

Figure 1: Check plots.

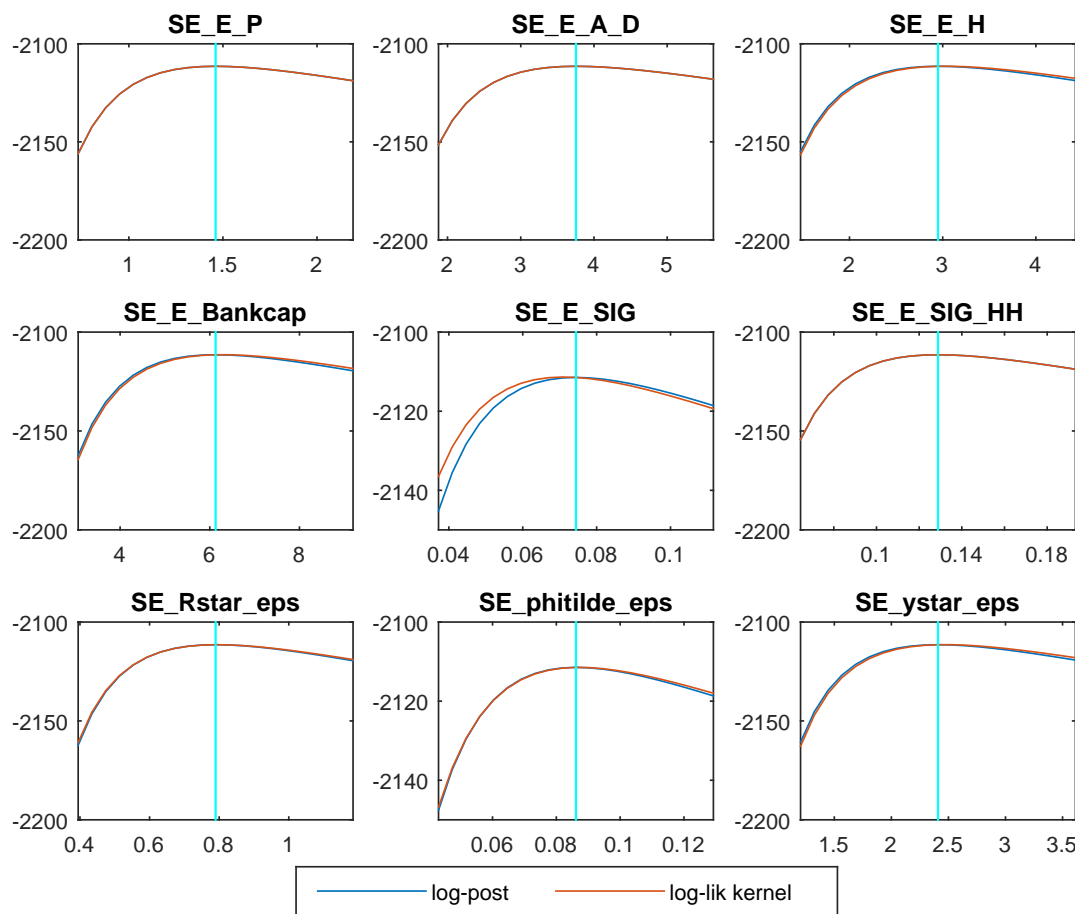


Figure 2: Check plots.

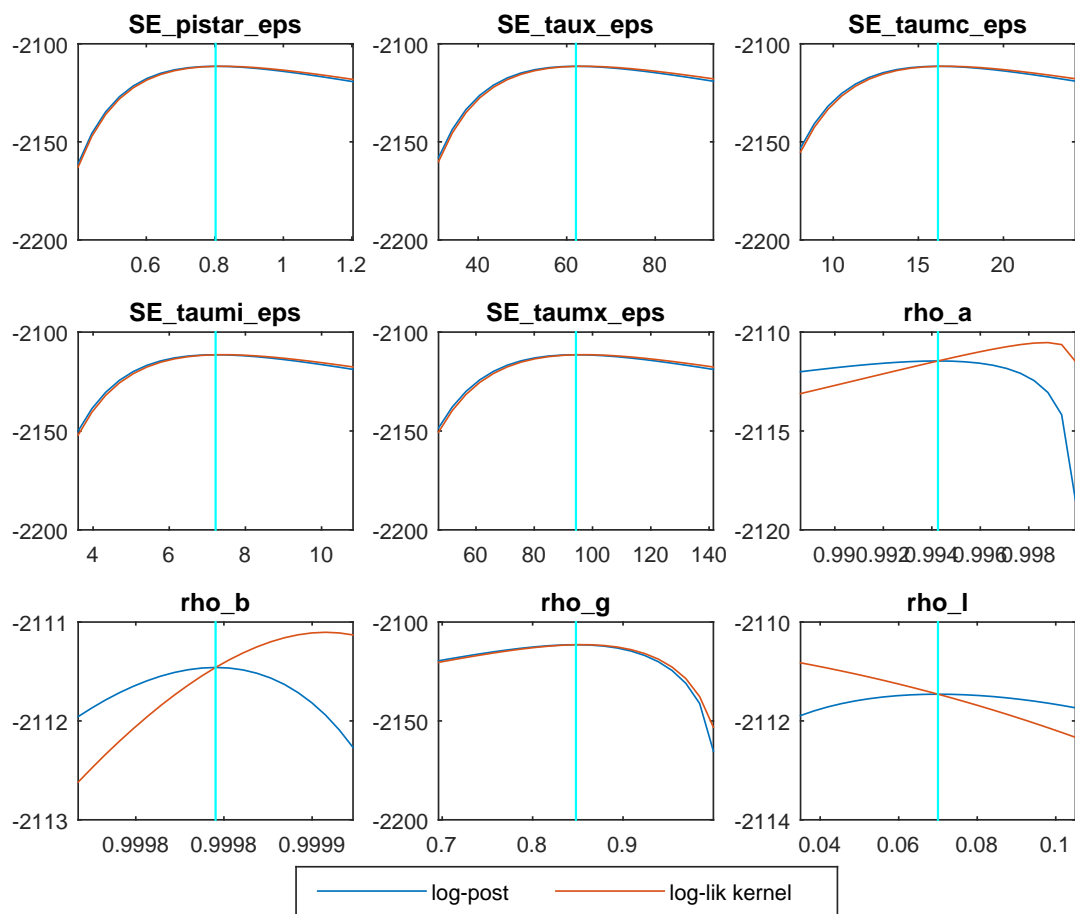


Figure 3: Check plots.

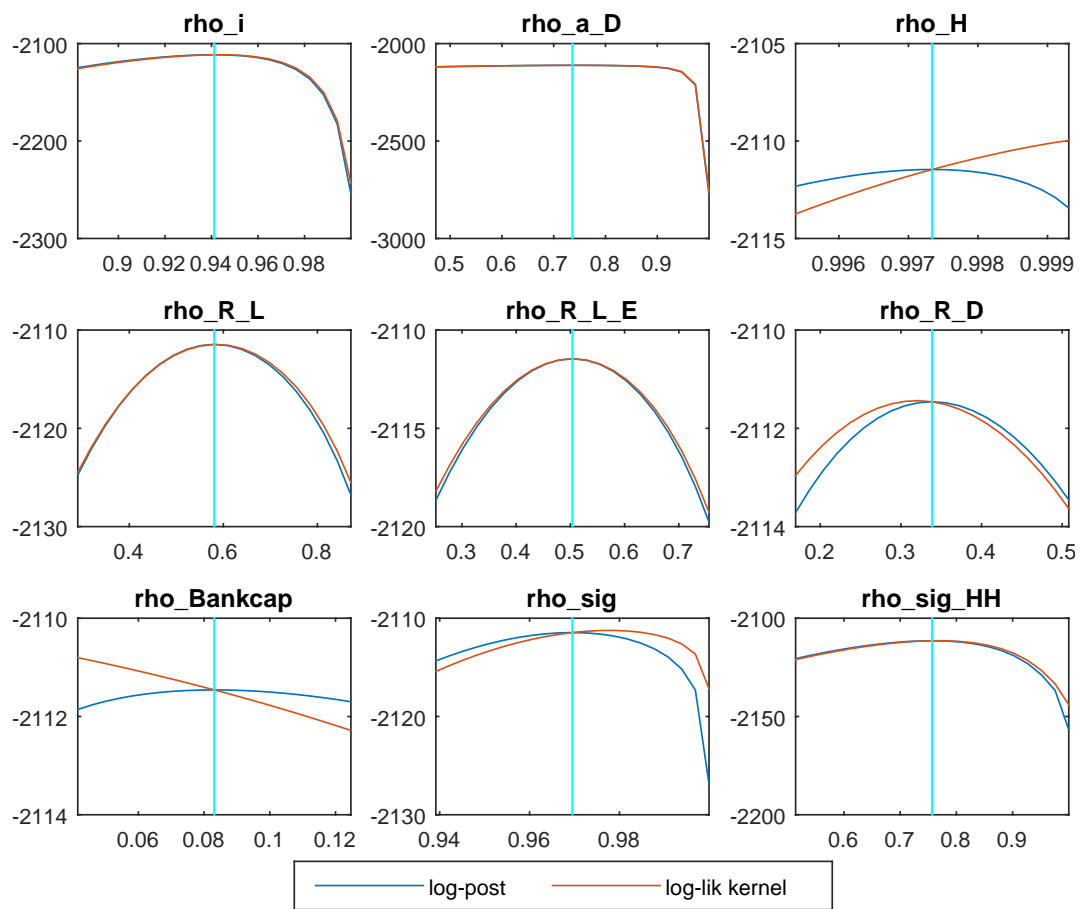


Figure 4: Check plots.

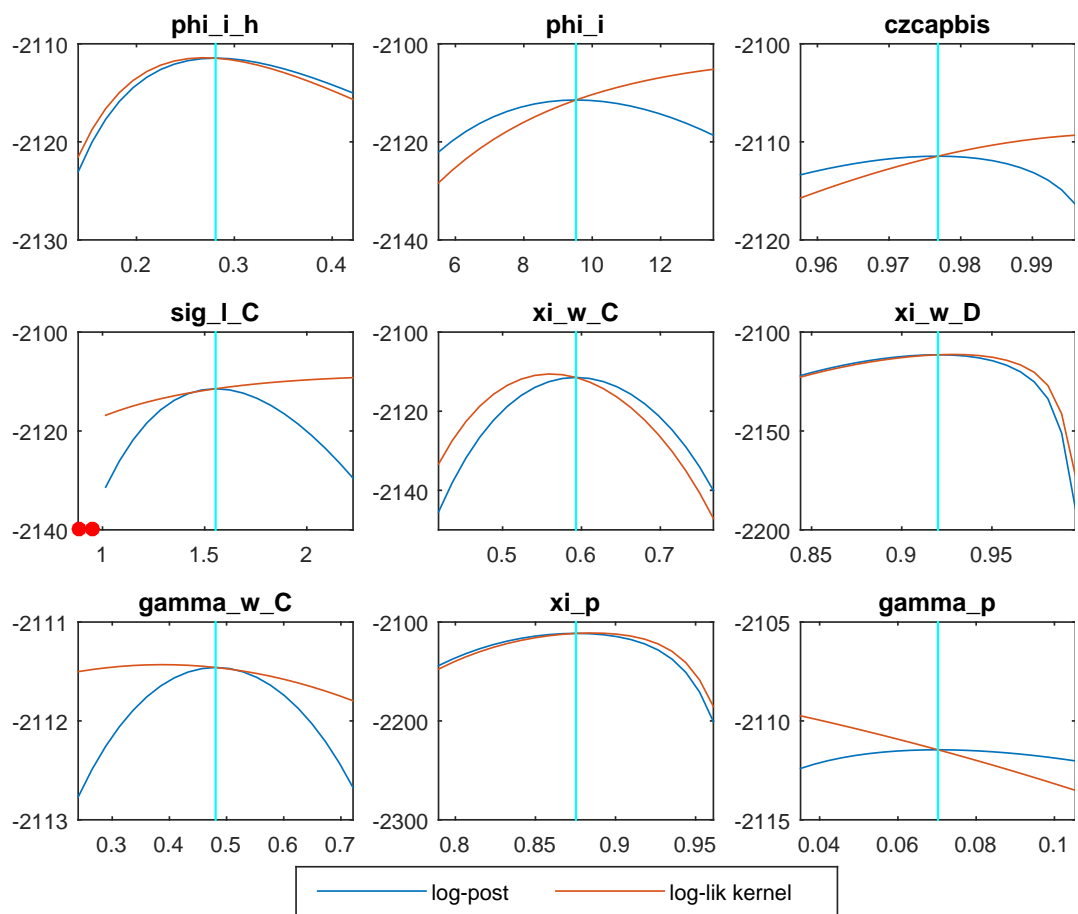


Figure 5: Check plots.

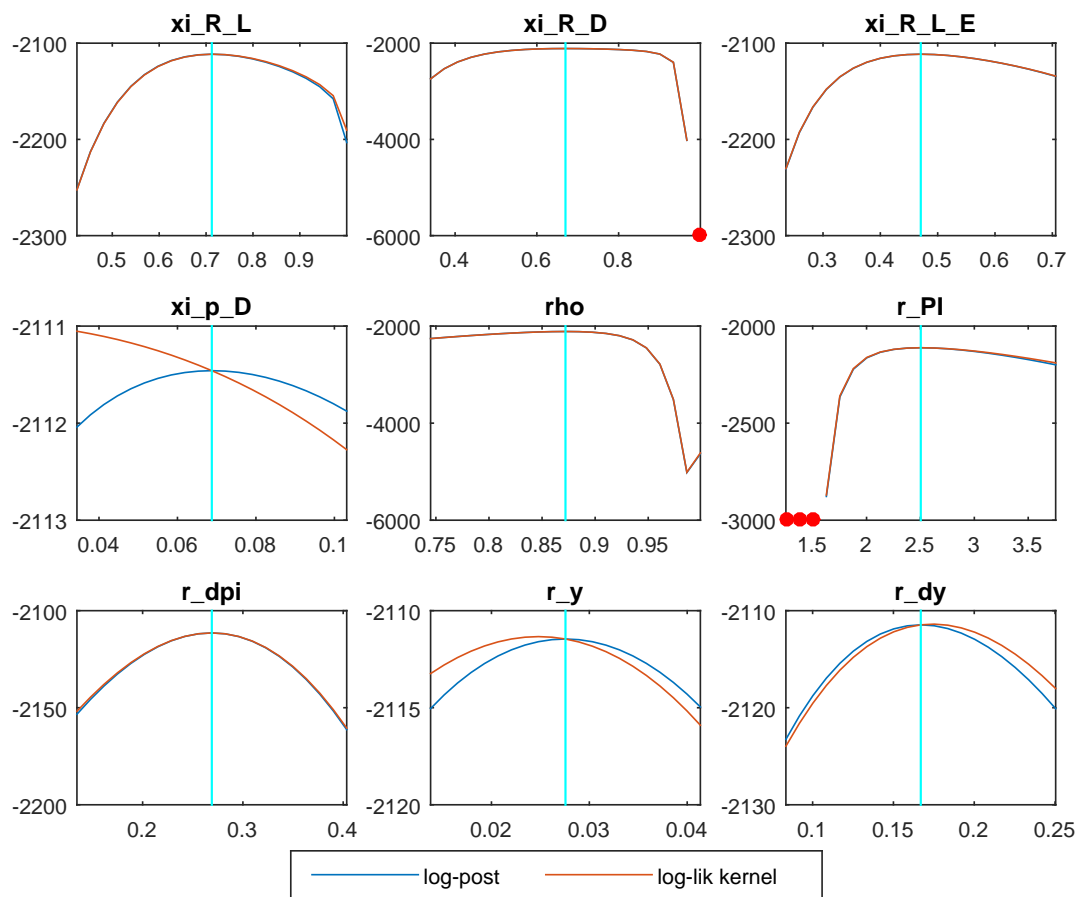


Figure 6: Check plots.

