[sim.1.0] TRA consumption path

abst=5.5

beta2 = −0.008;   beta1 = 0.288
beta0 = −1.342;   delta = 0.075

ssu=10.23   sss=16.39

consumption capital (S)

consumption (c)

[sim.1.1] Simulated consumption path, S0 = 9

Legend:
- ○ stochastic (before conv.)
- ○ stochastic (converged)
- → deterministic path
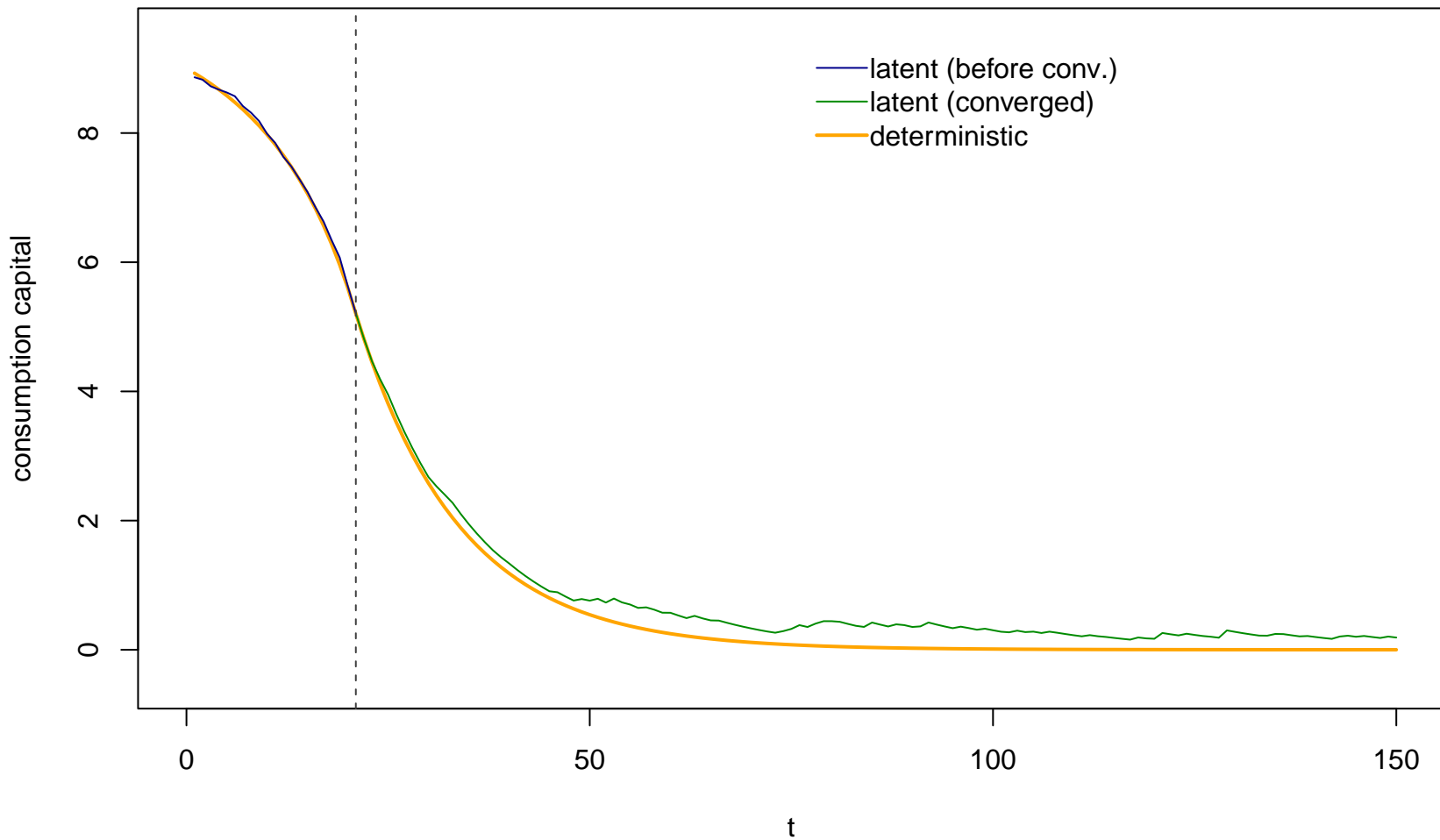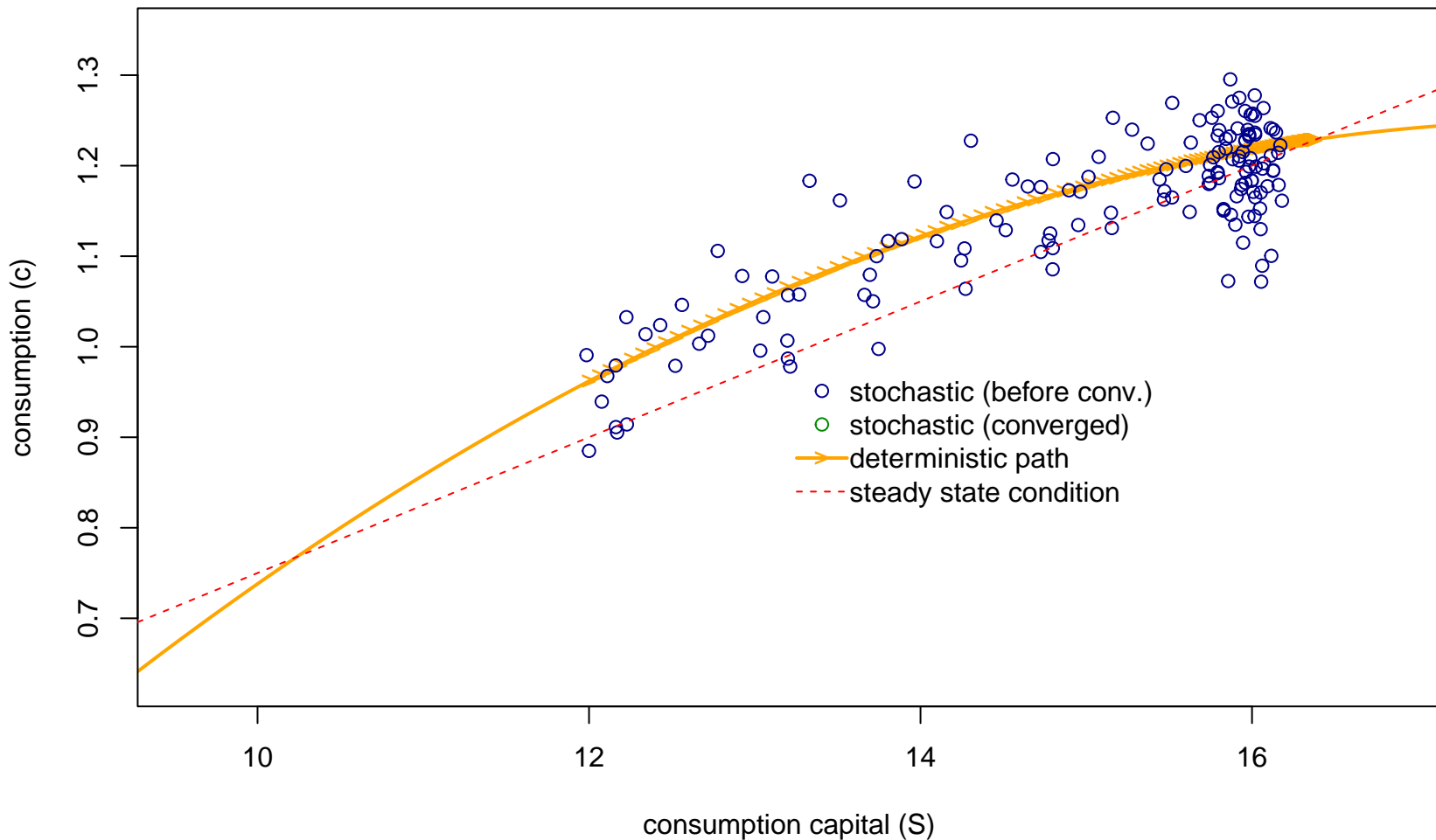- --- steady state condition

x-axis: consumption capital (S)
y-axis: consumption (c)

[sim.1.1] Simulated data for daily consumption, S0 = 9

[sim.1.1] Simulated data for consumption capital, S0 = 9

latent (before conv.)
latent (converged)
deterministic

[sim.1.2] Simulated consumption path, S0 = 12

consumption (c)

consumption capital (S)

- ○ stochastic (before conv.)
- ○ stochastic (converged)
- ➤ deterministic path
- - - steady state condition

[sim.1.2] Simulated data for daily consumption, S0 = 12
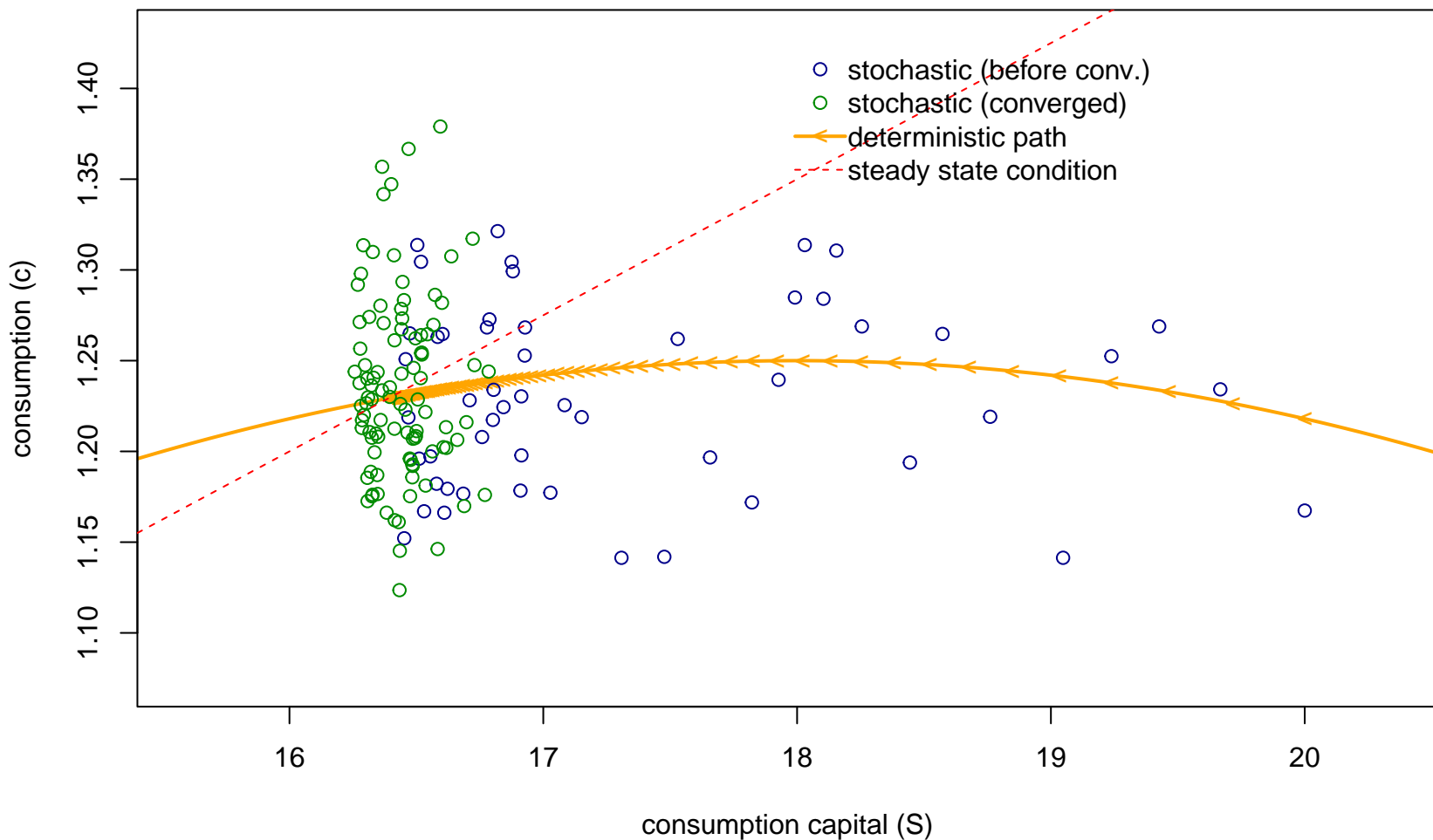
[sim.1.2] Simulated data for consumption capital, S0 = 12

