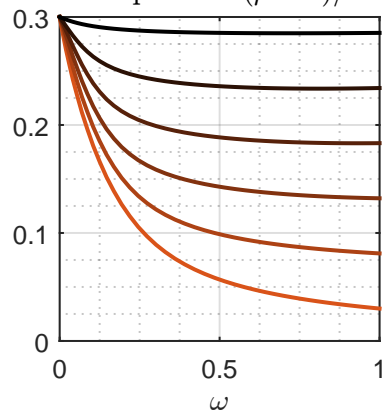
Banks risky asset
portfolio share w_A^s



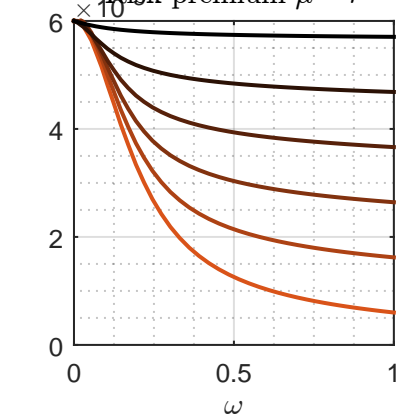
Depositors risky asset
portfolio share w_B^s



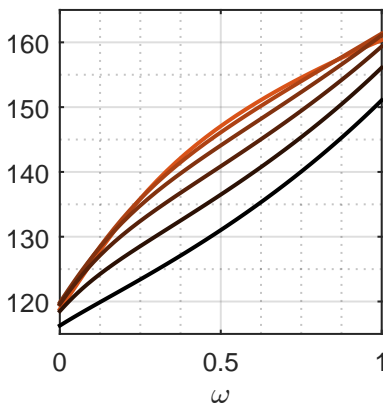
Sharpe ratio $(\mu - r)/\sigma$



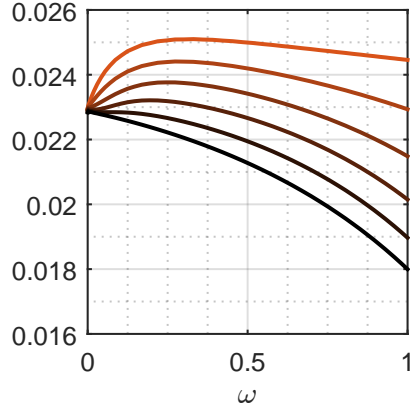
Risk premium $\mu - r$



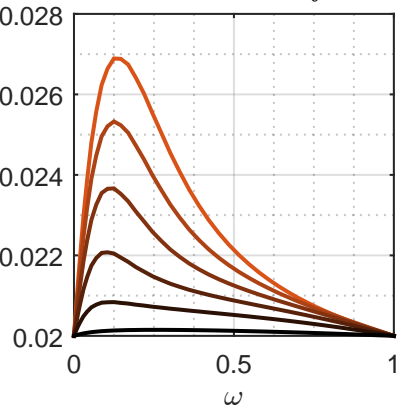
Valuation ratio P/Y



Real rate r



Return volatility σ



Stationary density of ω