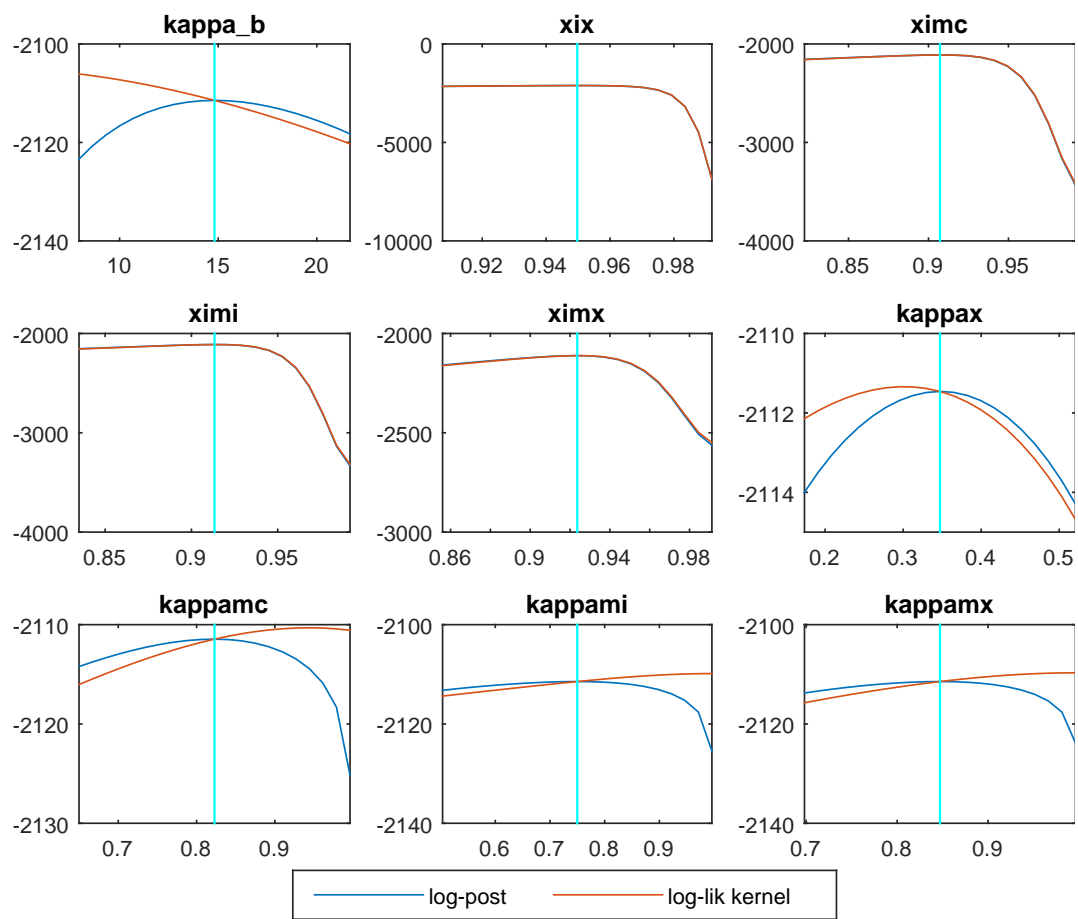


Figure 7: Check plots.

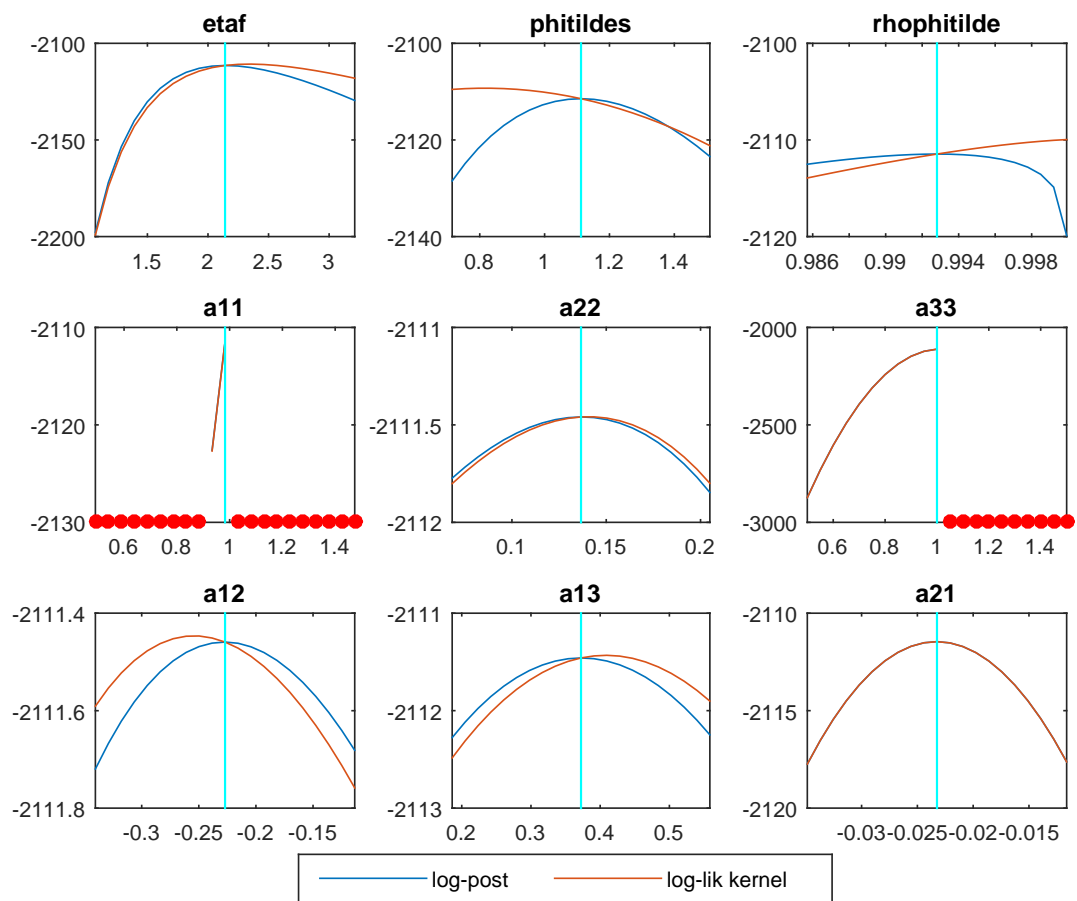


Figure 8: Check plots.

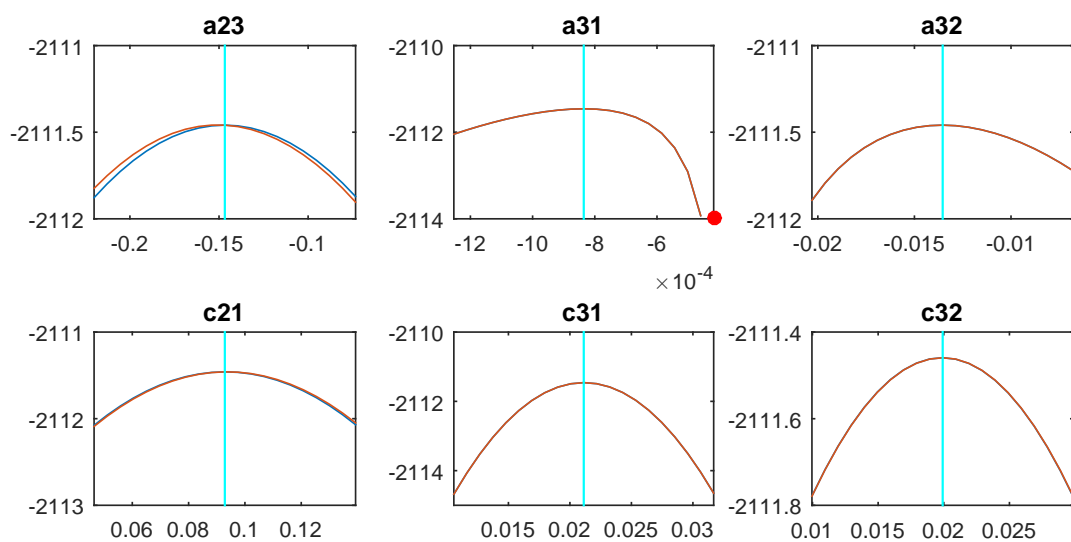


Figure 9: Check plots.

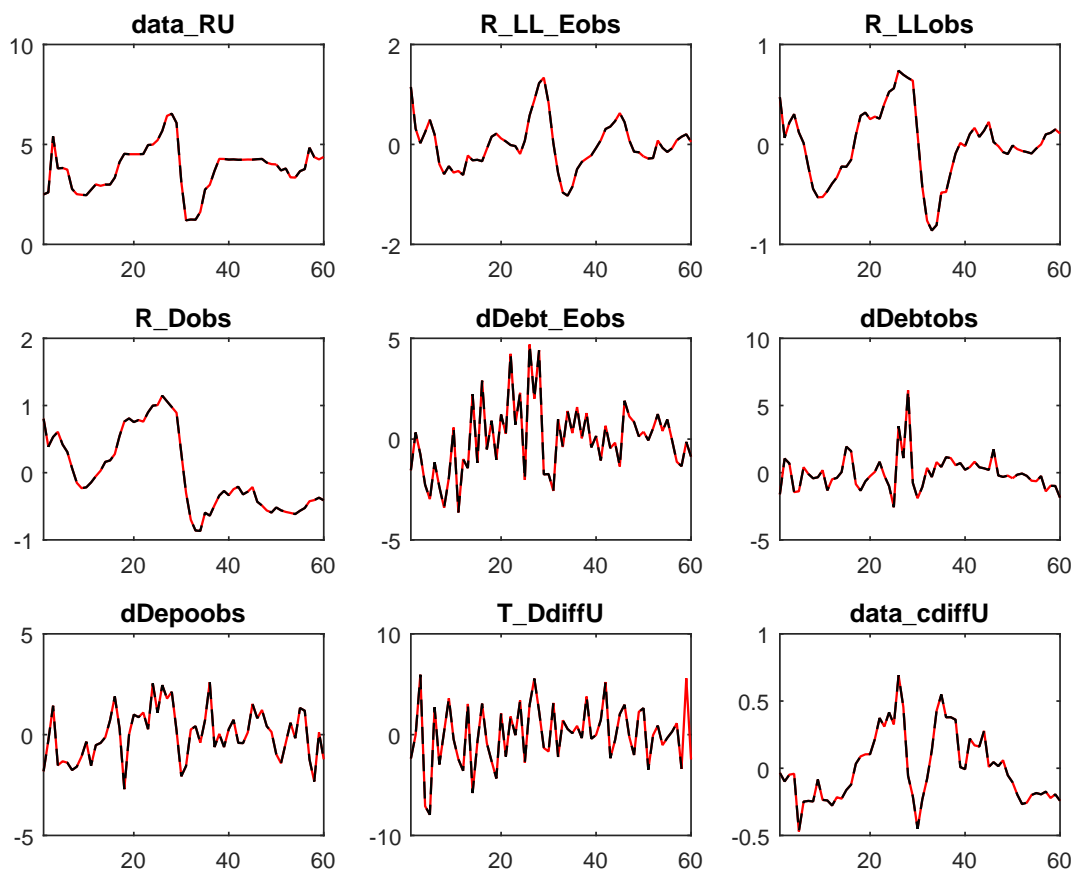


Figure 10: Historical and smoothed variables.

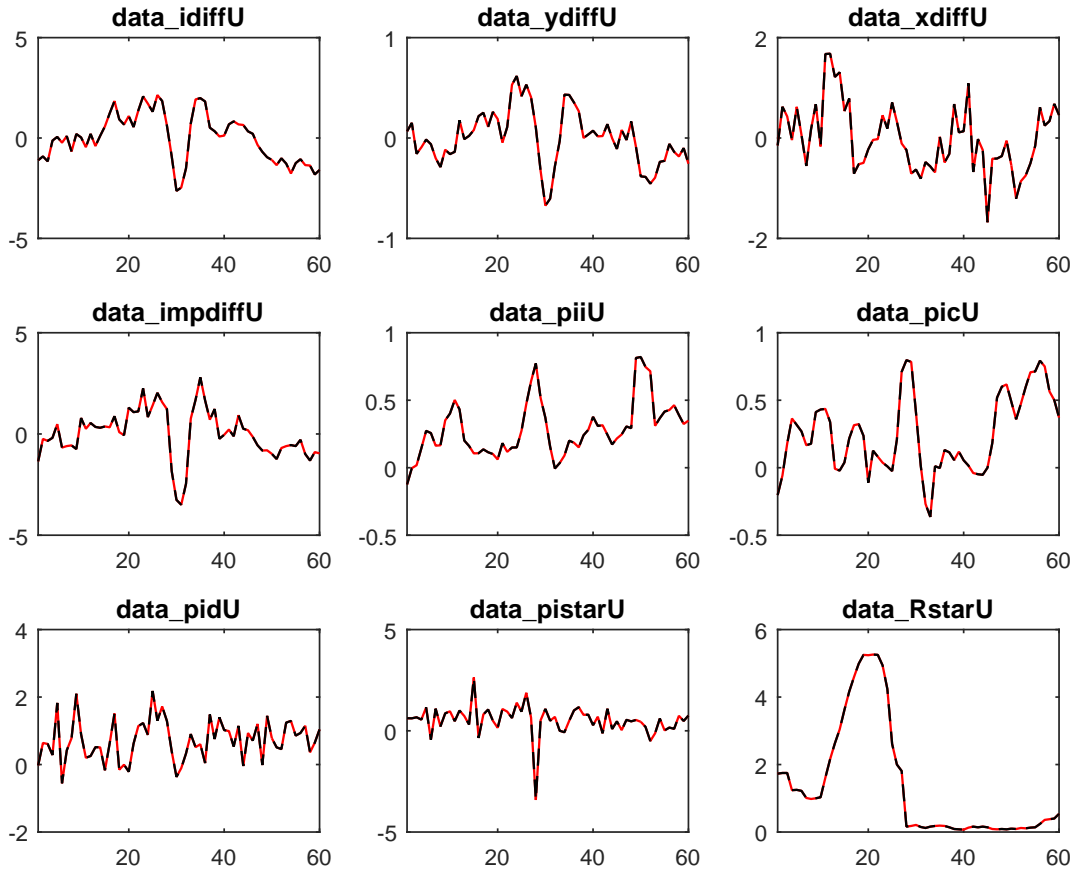


Figure 11: Historical and smoothed variables.

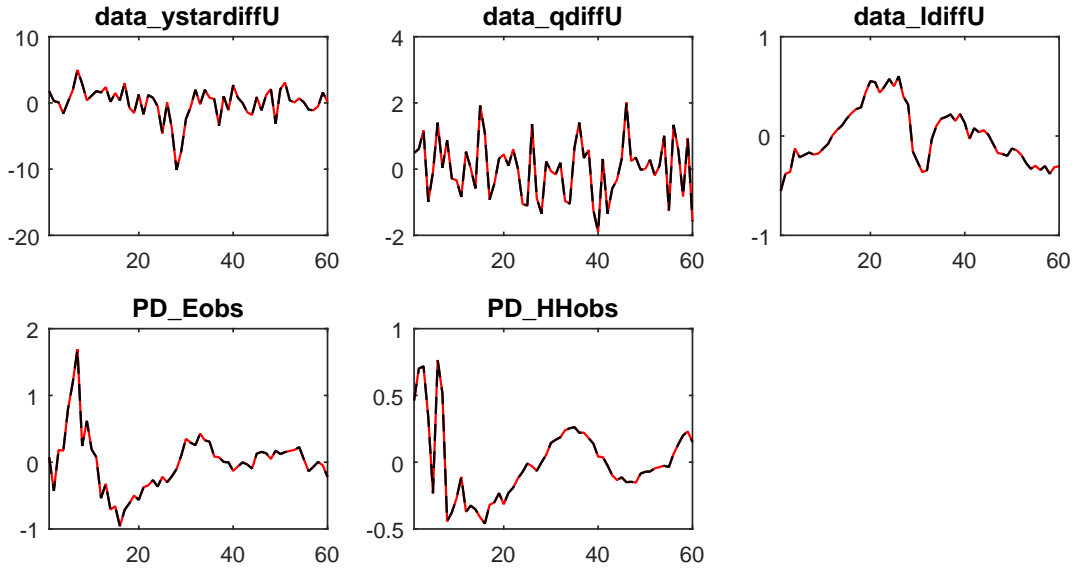


Figure 12: Historical and smoothed variables.

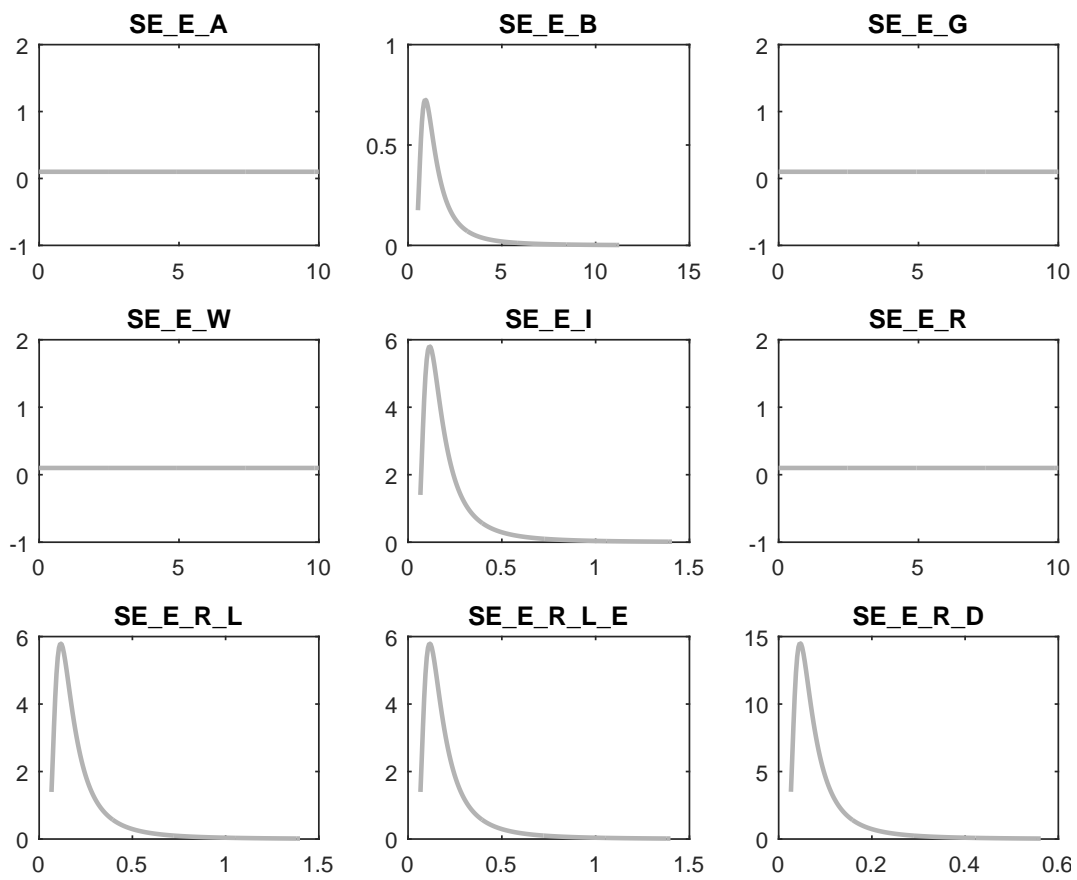


Figure 13: Priors.