consumption capital

t

latent (before conv.)
latent (converged)
deterministic

[sim.1.3] Simulated consumption path, S0 = 20

Legend:
- ○ stochastic (before conv.)
- ○ stochastic (converged)
- deterministic path
- steady state condition
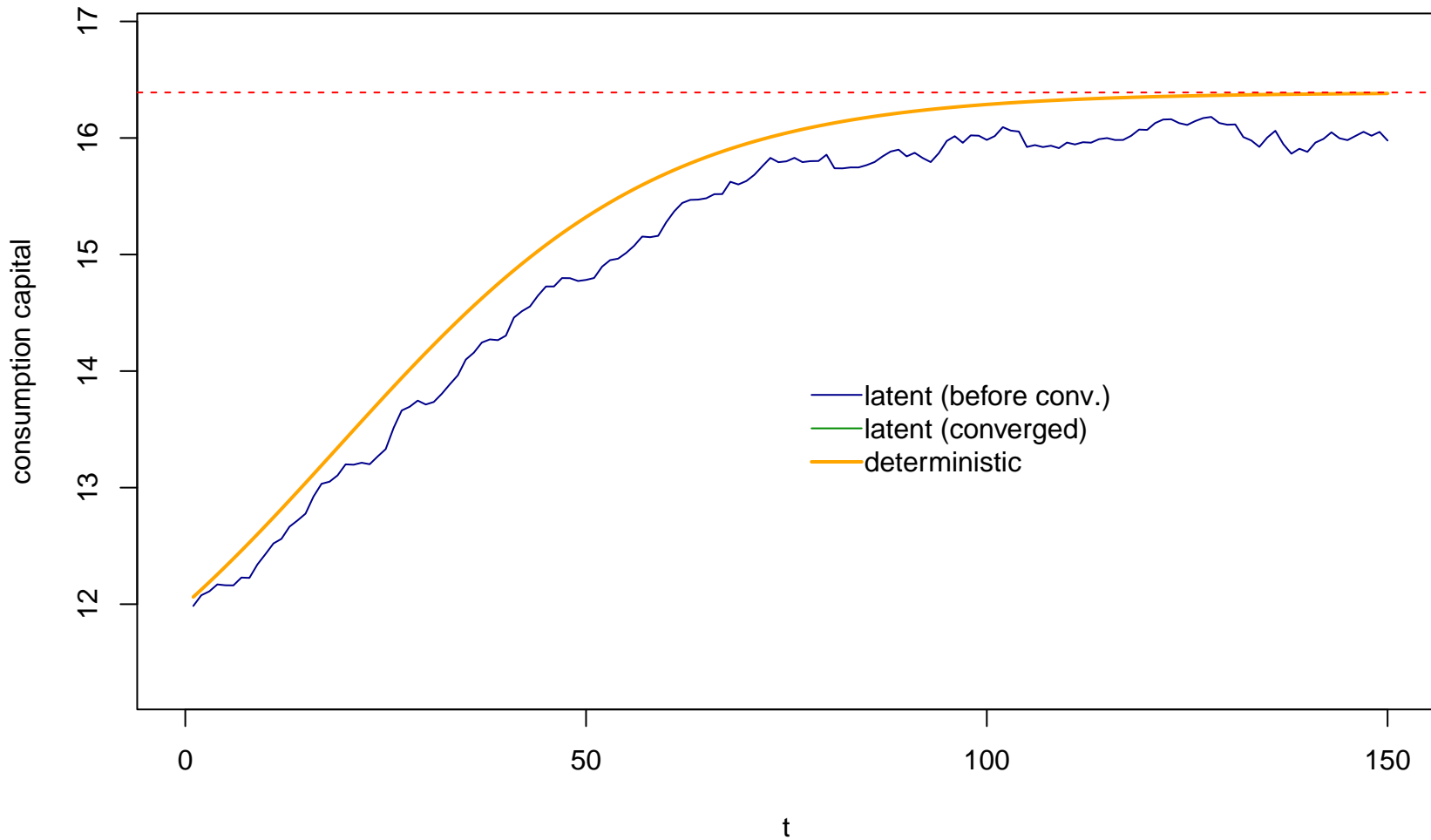
x-axis: consumption capital (S)
y-axis: consumption (c)

[sim.1.3] Simulated data for daily consumption, S0 = 20
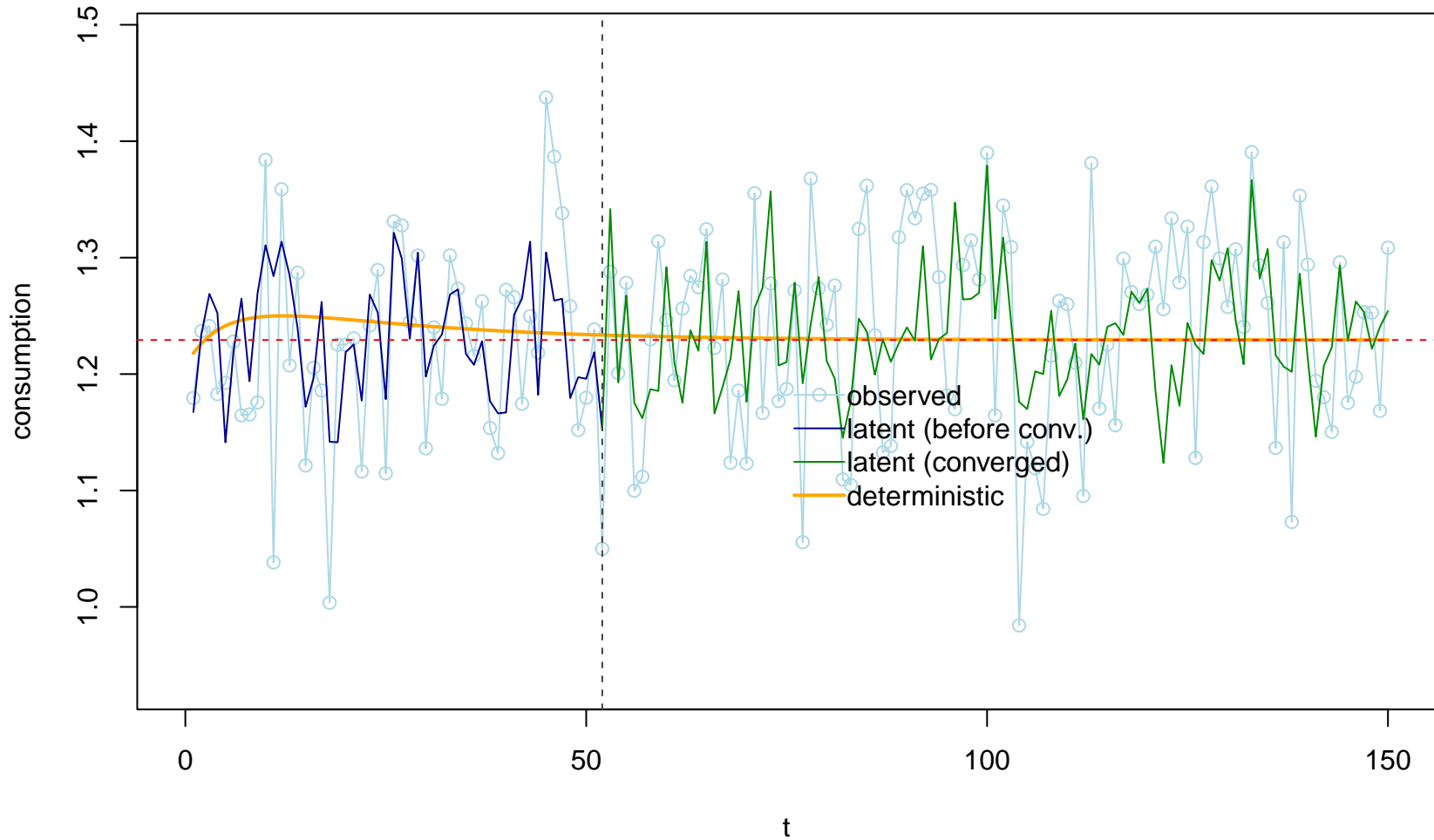
[sim.1.3] Simulated data for consumption capital, S0 = 20

