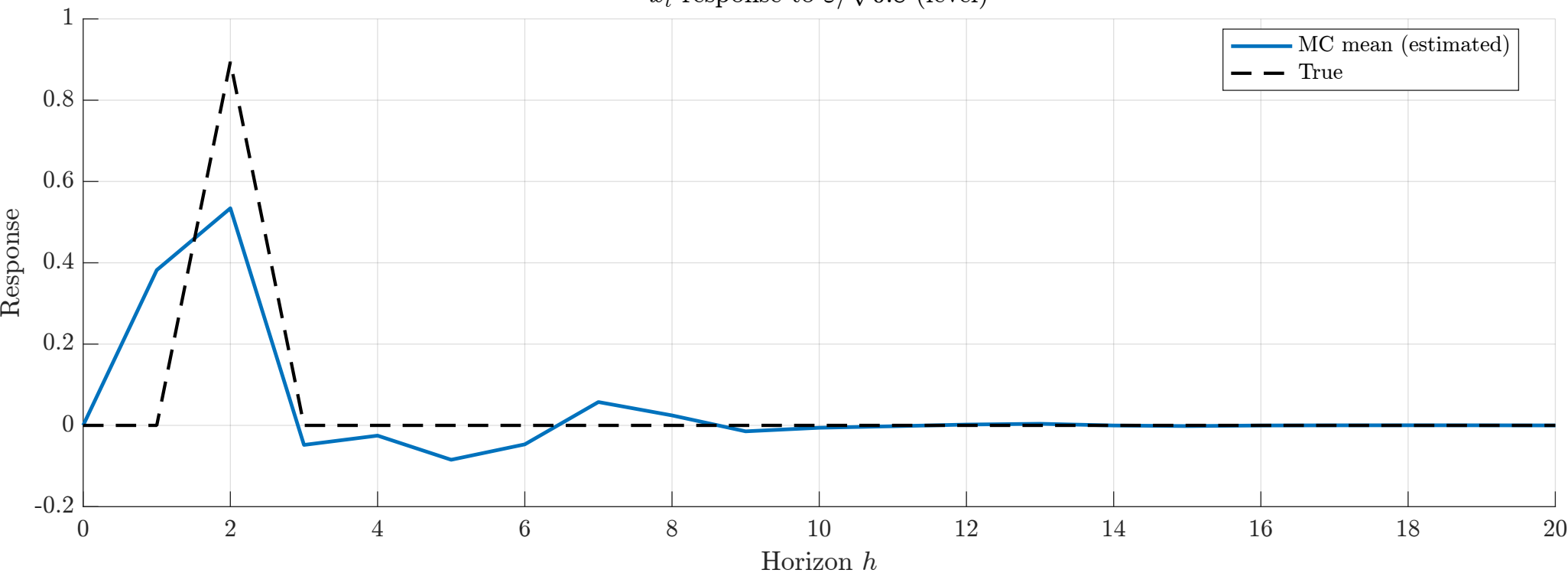


Exercise 3: #-shock to  $x$  — VAR(4),  $N=500$ ,  $T=500$

$x_t$  response to  $\varepsilon/\sqrt{0.8}$  (level)



Estimated — True for  $x \leftarrow \varepsilon/\sqrt{0.8}$