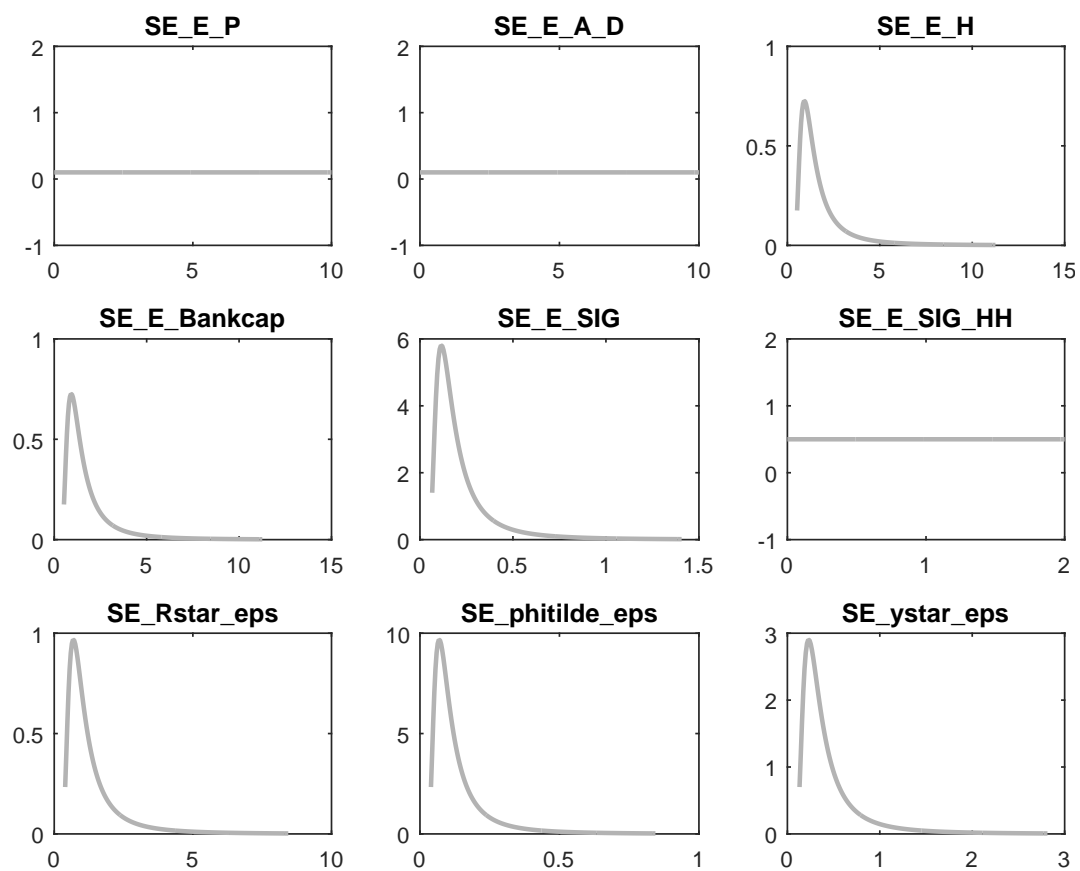


Figure 14: Priors.

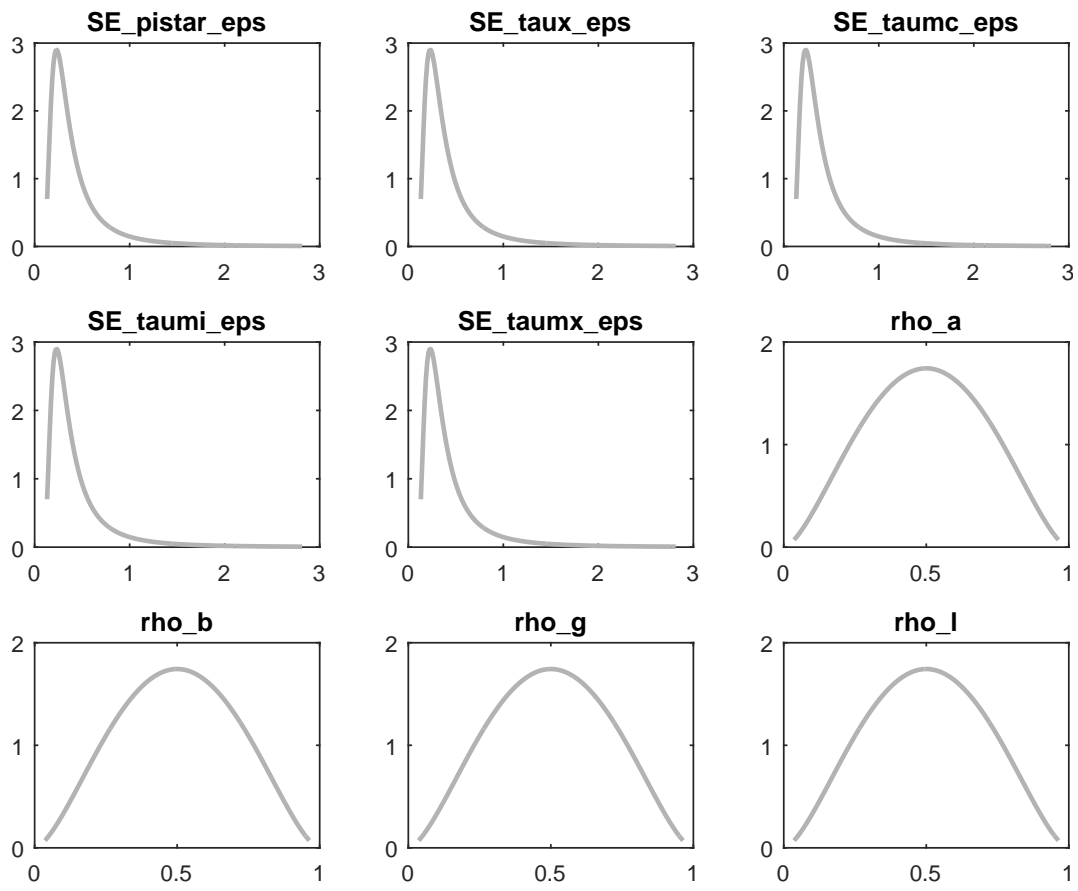


Figure 15: Priors.

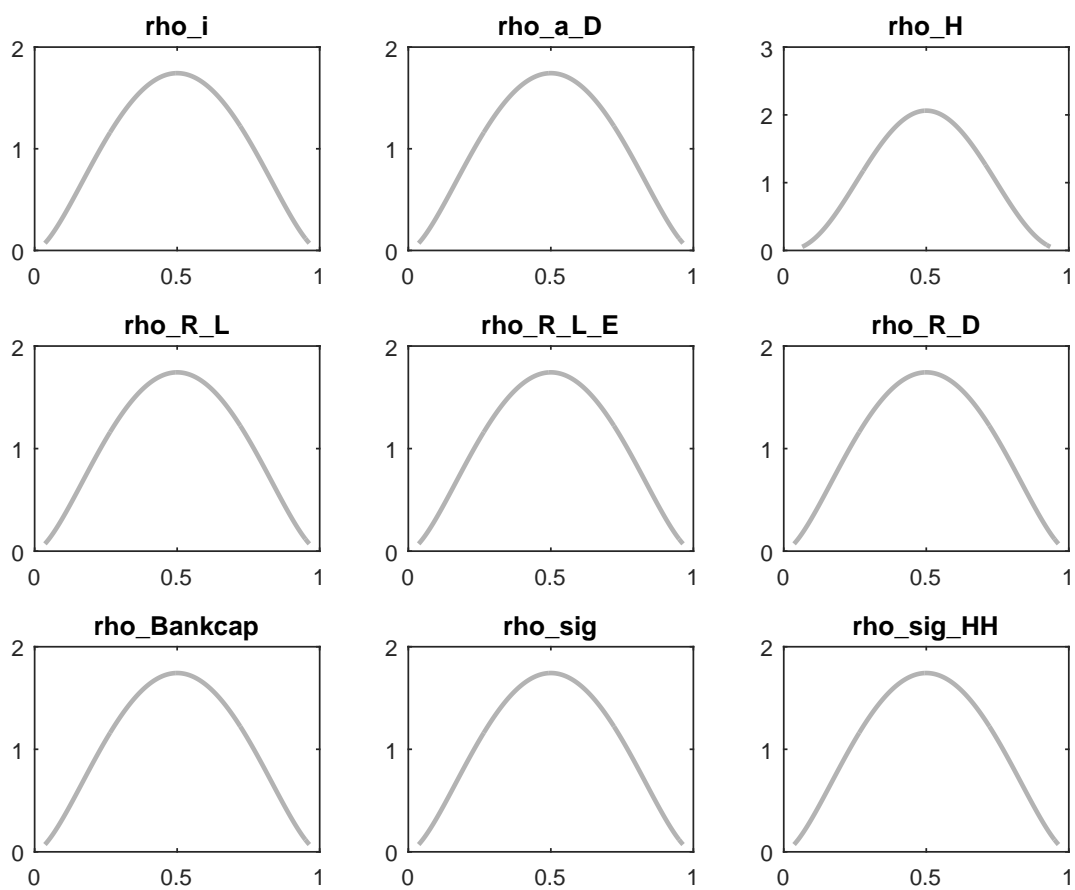


Figure 16: Priors.

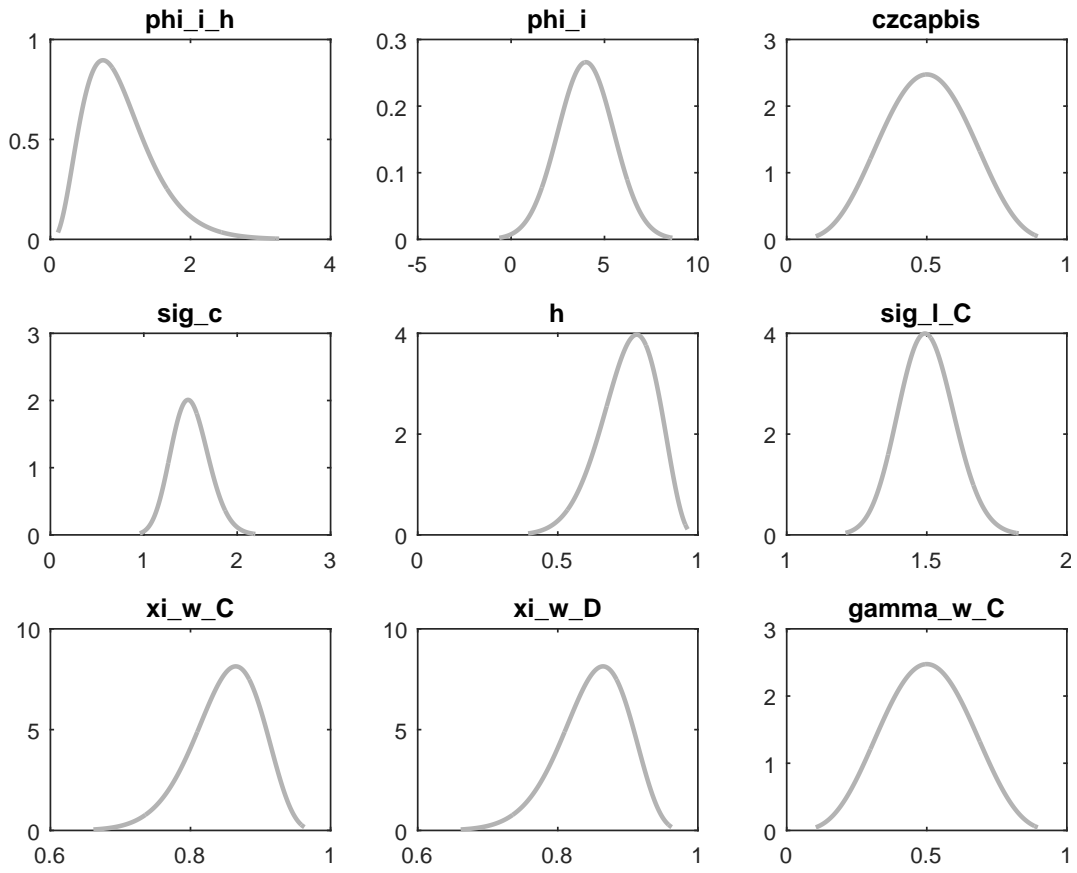


Figure 17: Priors.

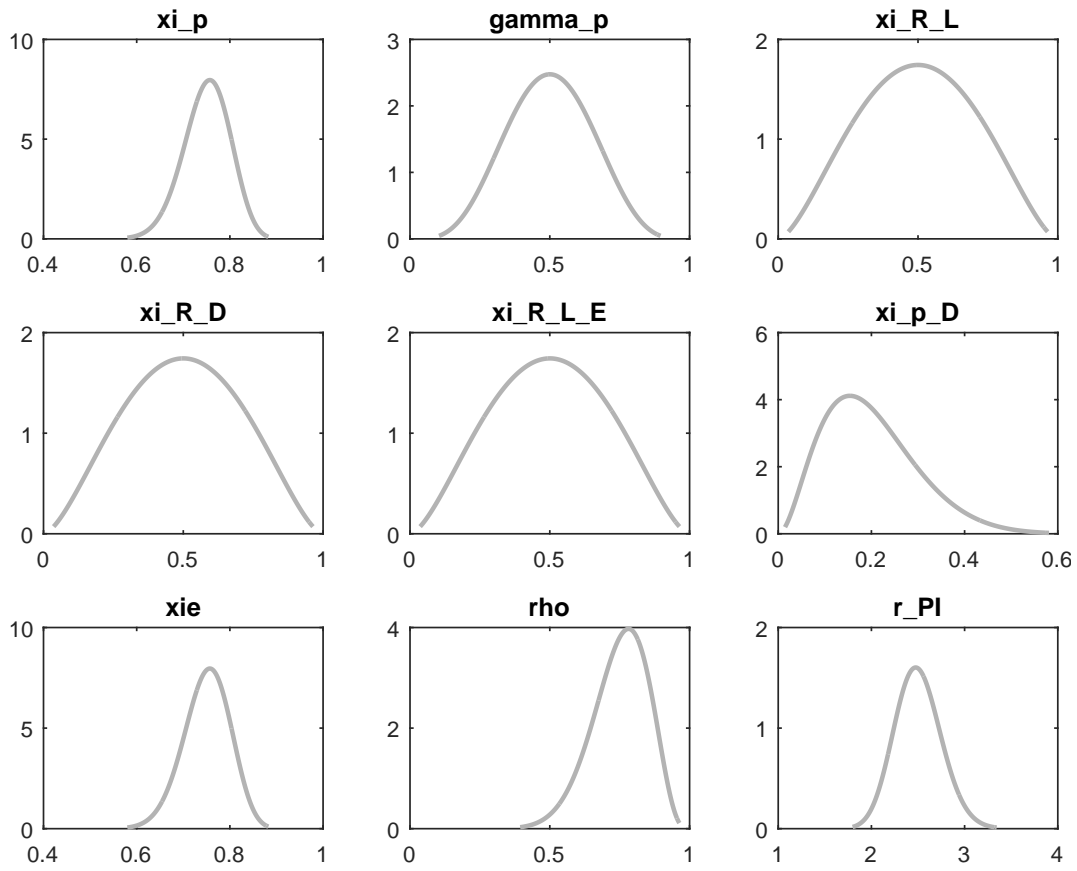


Figure 18: Priors.