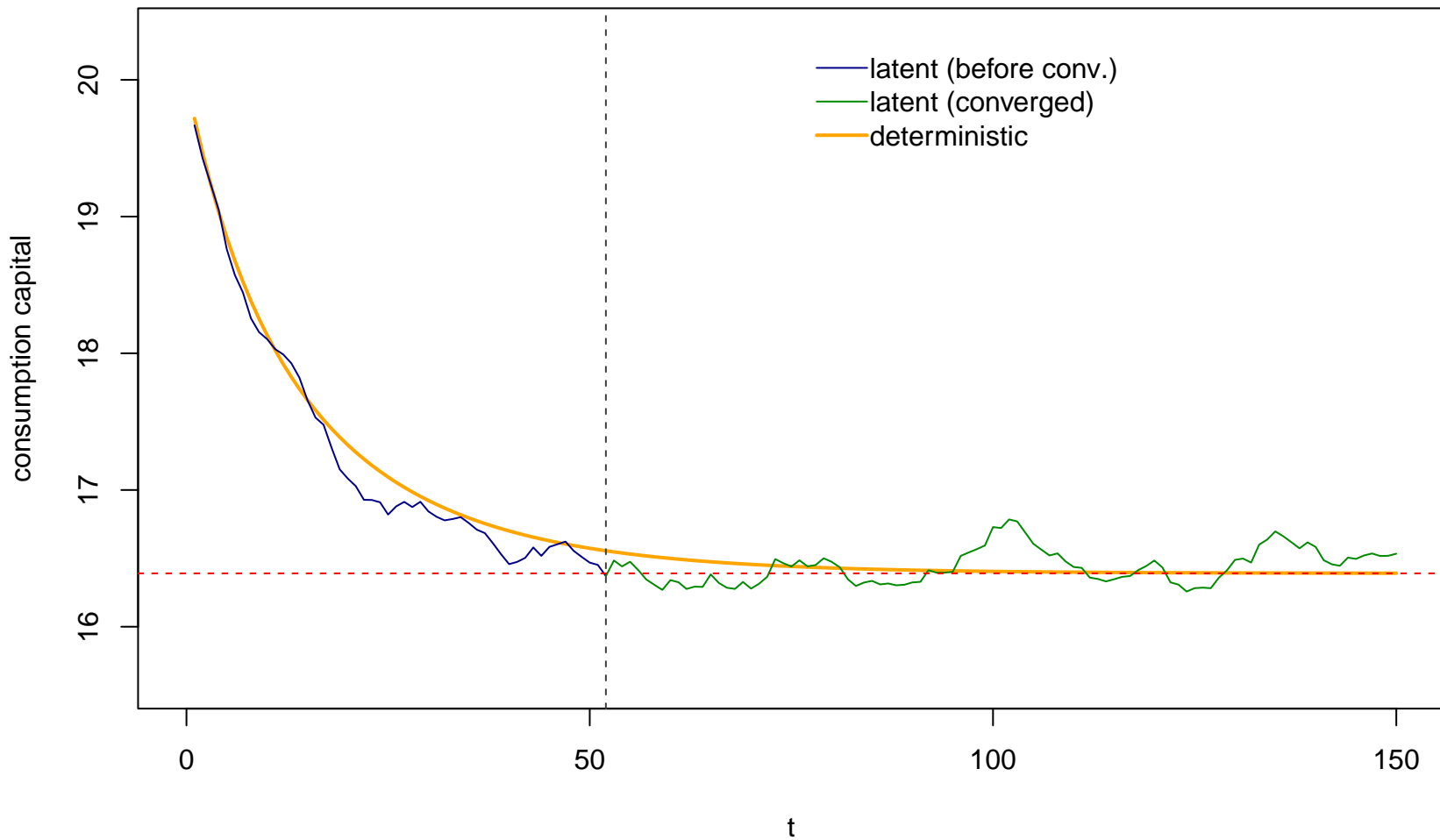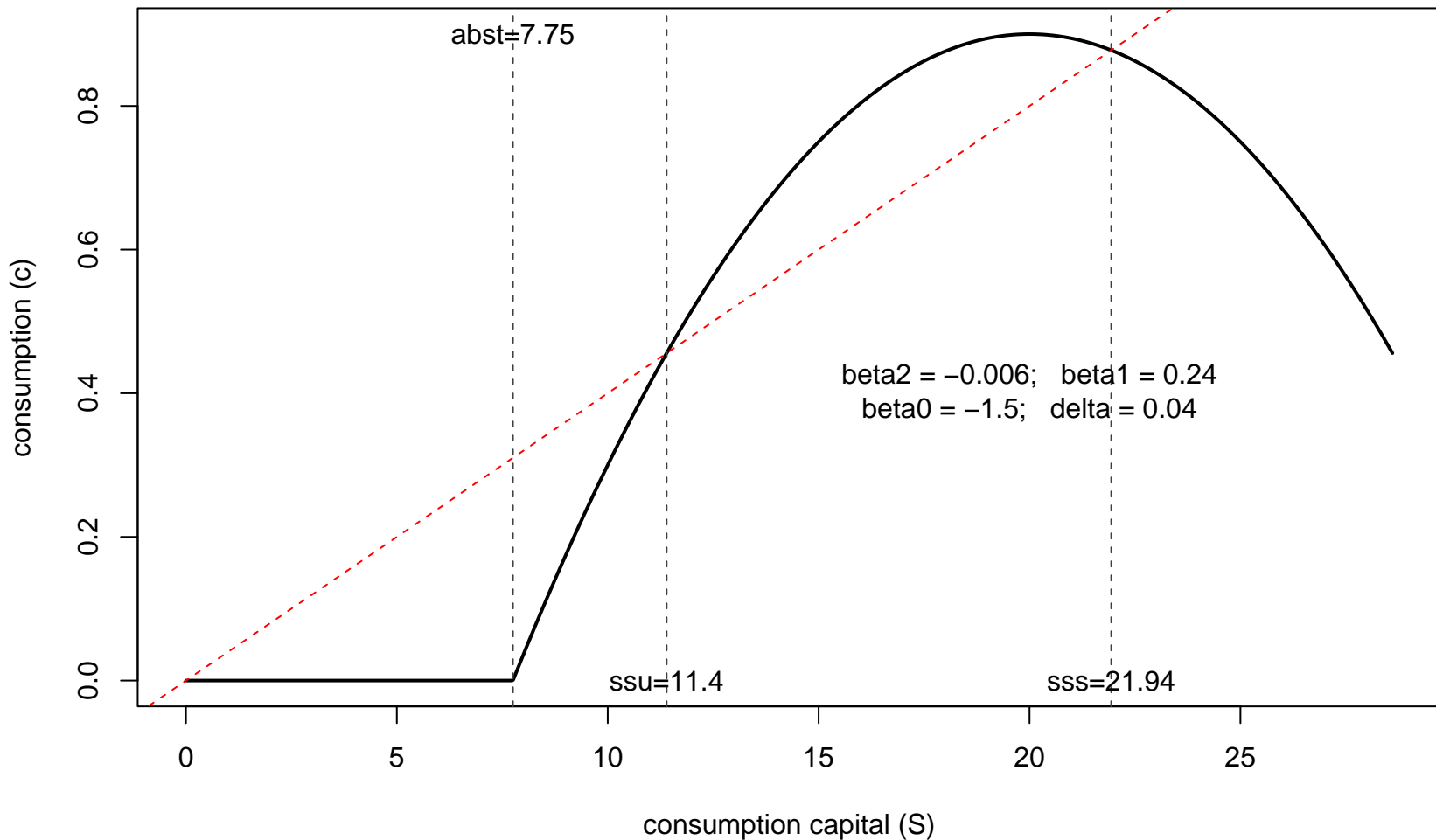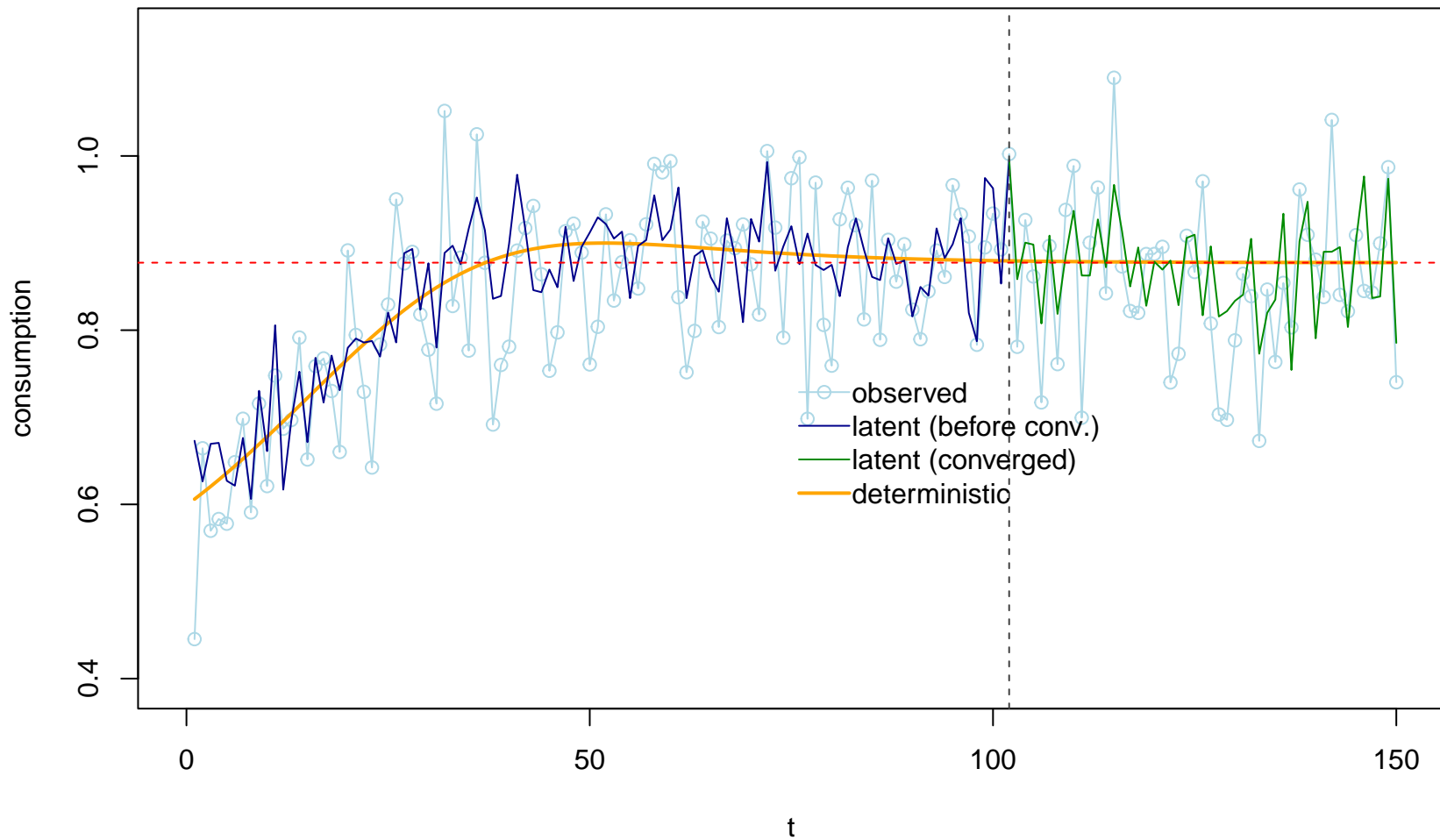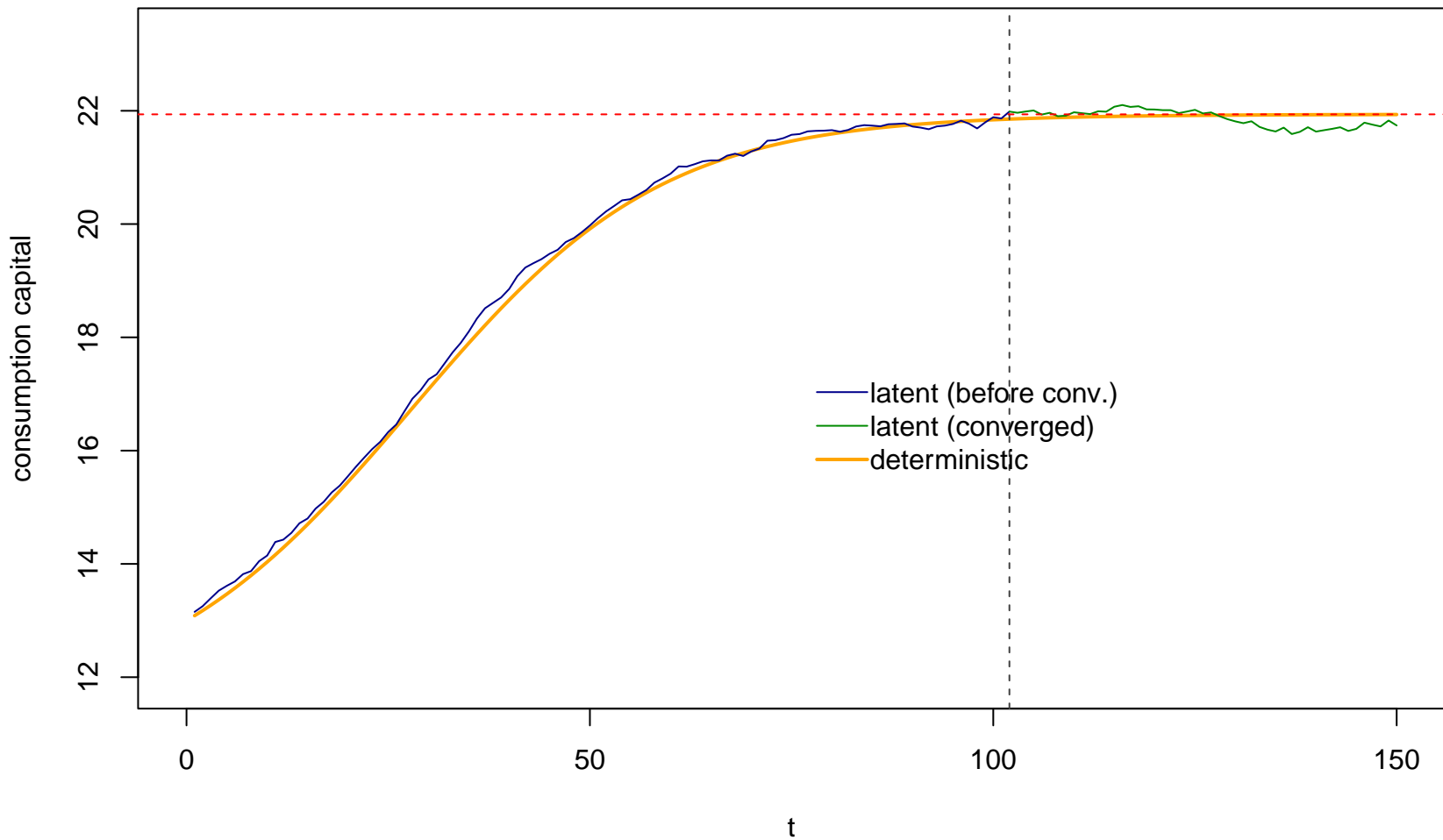**[sim.2.0] TRA consumption path**

