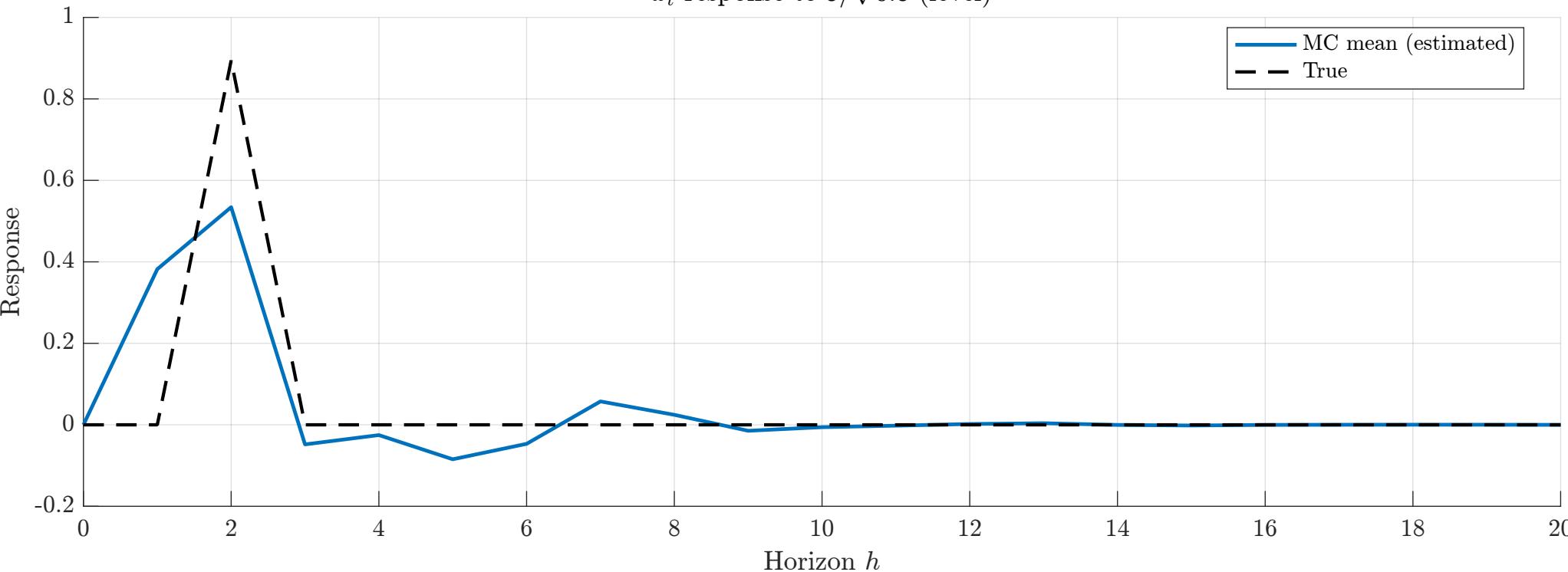


Exercise 3:  $\#$ -shock to  $x$  — VAR(4), N=500, T=500 $x_t$  response to  $\varepsilon/\sqrt{0.8}$  (level)Estimated – True for  $x \leftarrow \varepsilon/\sqrt{0.8}$ 