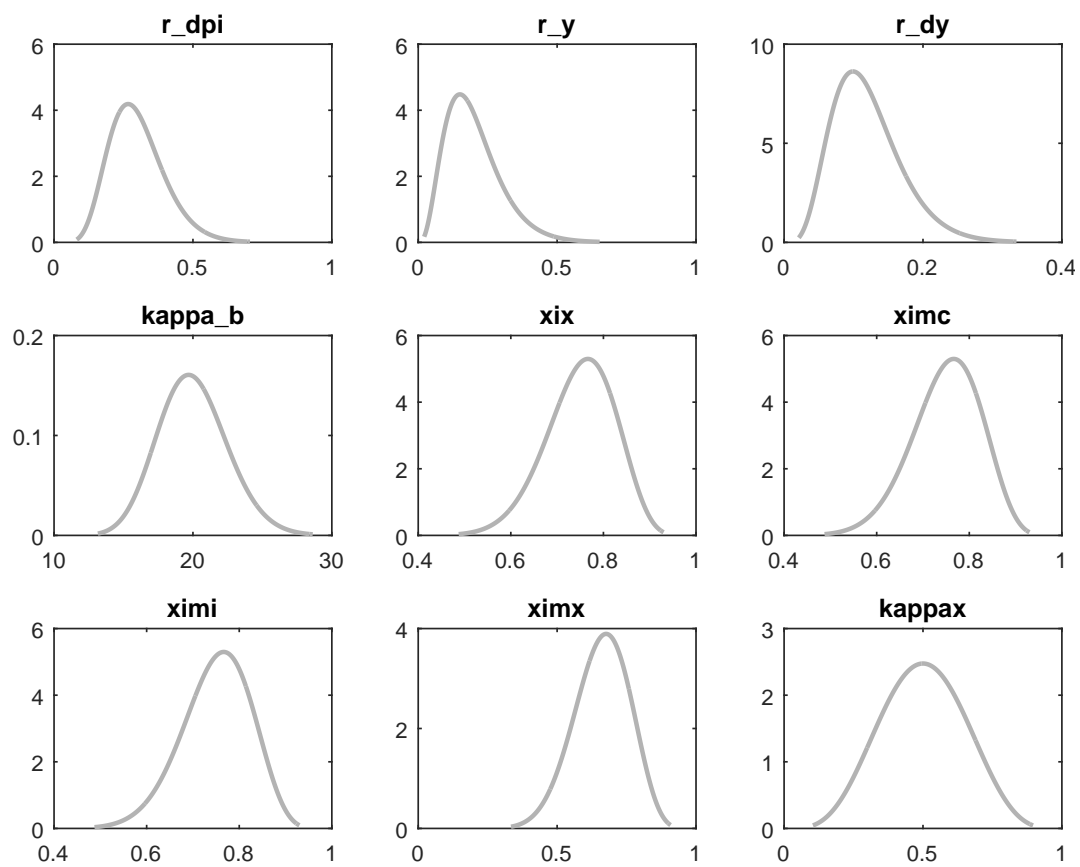


Figure 19: Priors.

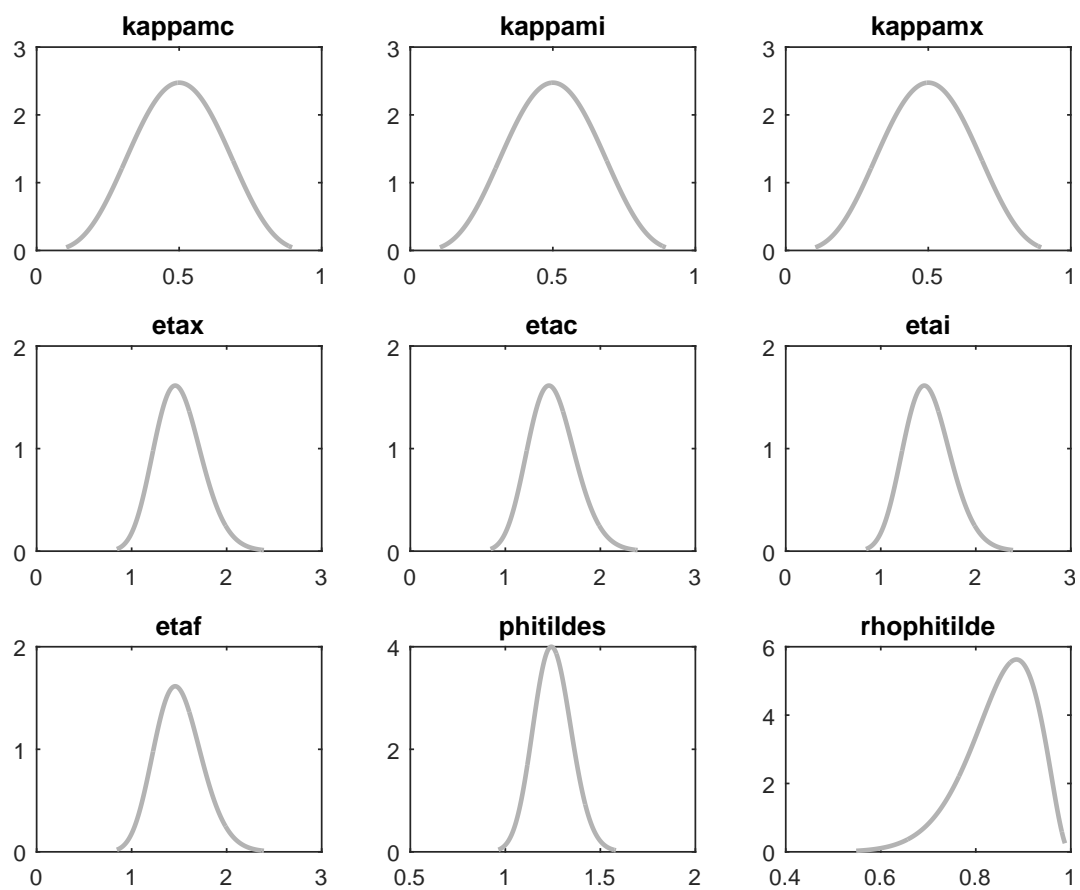


Figure 20: Priors.

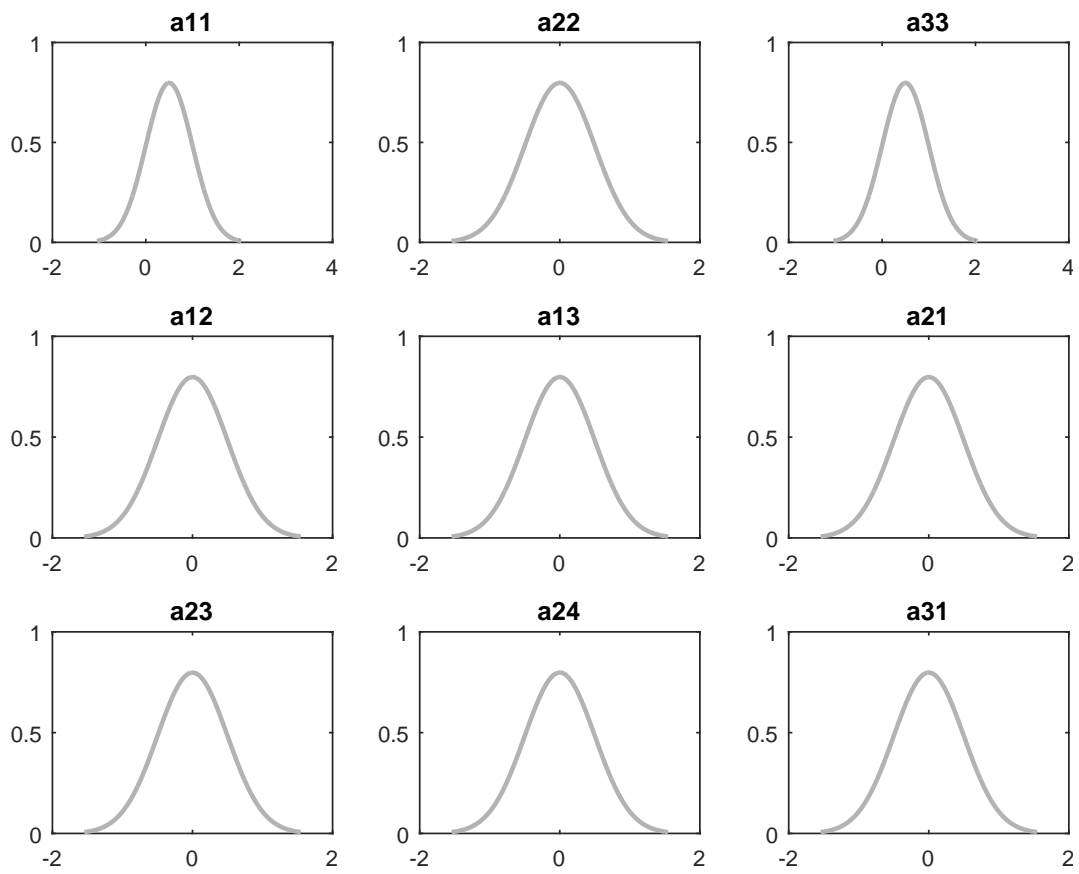


Figure 21: Priors.

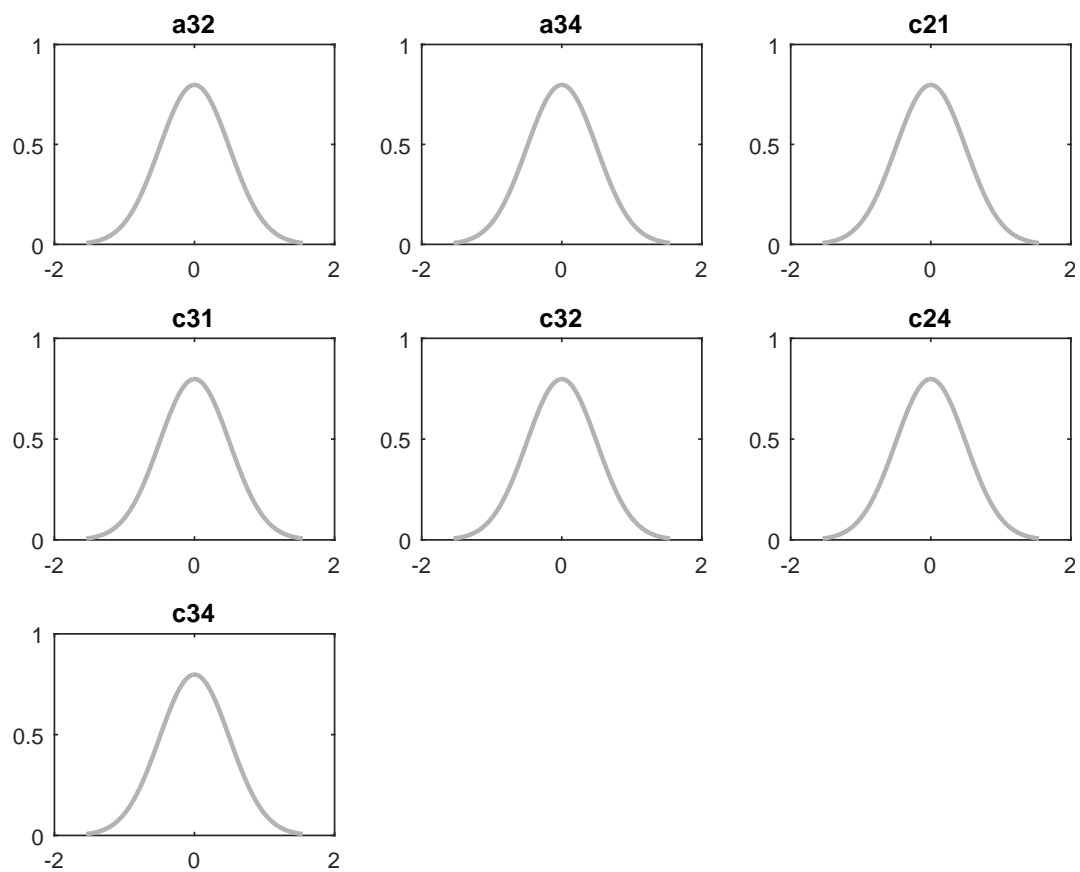


Figure 22: Priors.

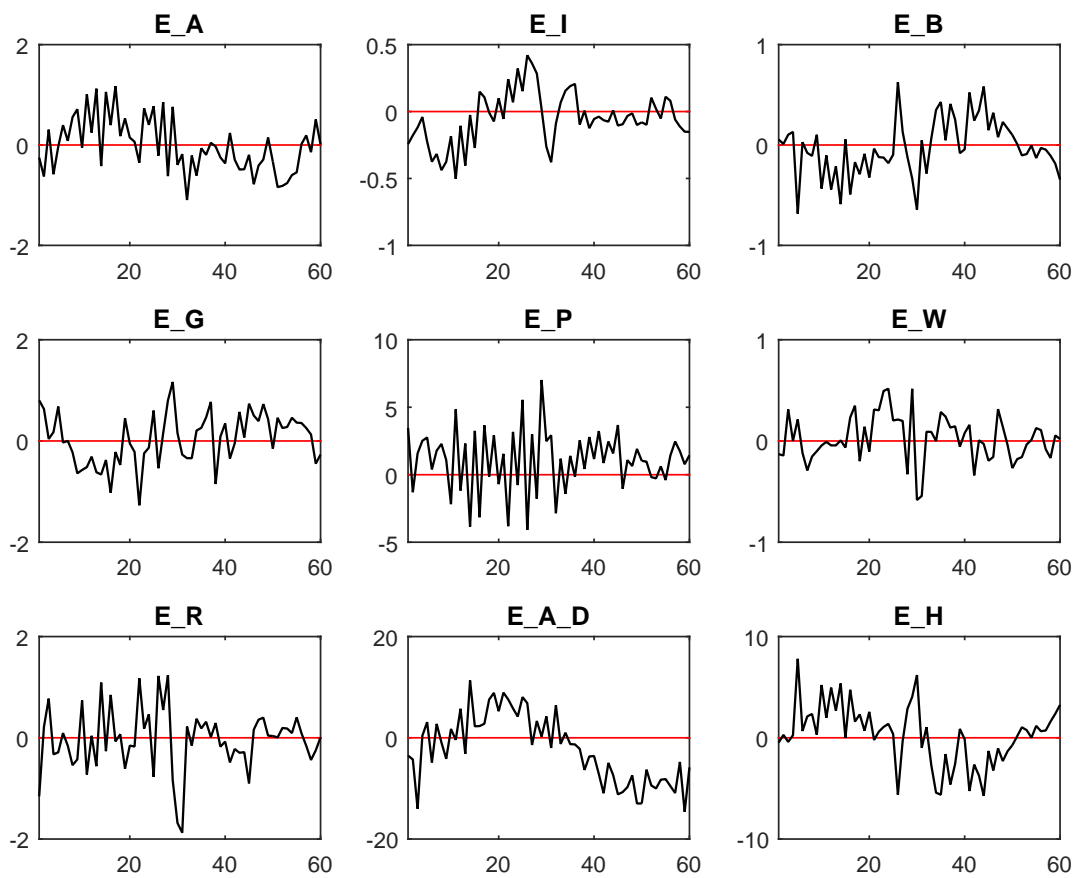


Figure 23: Smoothed shocks.

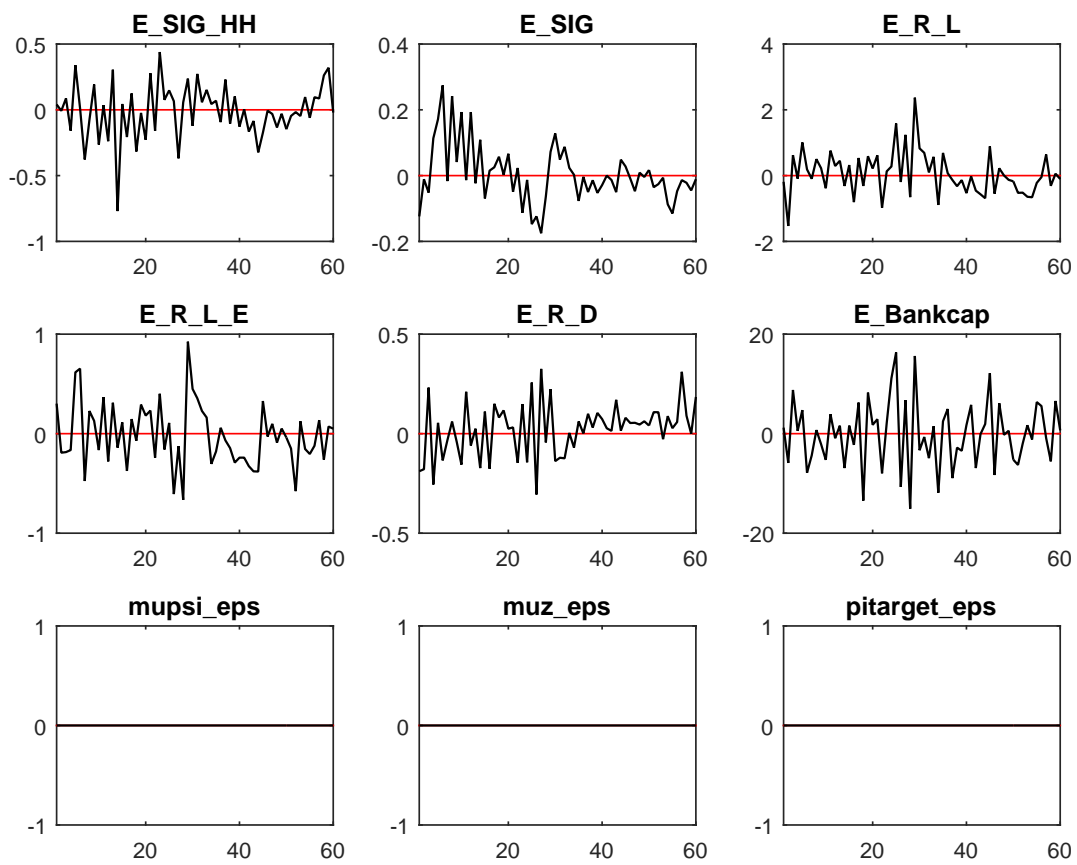


Figure 24: Smoothed shocks.