abst=7.75

beta2 = −0.006;   beta1 = 0.24
beta0 = −1.5;   delta = 0.04

ssu=11.4

sss=21.94

consumption (c)

consumption capital (S)

[sim.2.1] Simulated consumption path, S0 = 13

Legend:
- stochastic (before conv.)
- stochastic (converged)
- deterministic path
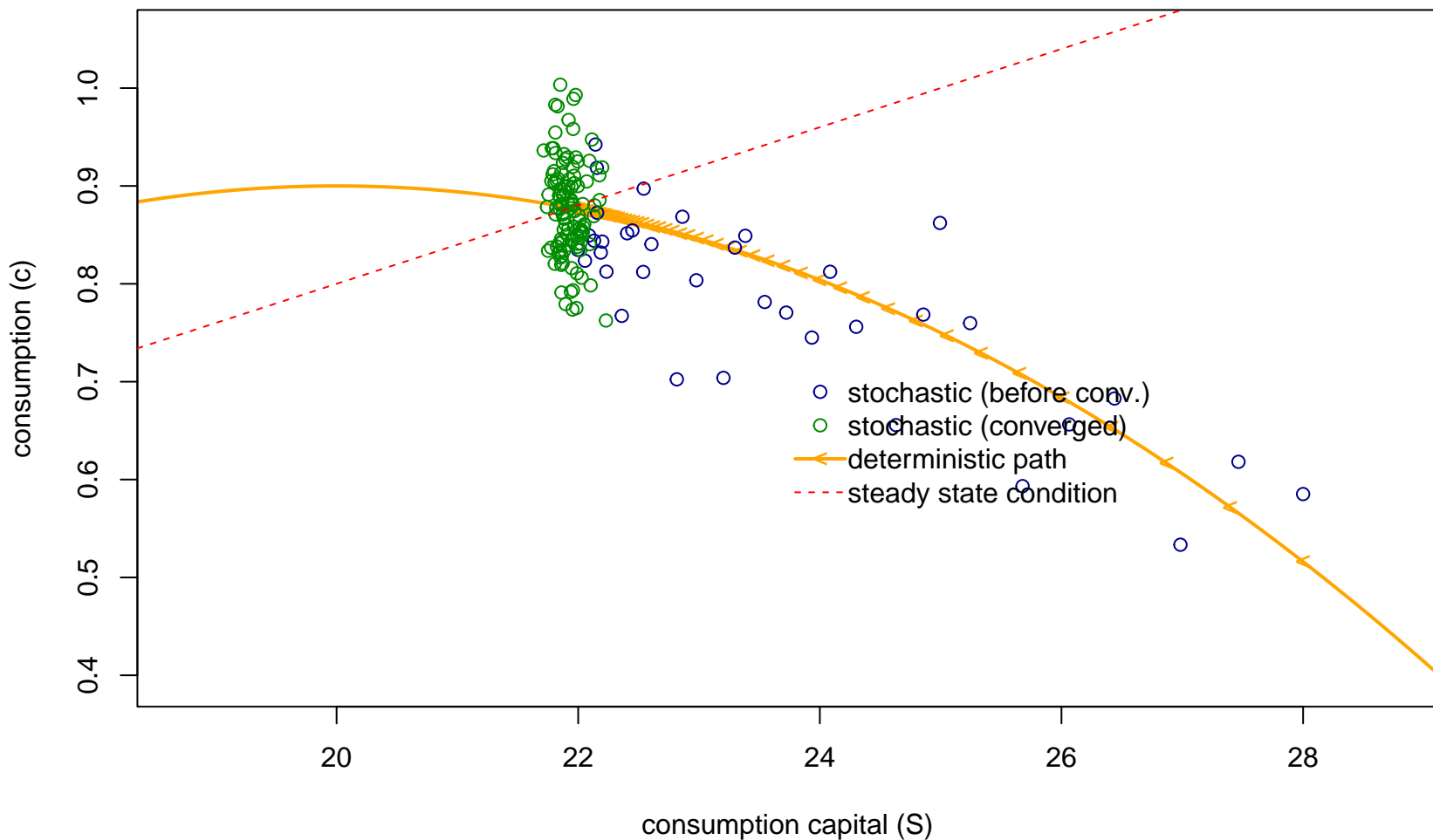- steady state condition

x-axis: consumption capital (S)