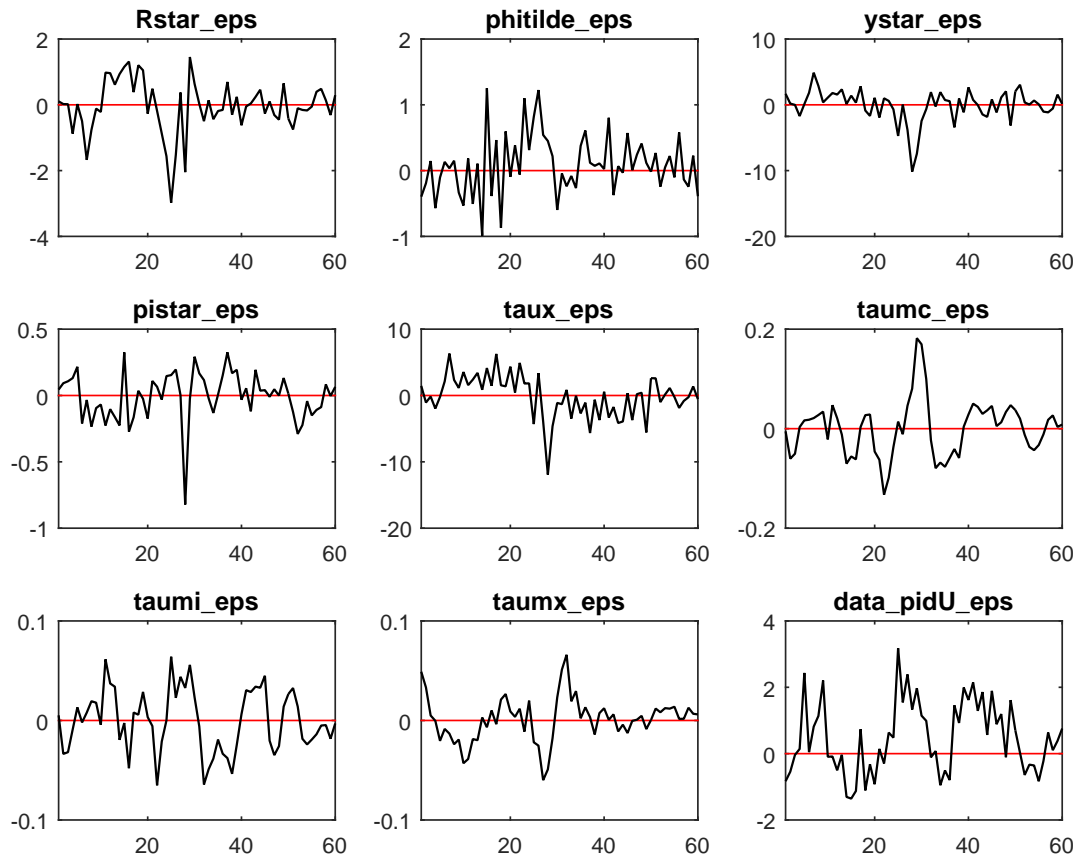


Figure 25: Smoothed shocks.

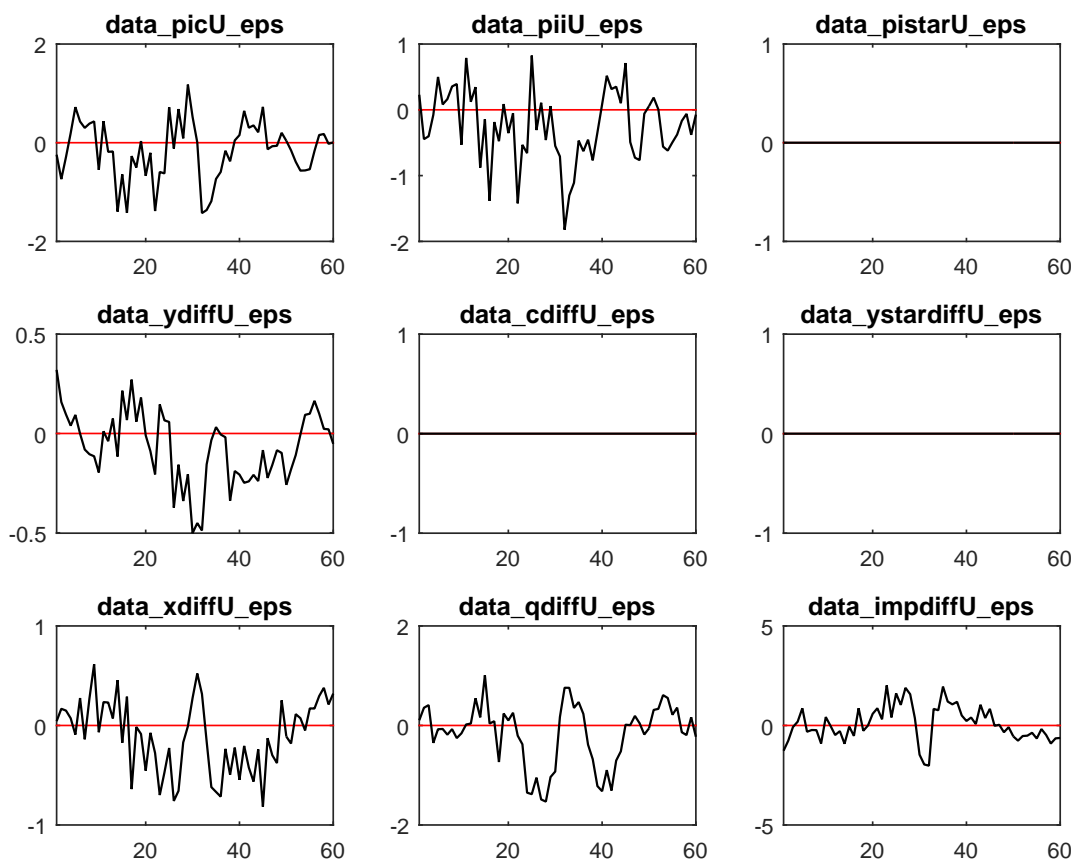


Figure 26: Smoothed shocks.

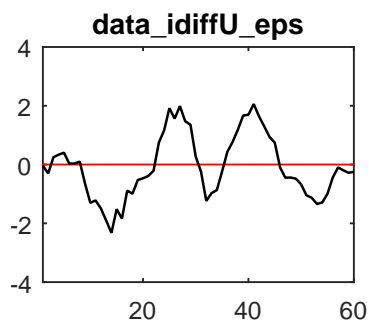


Figure 27: Smoothed shocks.

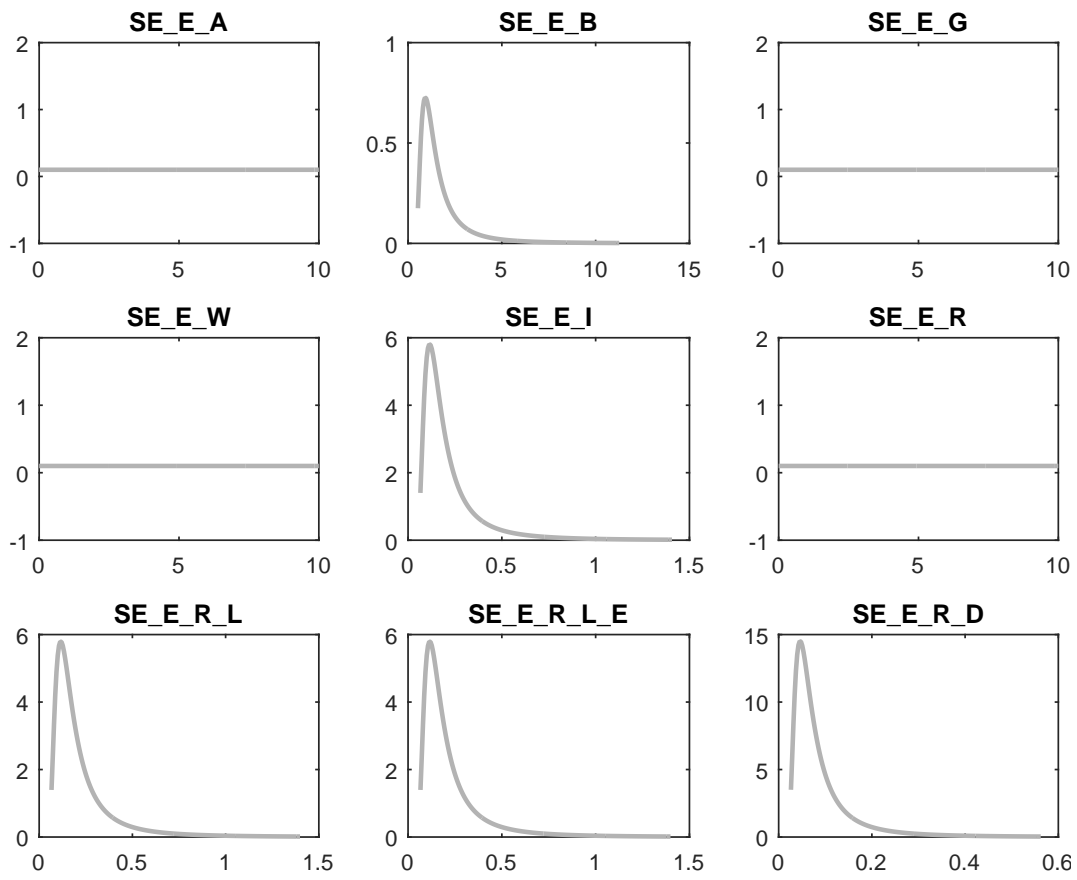


Figure 28: Priors.

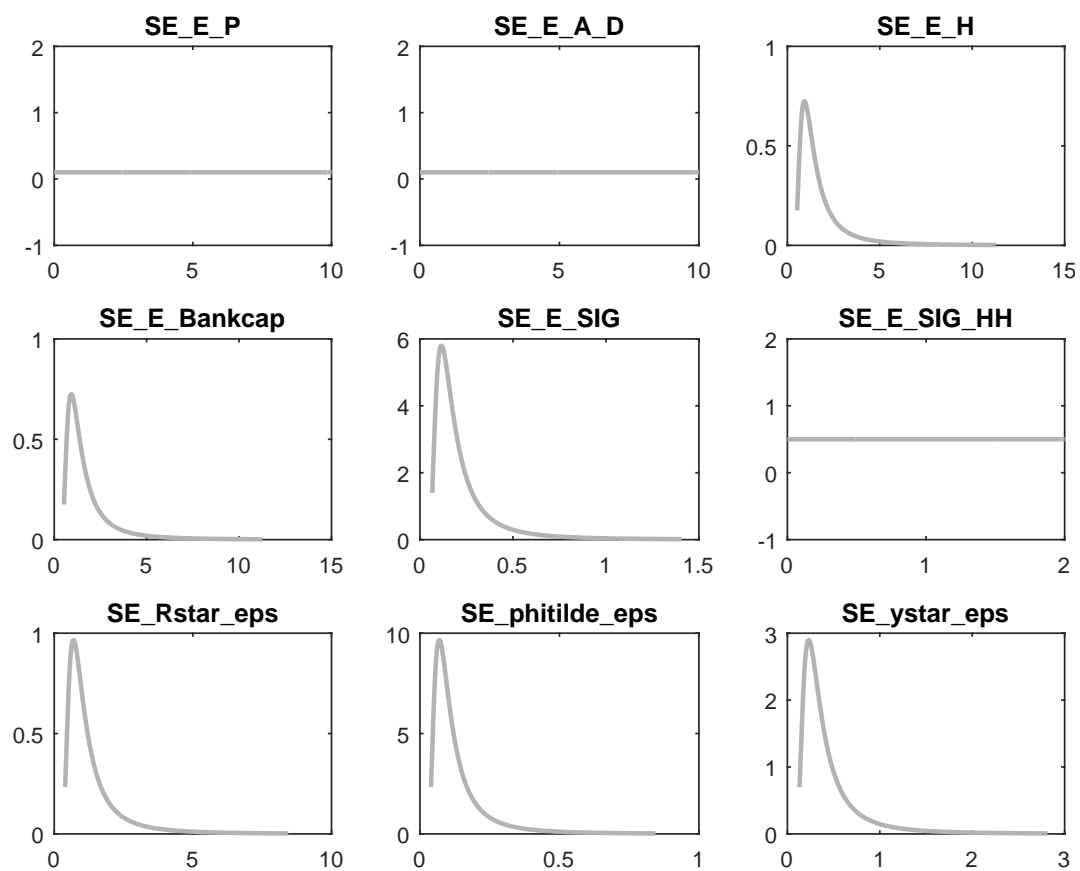


Figure 29: Priors.

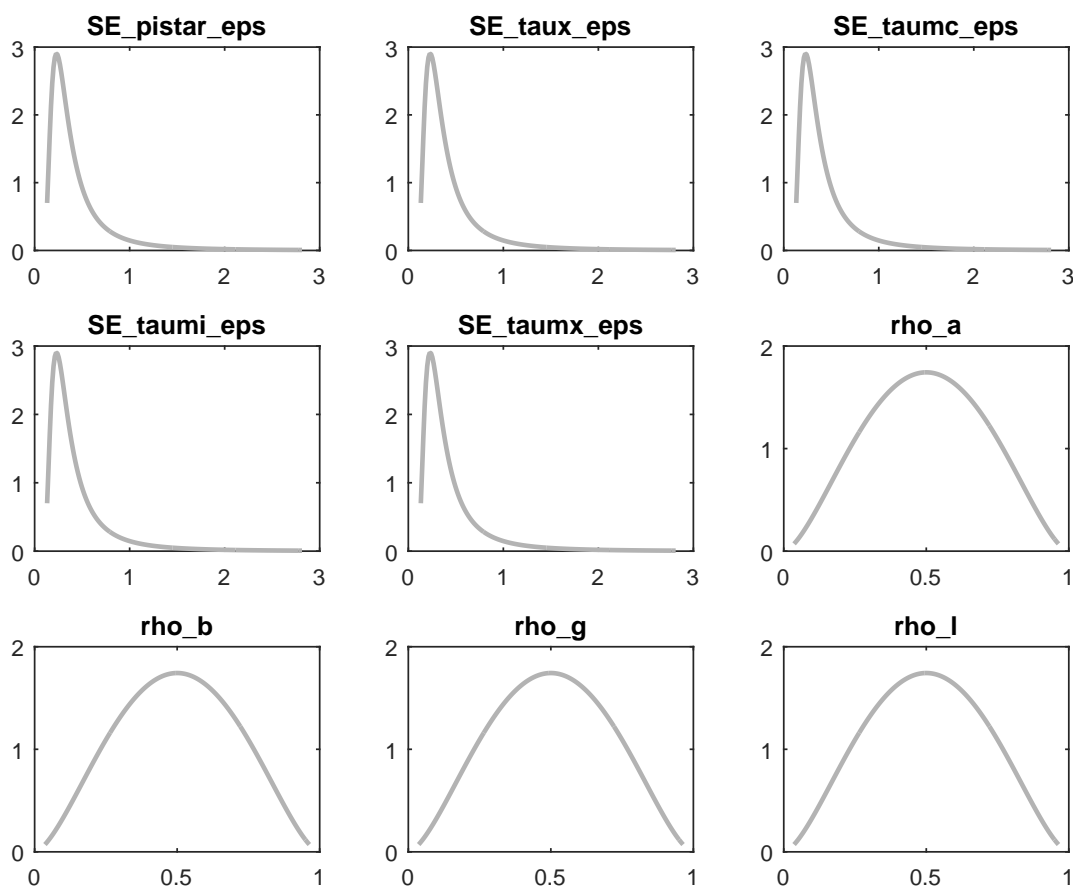


Figure 30: Priors.

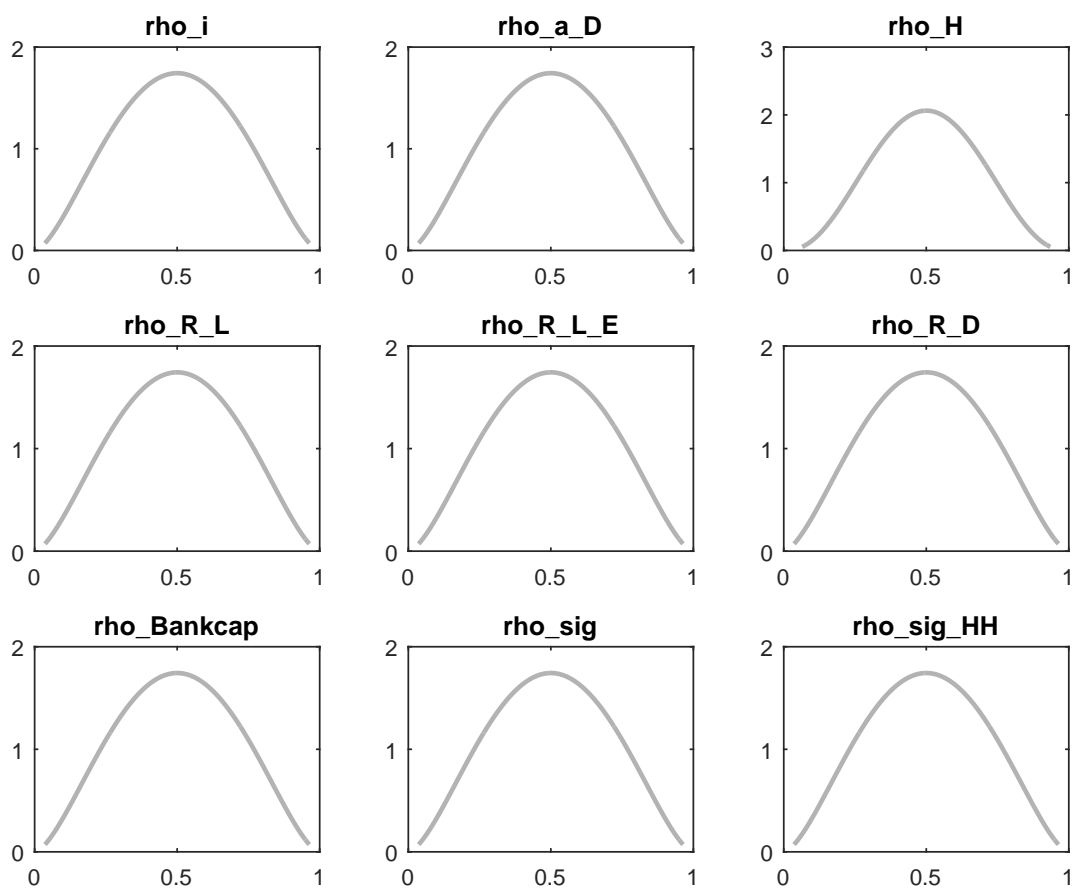


Figure 31: Priors.

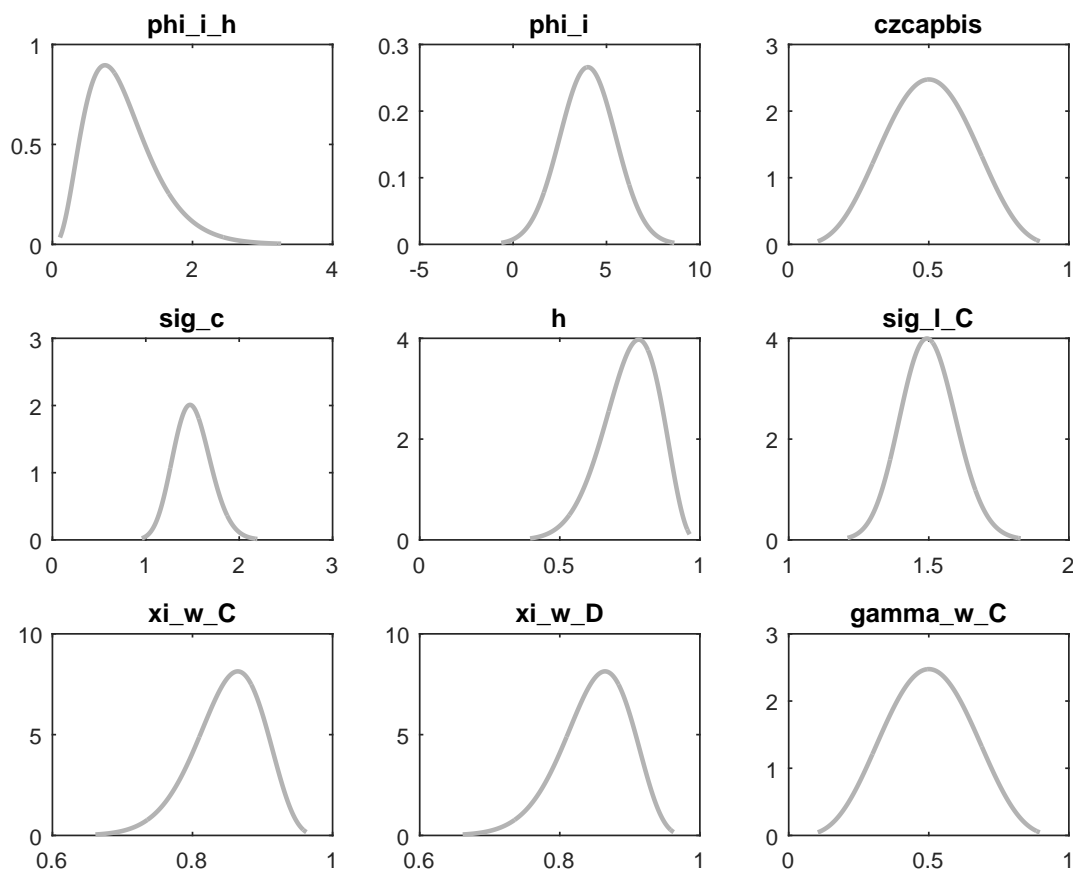


Figure 32: Priors.

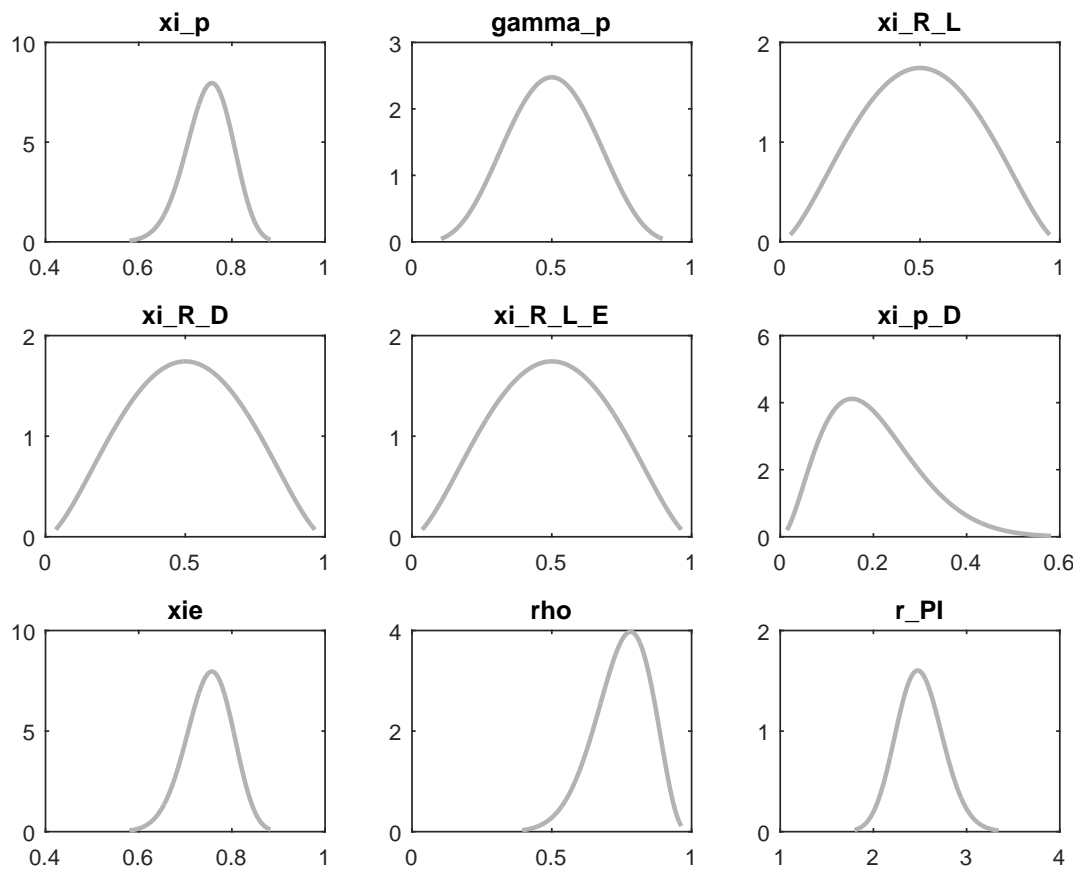


Figure 33: Priors.

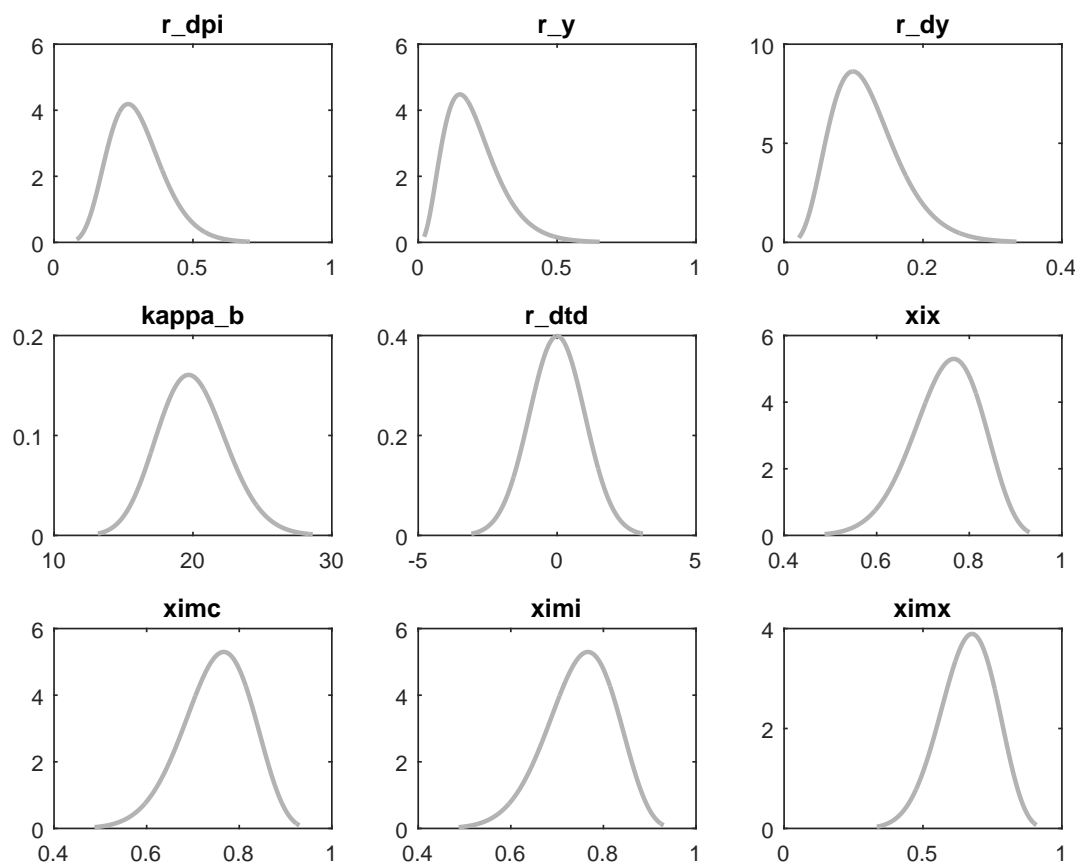


Figure 34: Priors.

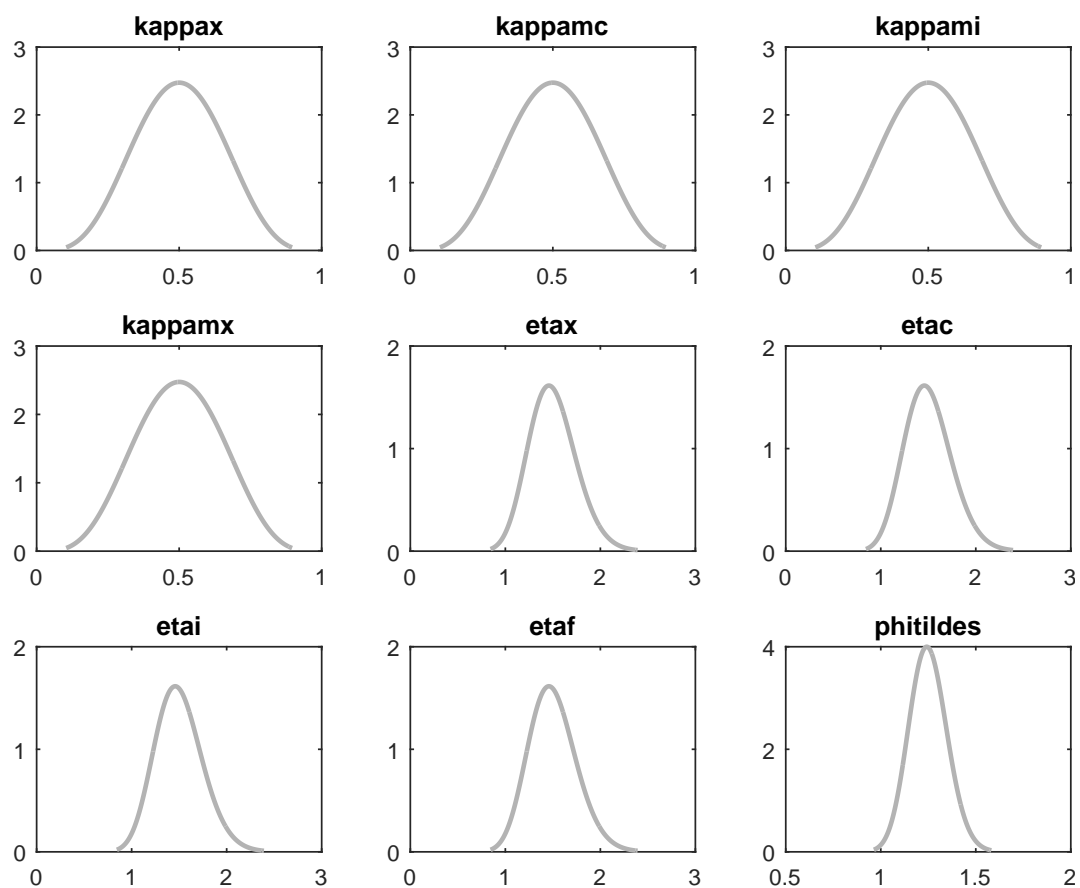


Figure 35: Priors.

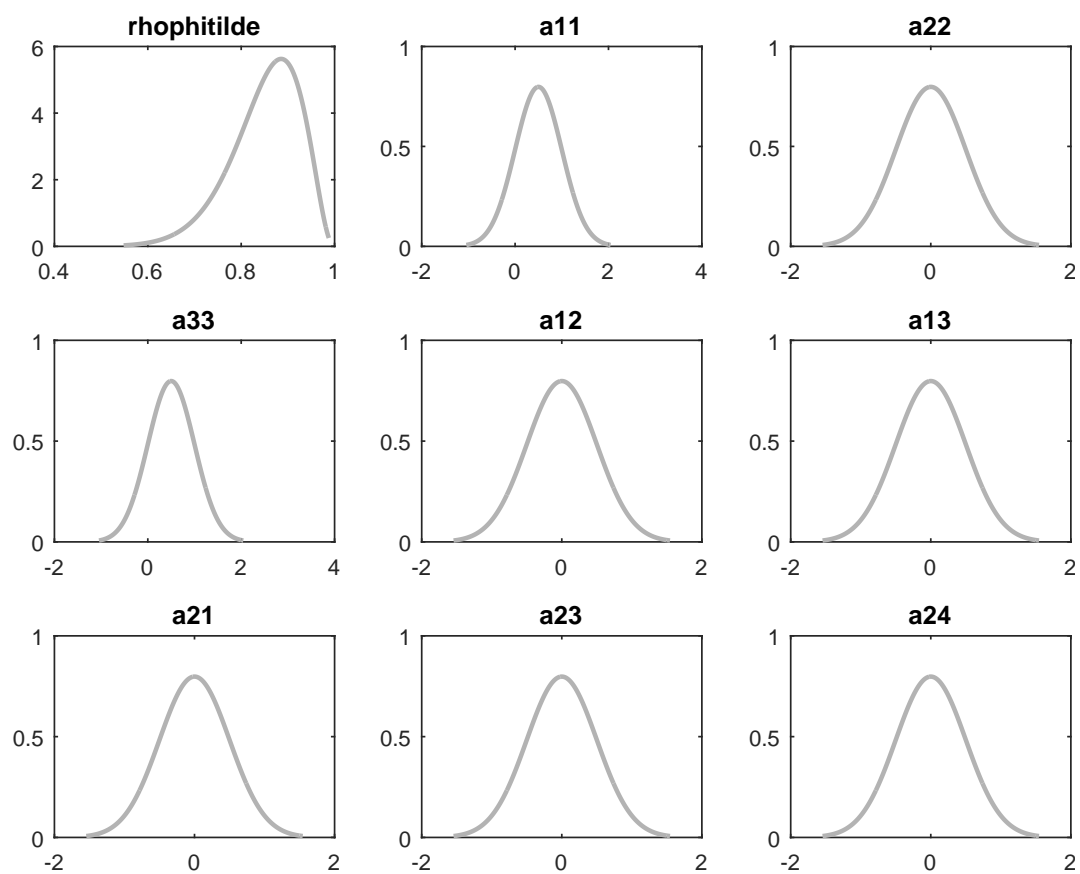


Figure 36: Priors.