y-axis: consumption (c)
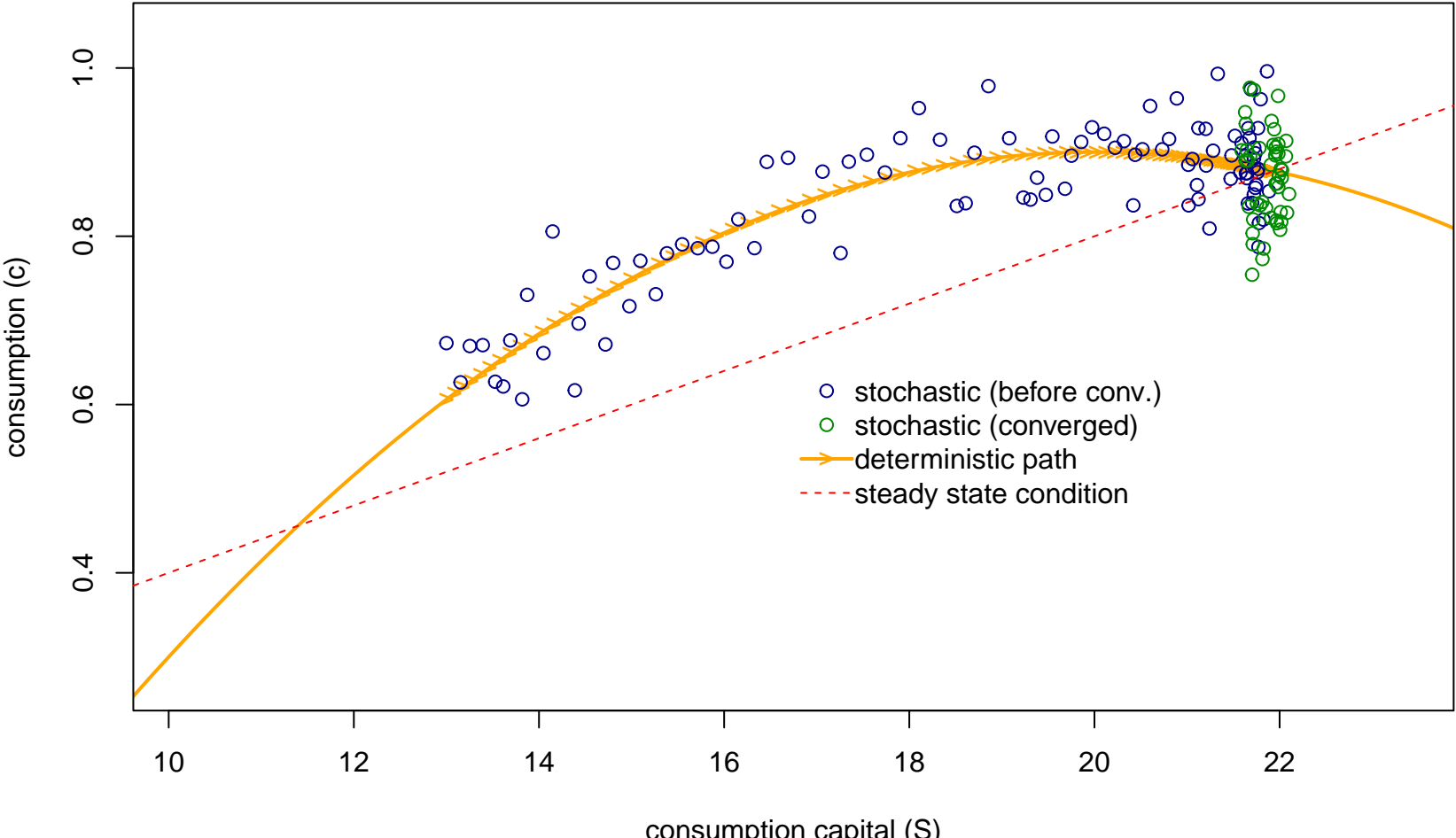
[sim.2.1] Simulated data for daily consumption, S0 = 13

[sim.2.1] Simulated data for consumption capital, S0 = 13

latent (before conv.)
latent (converged)
deterministic

[sim.2.2] Simulated consumption path, S0 = 28

Legend:
- stochastic (before conv.)
- stochastic (converged)
- deterministic path
- steady state condition

x-axis: consumption capital (S)
y-axis: consumption (c)

[sim.2.2] Simulated data for daily consumption, S0 = 28
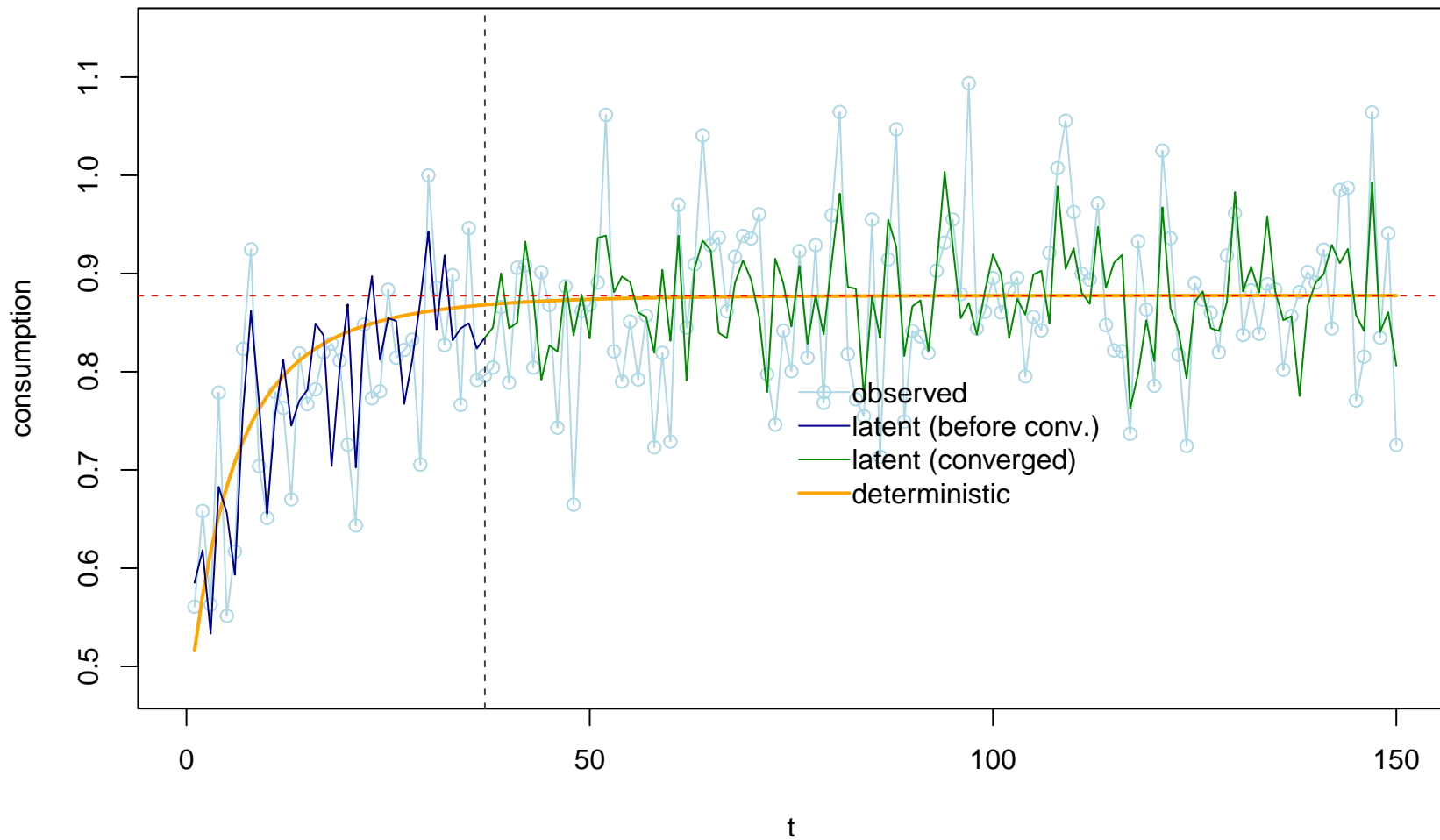
[sim.2.2] Simulated data for consumption capital, S0 = 28