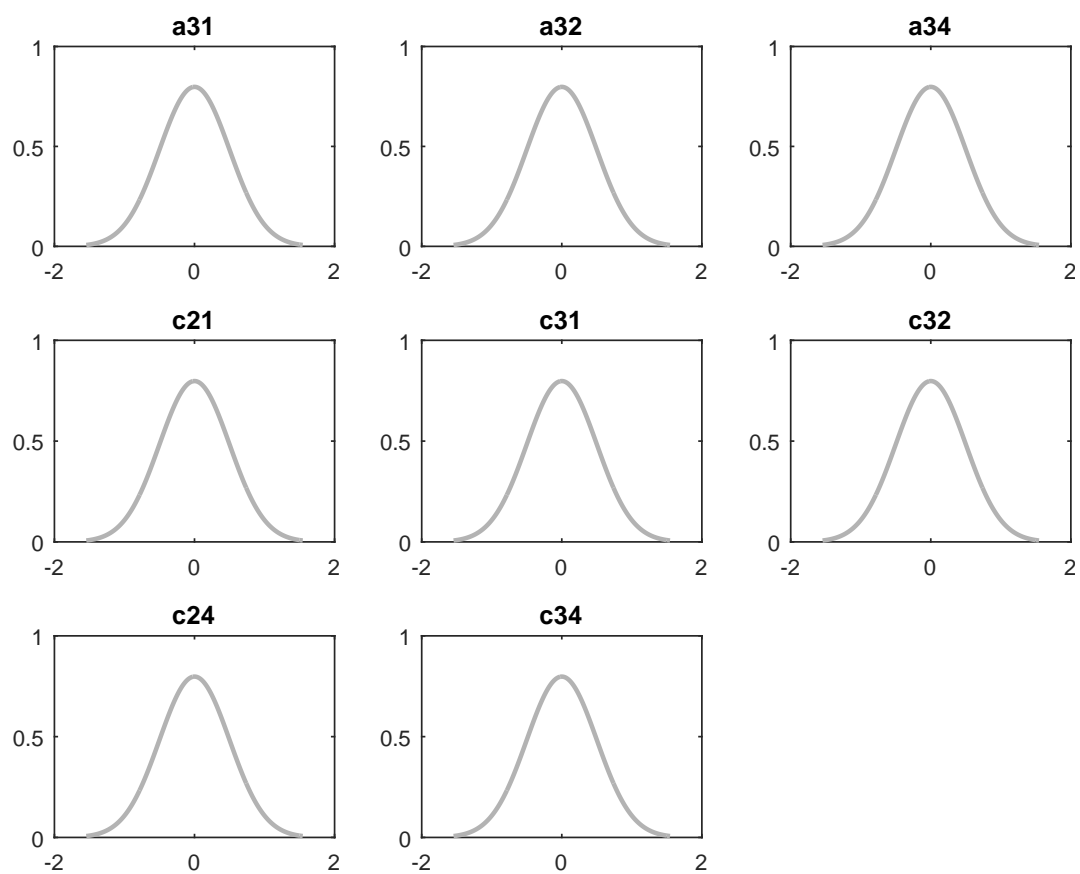


Figure 37: Priors.

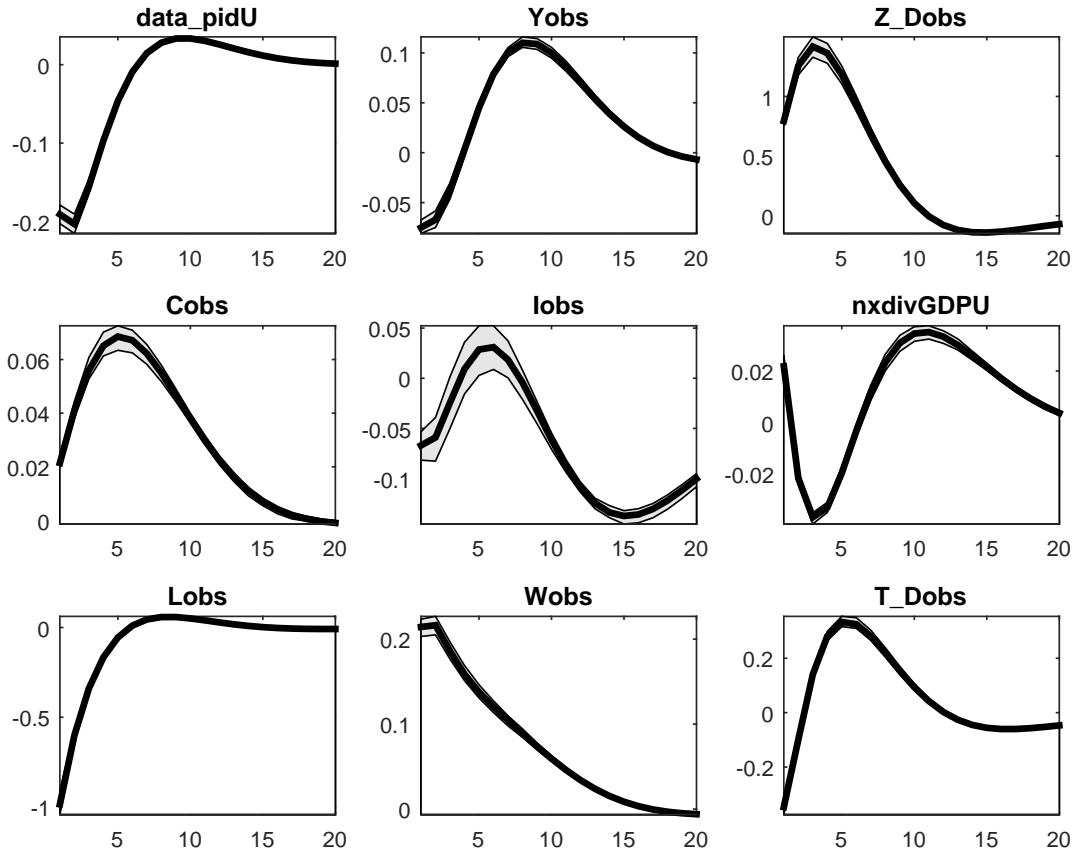


Figure 38: Bayesian IRF: Orthogonalized shock to E_A .

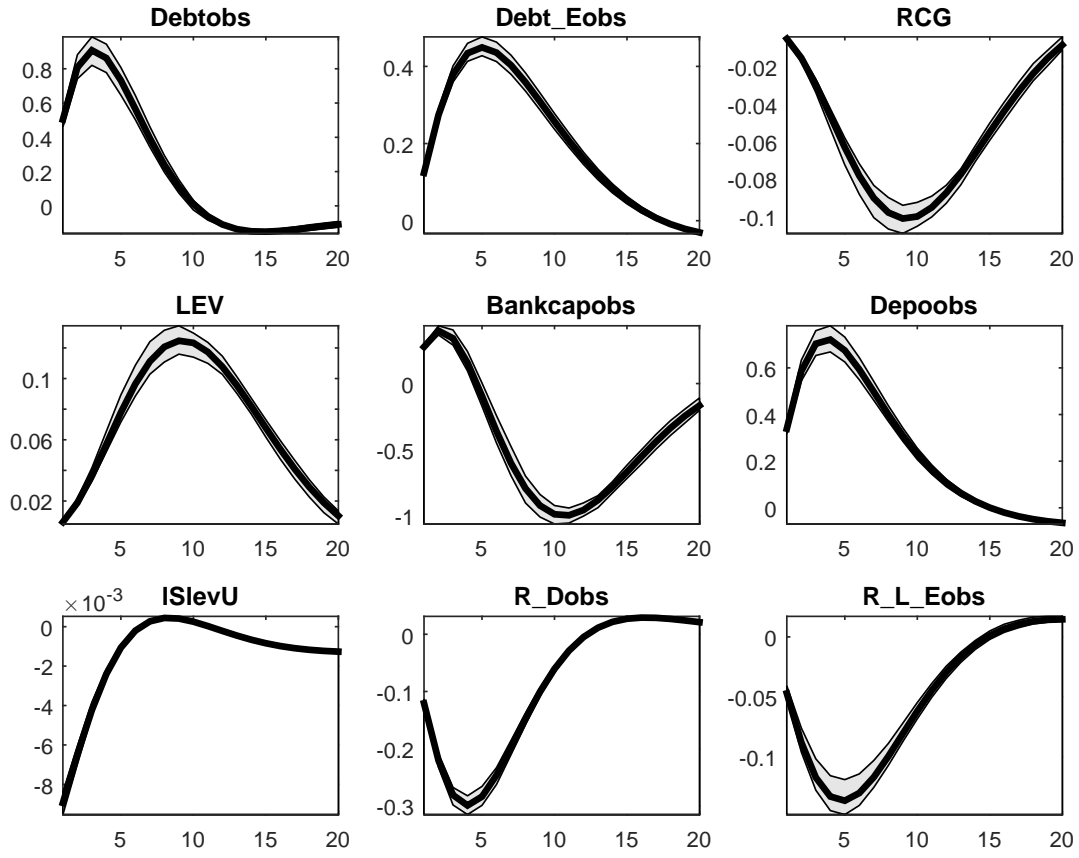


Figure 39: Bayesian IRF: Orthogonalized shock to E_A .

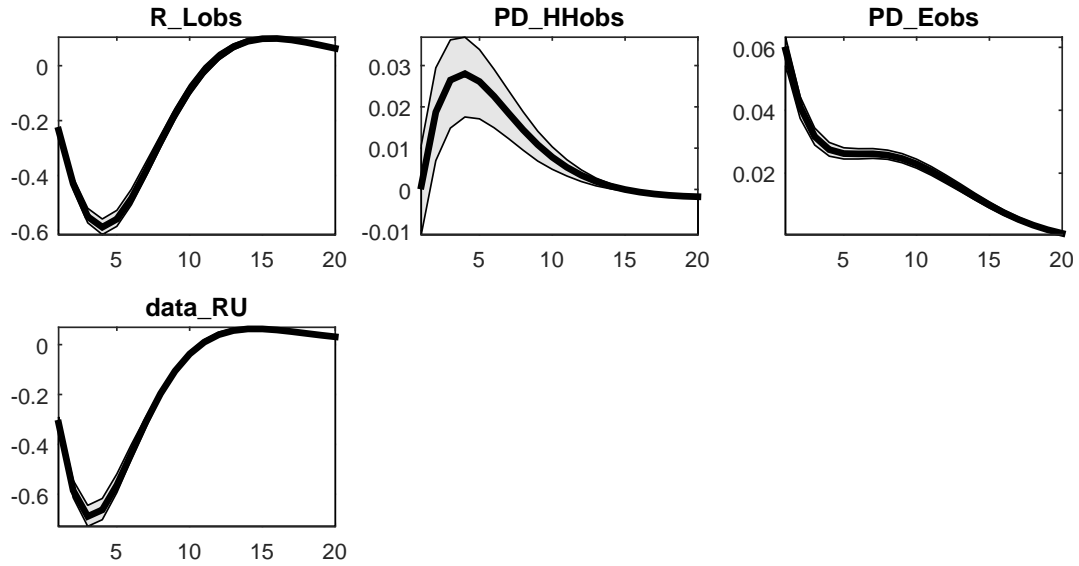


Figure 40: Bayesian IRF: Orthogonalized shock to E_A .

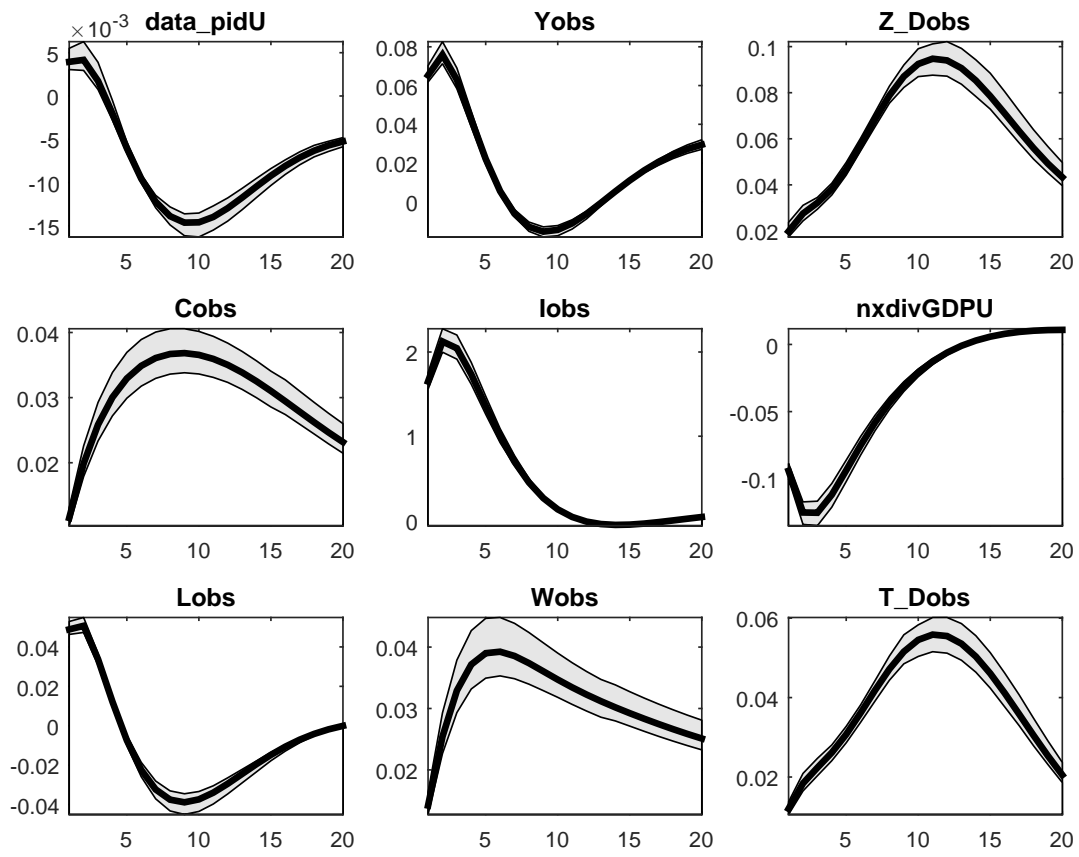


Figure 41: Bayesian IRF: Orthogonalized shock to EI .