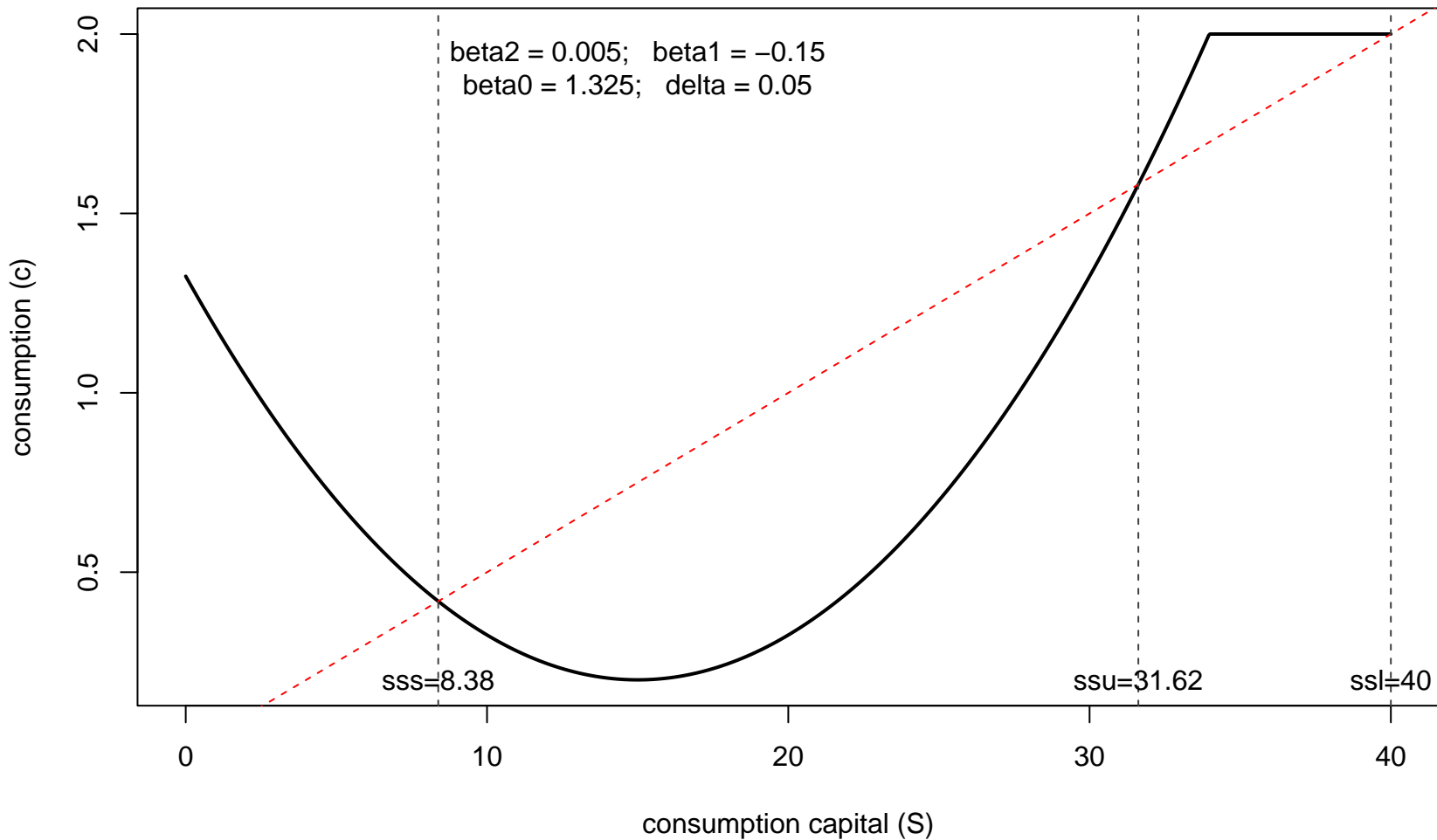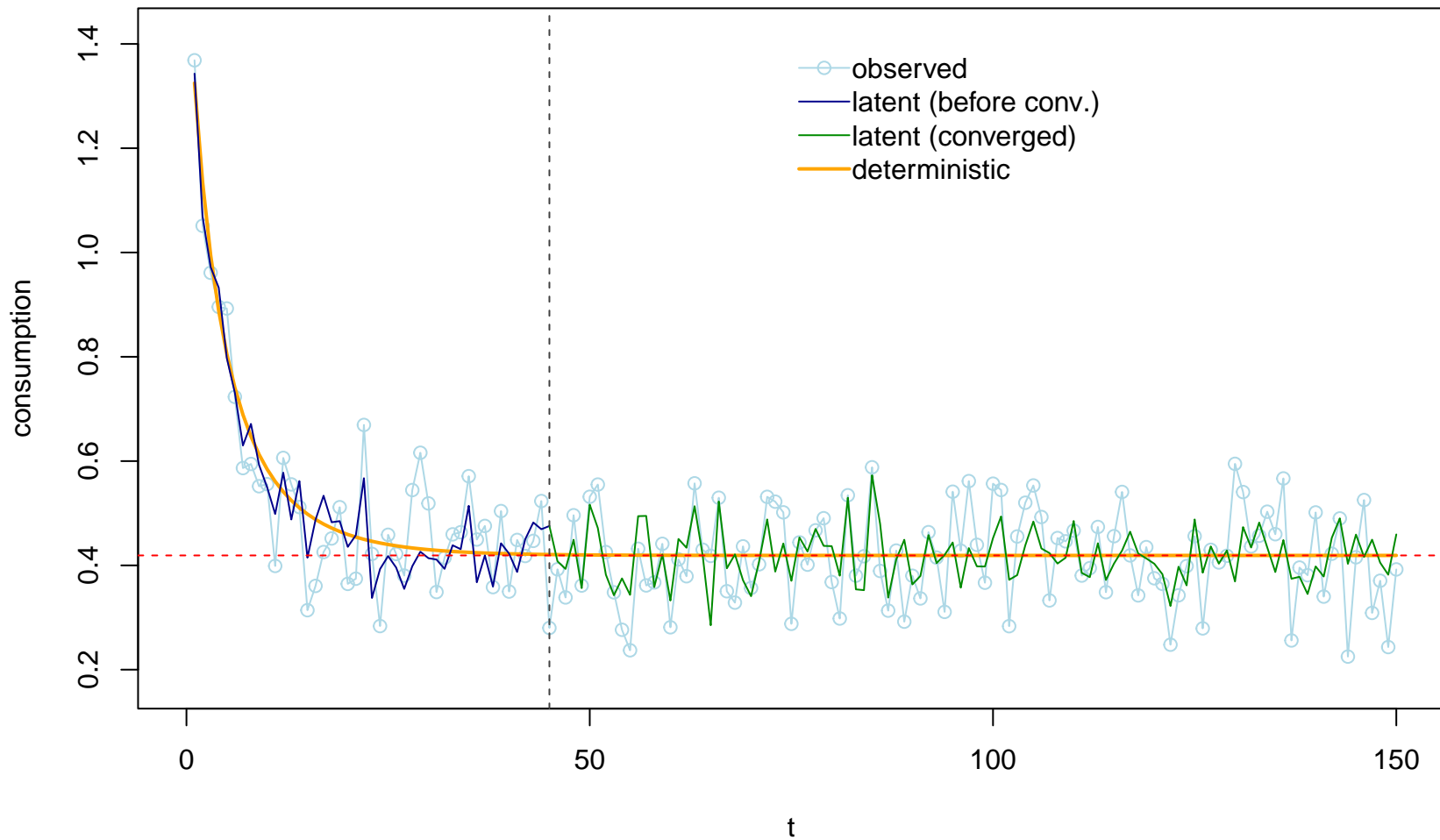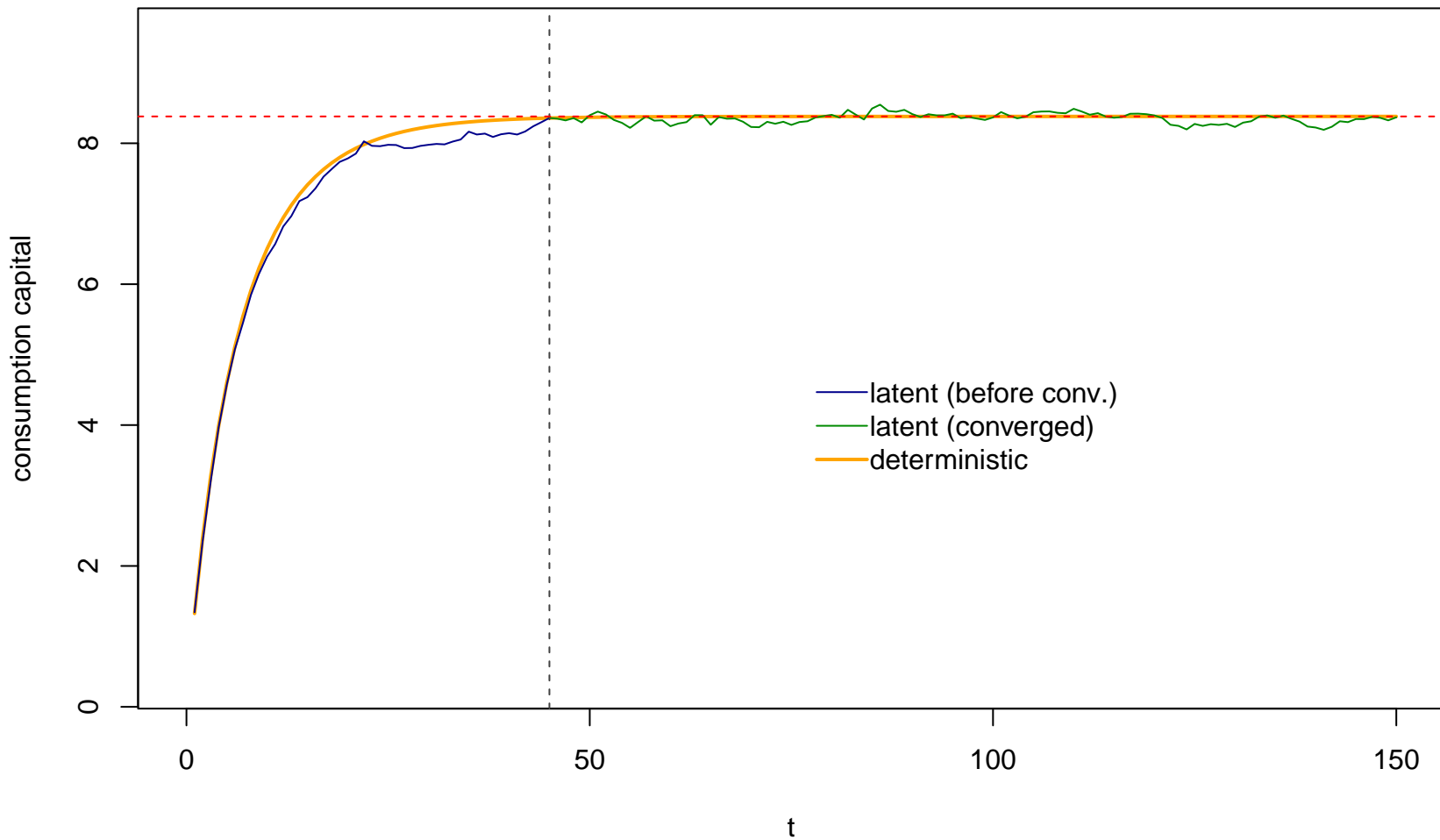**[sim.3.0] TRA consumption path**

beta2 = 0.005; beta1 = −0.15
beta0 = 1.325; delta = 0.05

sss=8.38

ssu=31.62

ssl=40
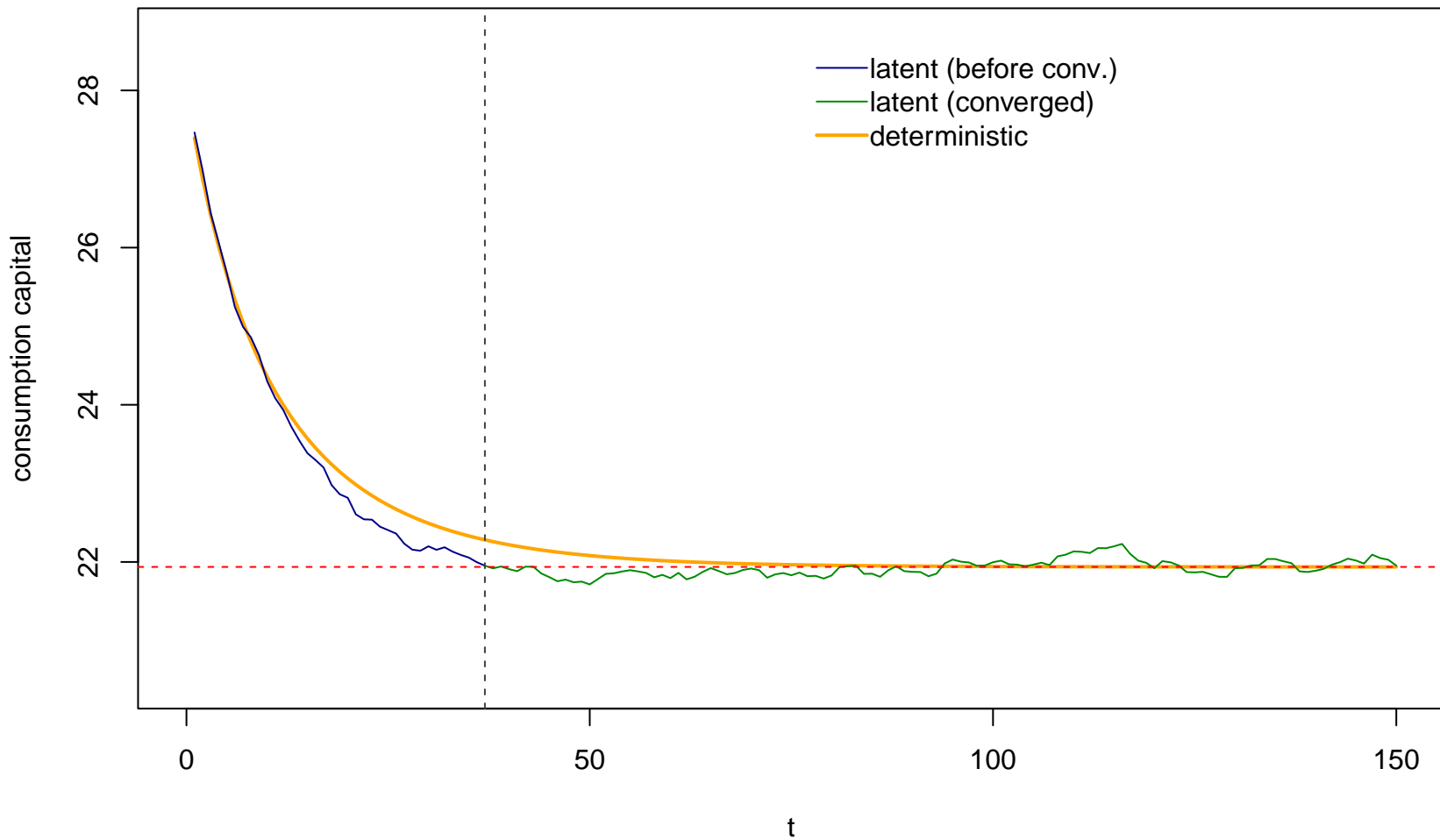
consumption capital (S)

consumption (c)

[sim.3.1] Simulated consumption path, S0 = 0

- ○ stochastic (before conv.)
- ○ stochastic (converged)
- → deterministic path
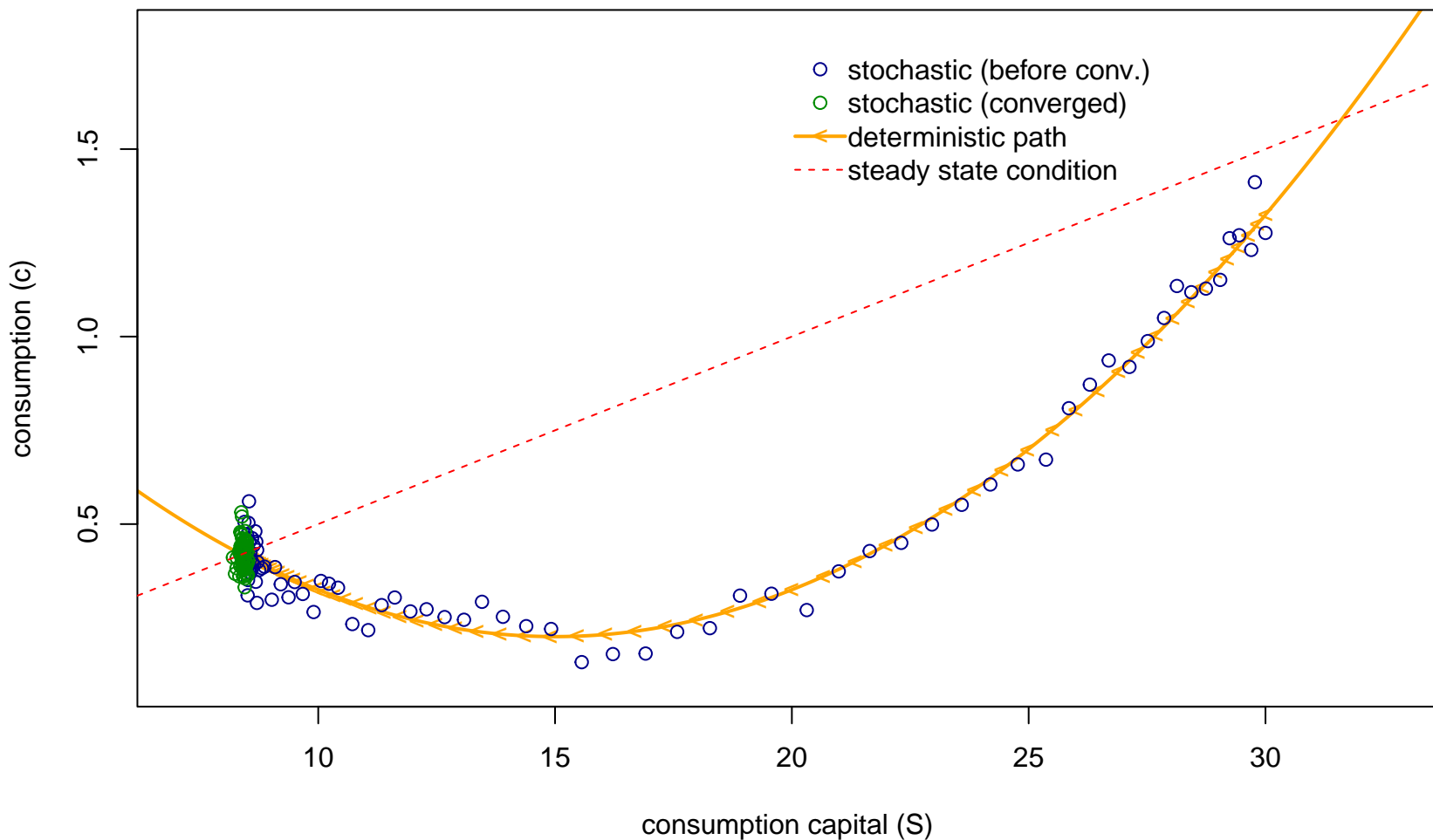- - - steady state condition
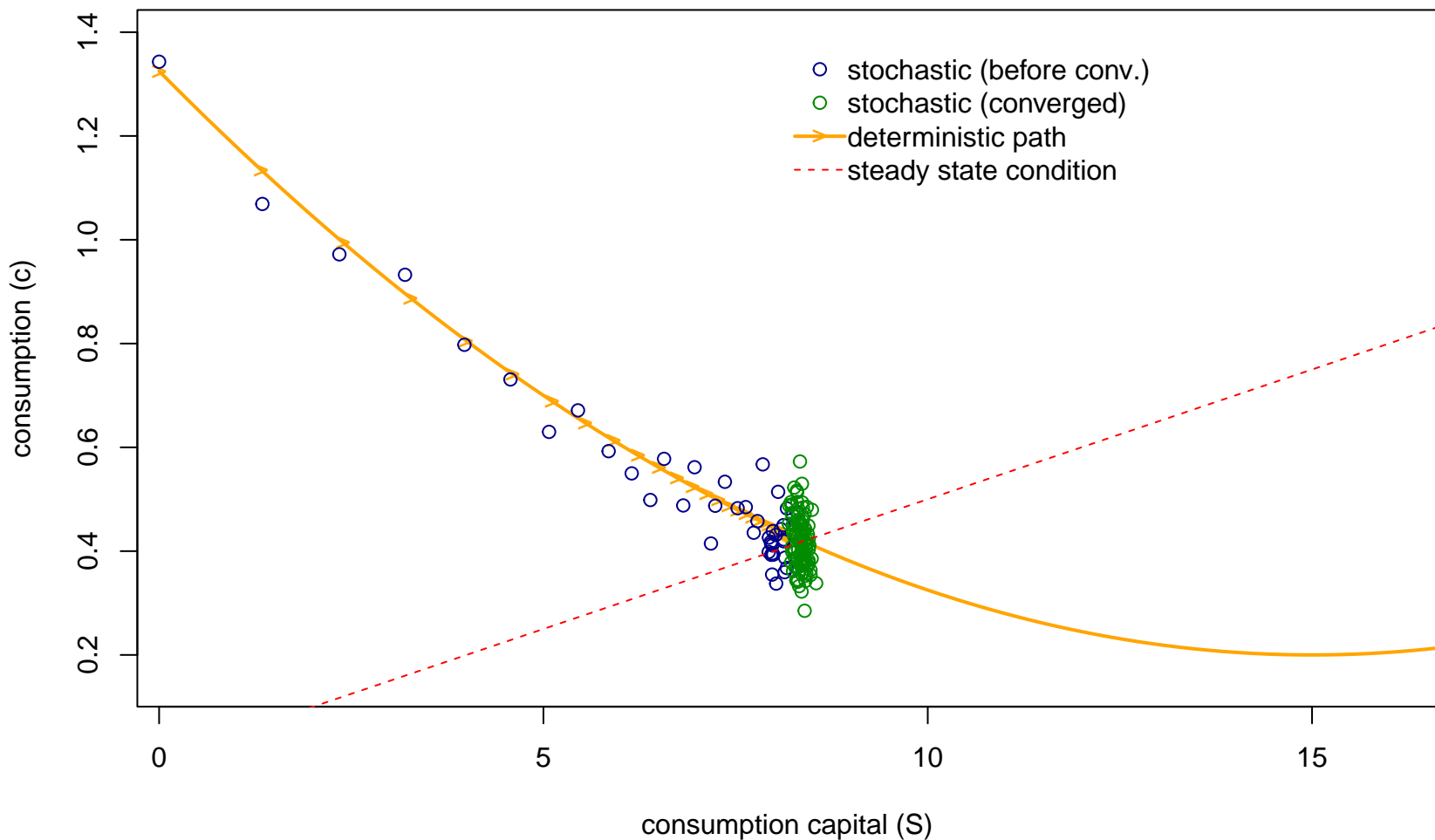
[sim.3.1] Simulated data for daily consumption, S0 = 0

[sim.3.1] Simulated data for consumption capital, S0 = 0

[sim.3.2] Simulated consumption path, S0 = 30

Legend:
- stochastic (before conv.)
- stochastic (converged)
- deterministic path
- steady state condition

x-axis: consumption capital (S)
y-axis: consumption (c)

[sim.3.2] Simulated data for daily consumption, S0 = 30
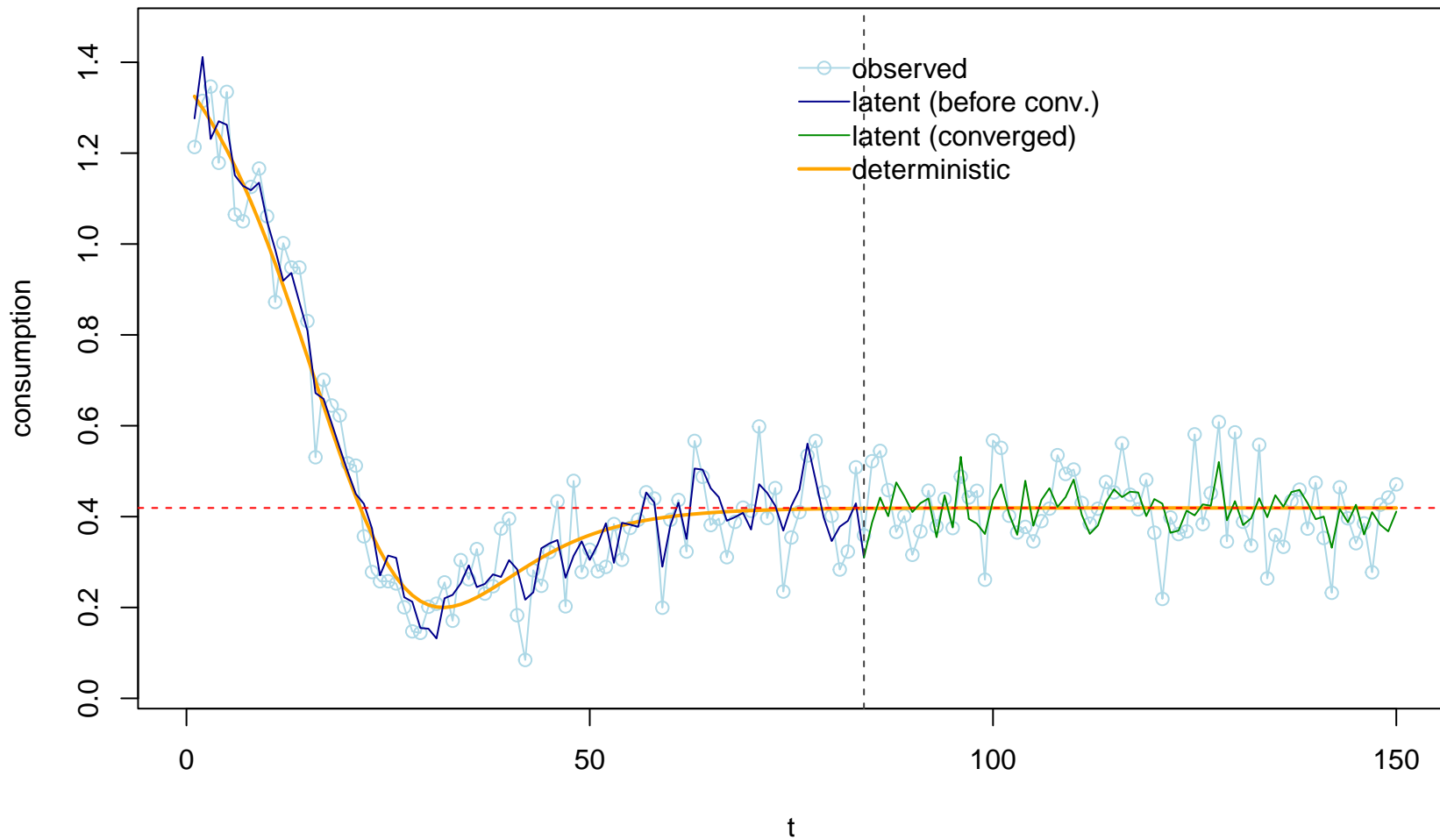
[sim.3.2] Simulated data for consumption capital, S0 = 30

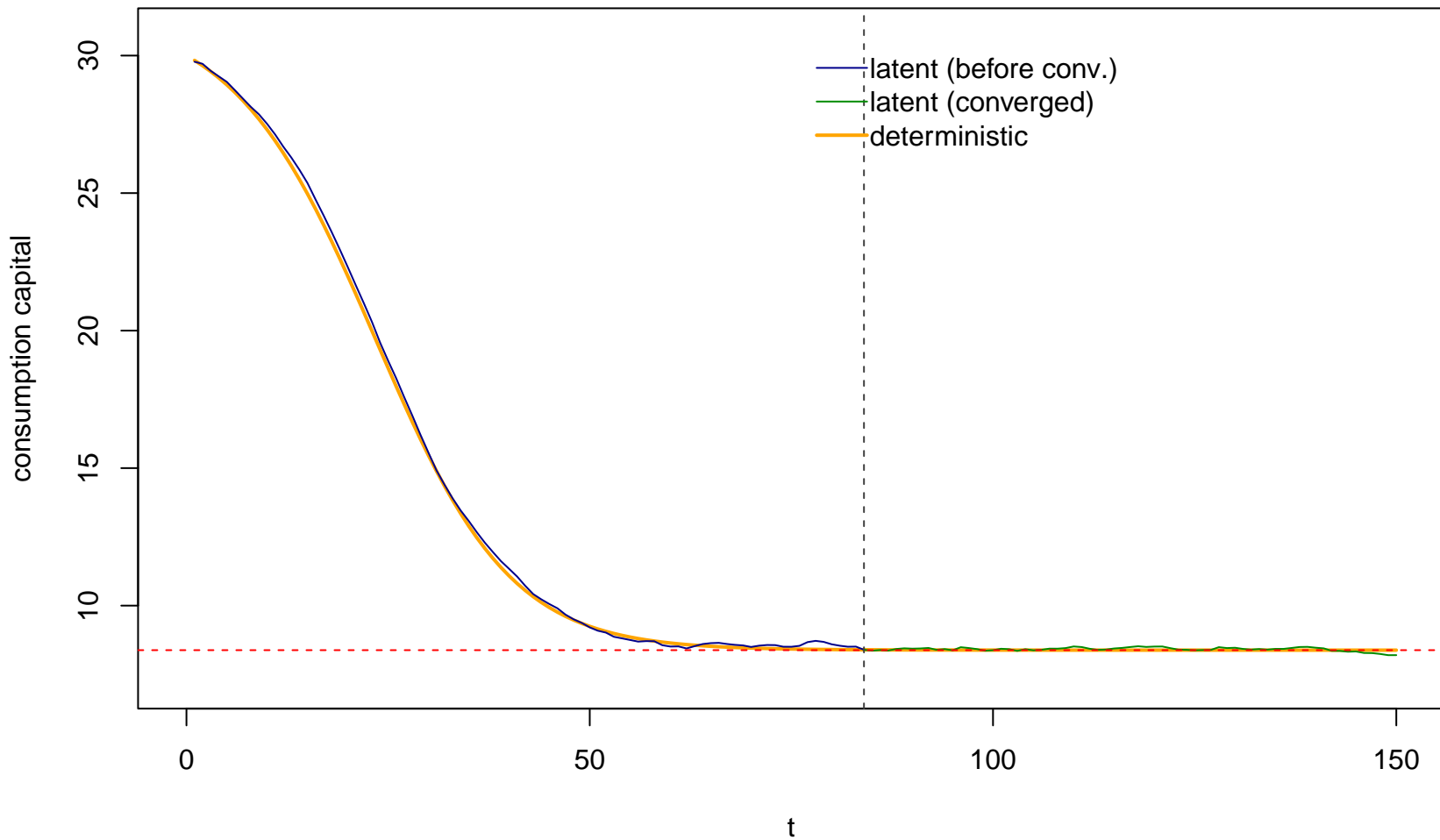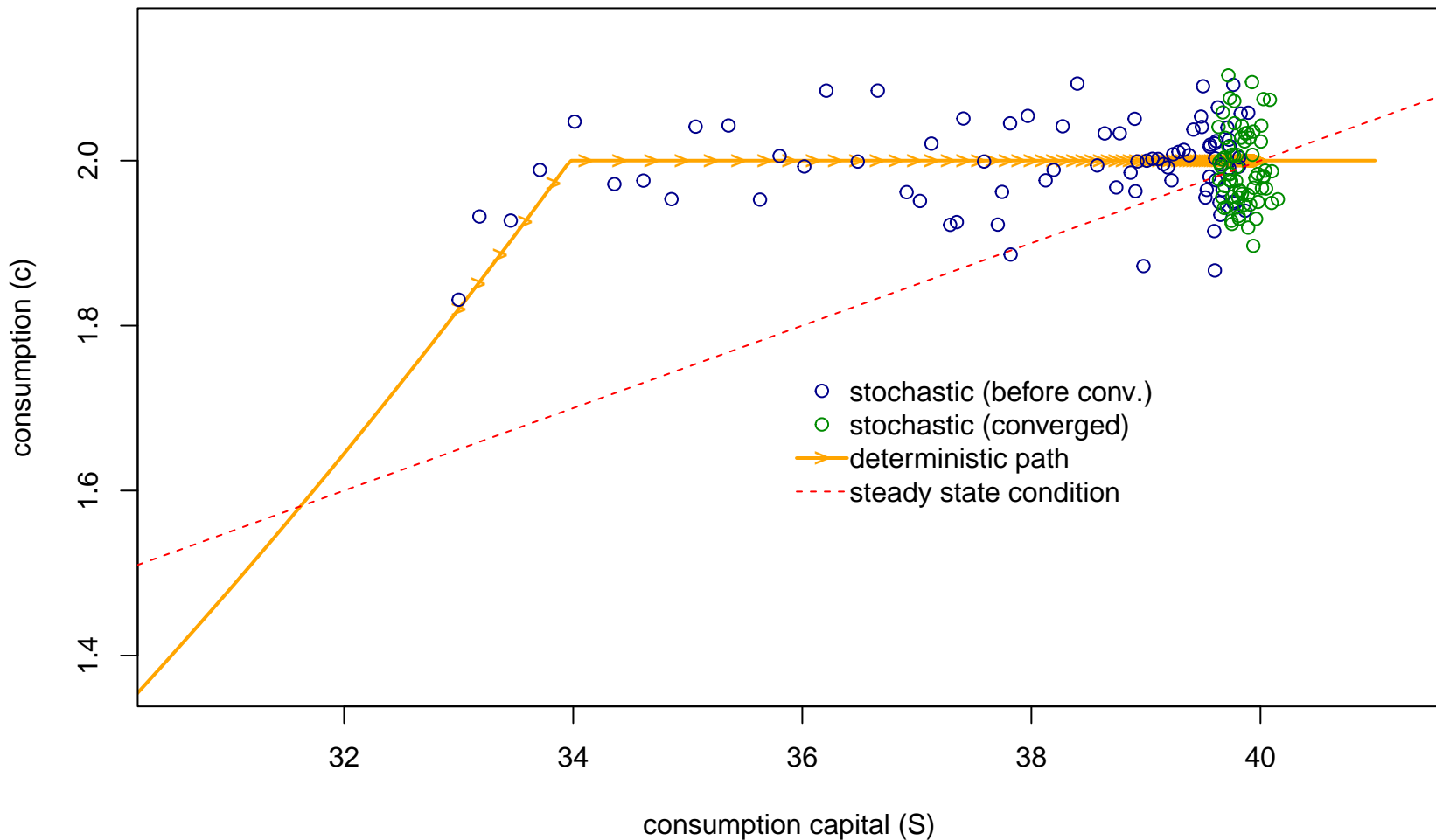**[sim.3.3] Simulated consumption path, S0 = 33**

consumption (c)

consumption capital (S)

- ○ stochastic (before conv.)
- ○ stochastic (converged)
- → deterministic path
- --- steady state condition

[sim.3.3] Simulated data for daily consumption, S0 = 33

[sim.3.3] Simulated data for consumption capital, S0 = 33

consumption capital

t

latent (before conv.)
latent (converged)
deterministic