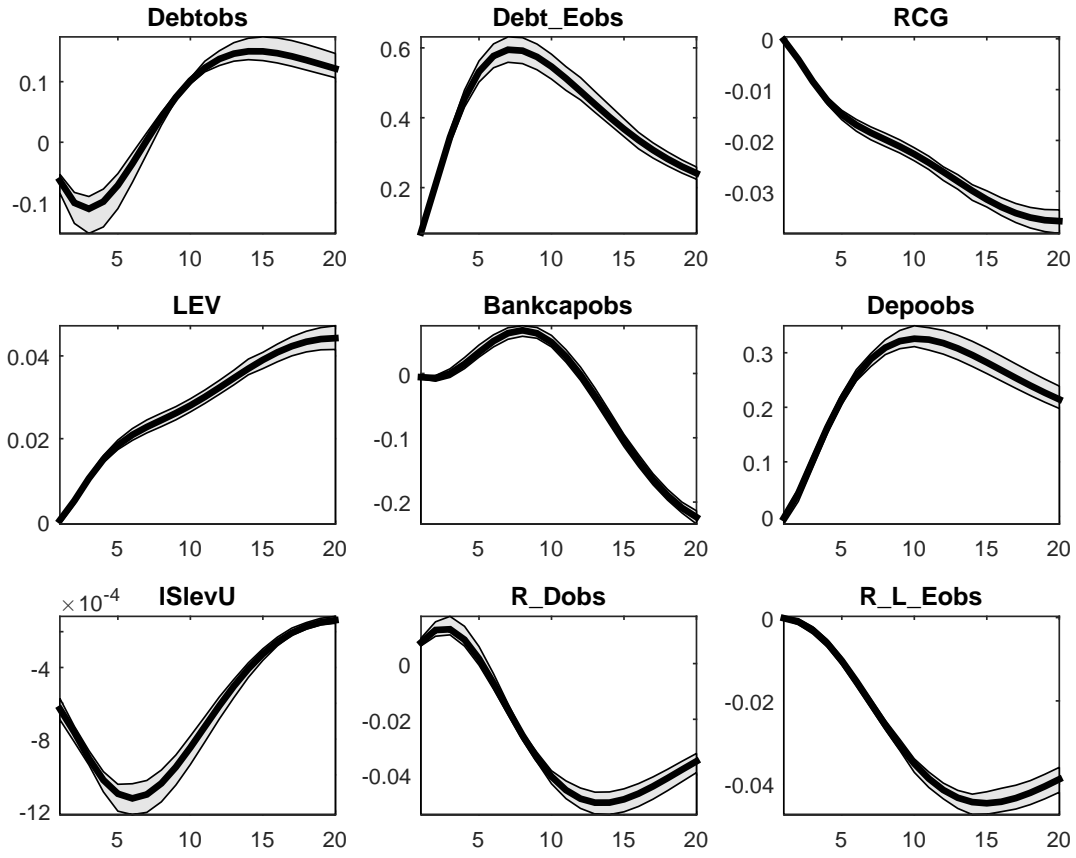


Figure 42: Bayesian IRF: Orthogonalized shock to $E.I.$

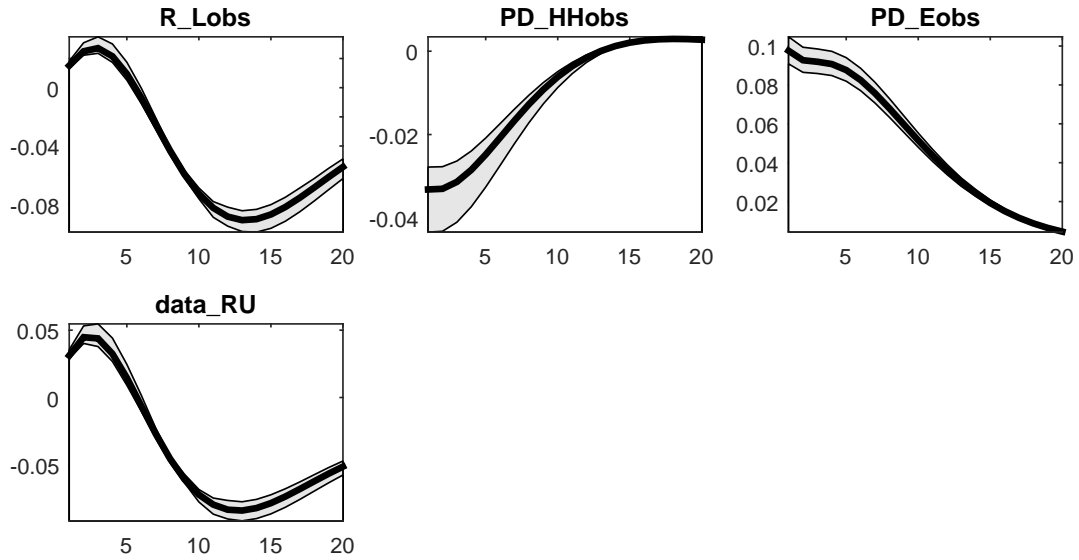


Figure 43: Bayesian IRF: Orthogonalized shock to $E.I.$

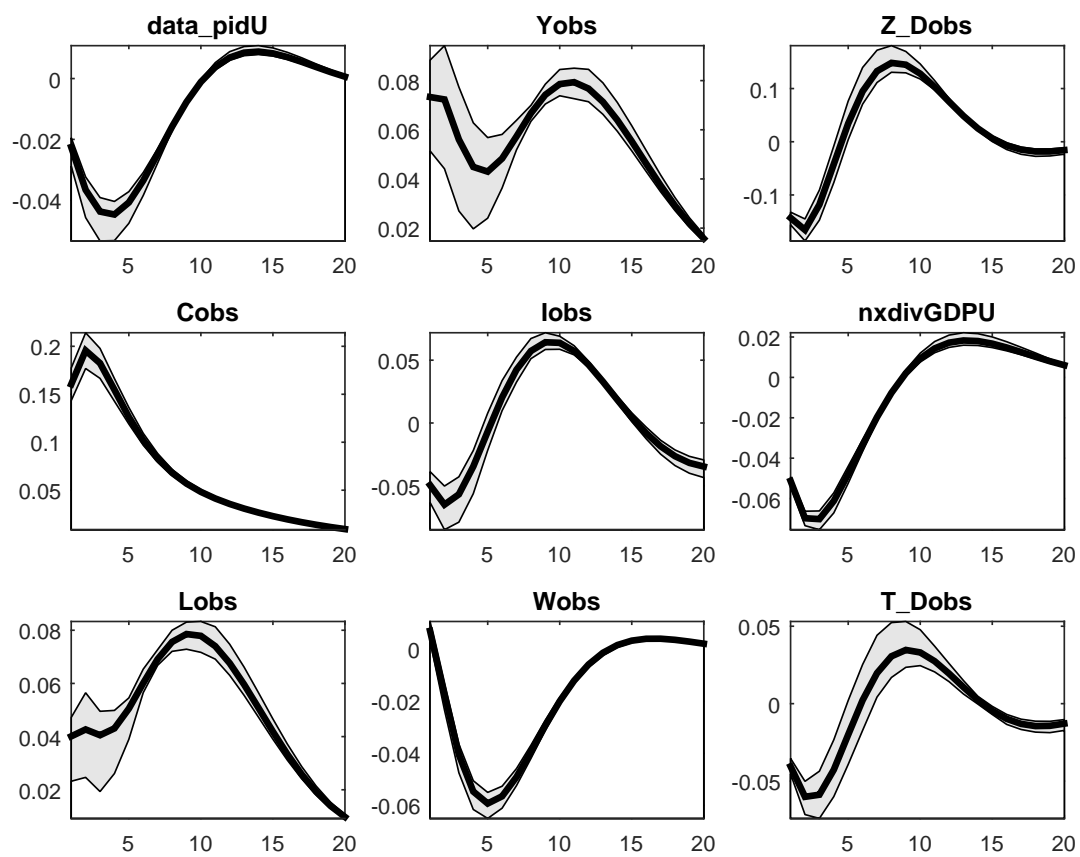


Figure 44: Bayesian IRF: Orthogonalized shock to E_B .

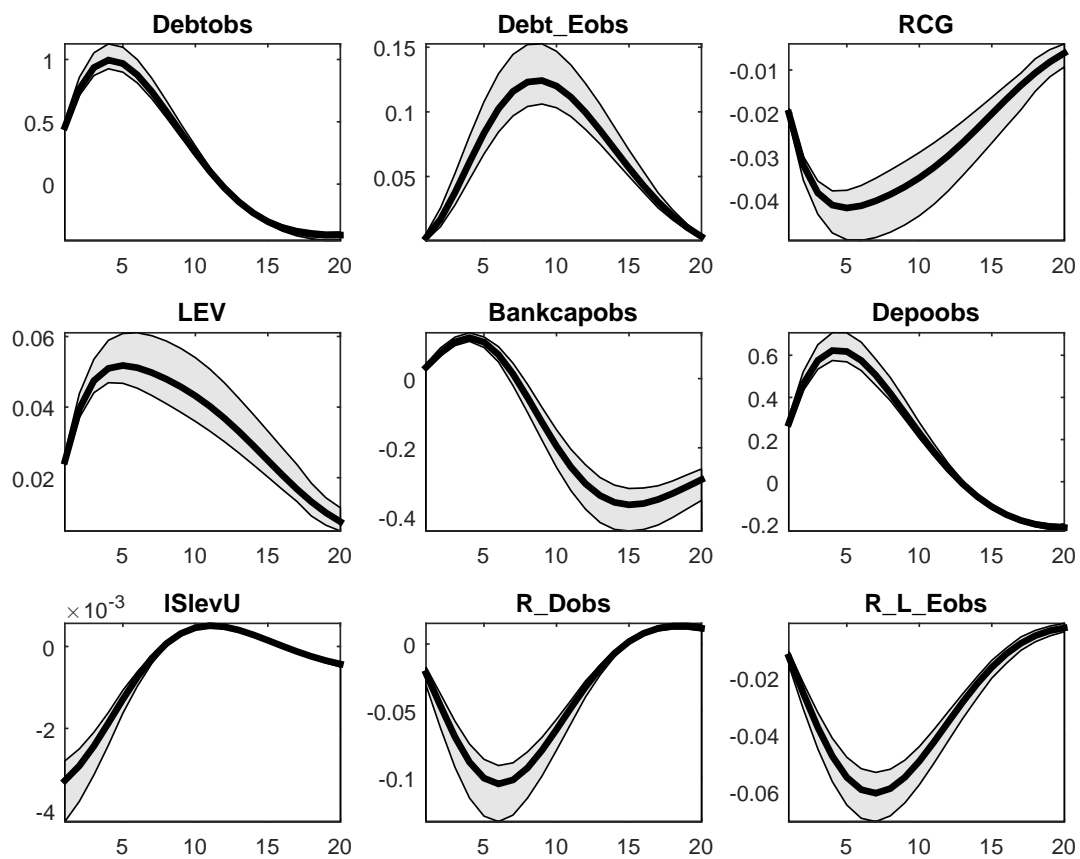


Figure 45: Bayesian IRF: Orthogonalized shock to E_B .

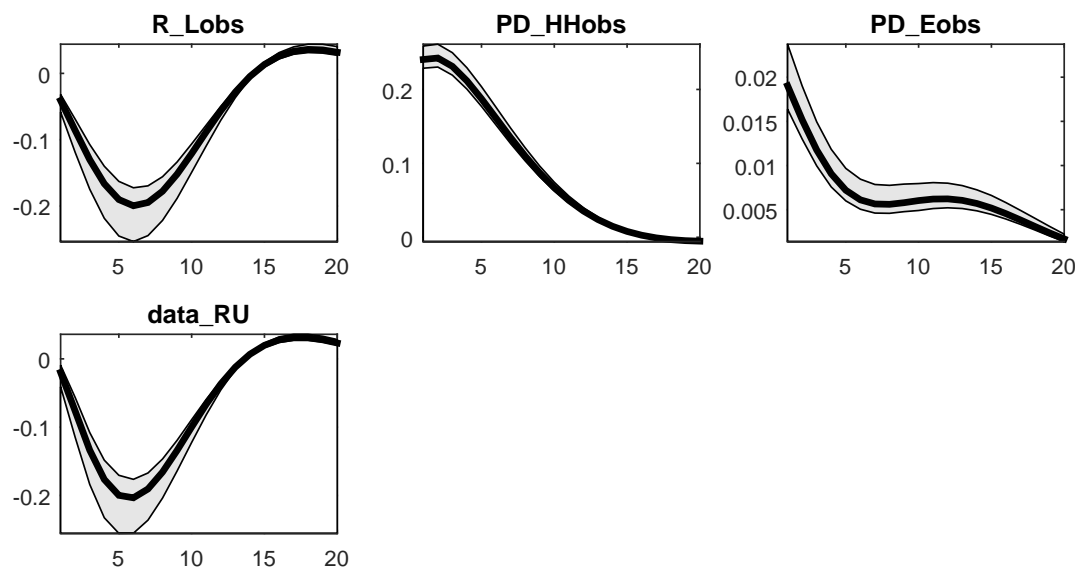


Figure 46: Bayesian IRF: Orthogonalized shock to E_B .

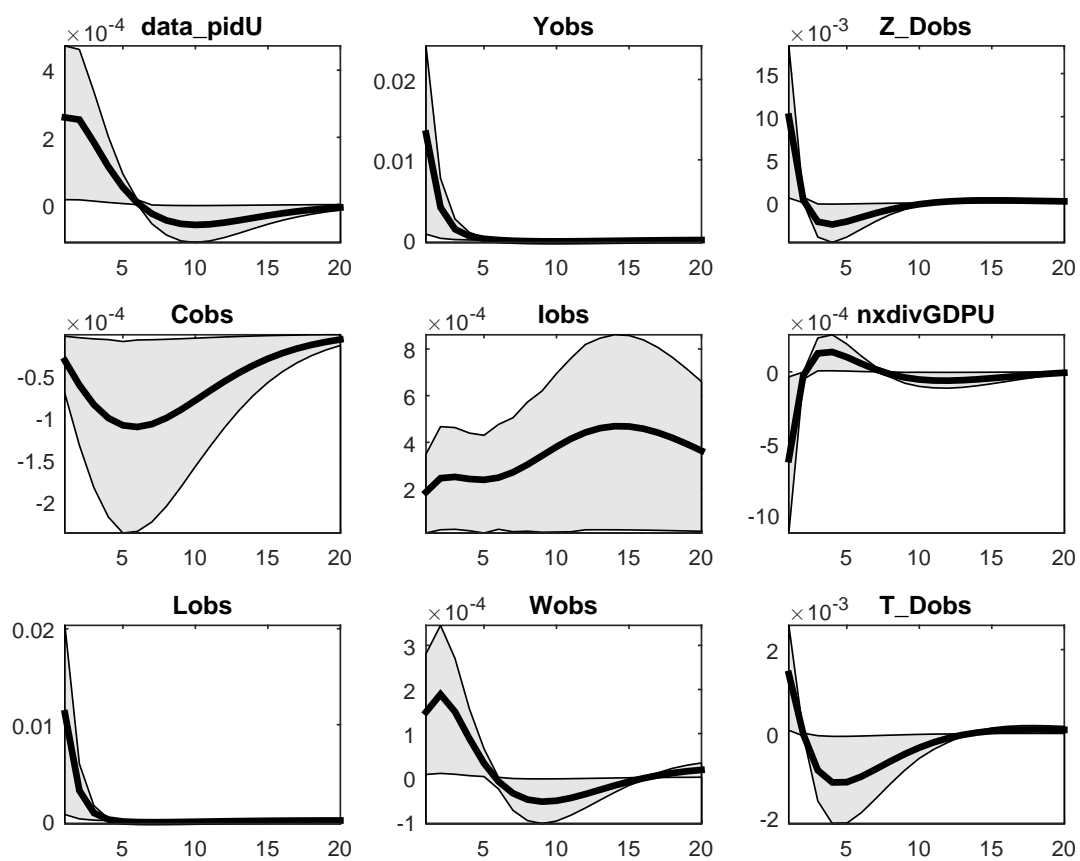


Figure 47: Bayesian IRF: Orthogonalized shock to E_G .

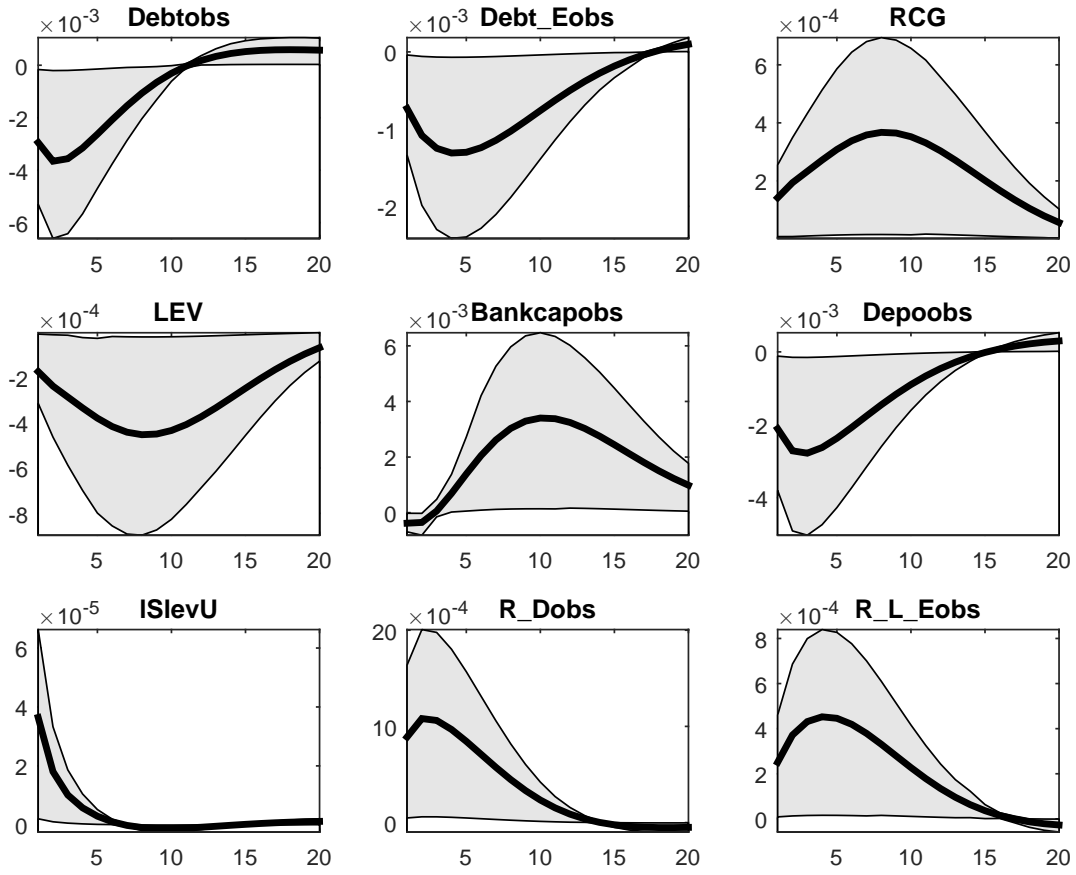


Figure 48: Bayesian IRF: Orthogonalized shock to E_G .

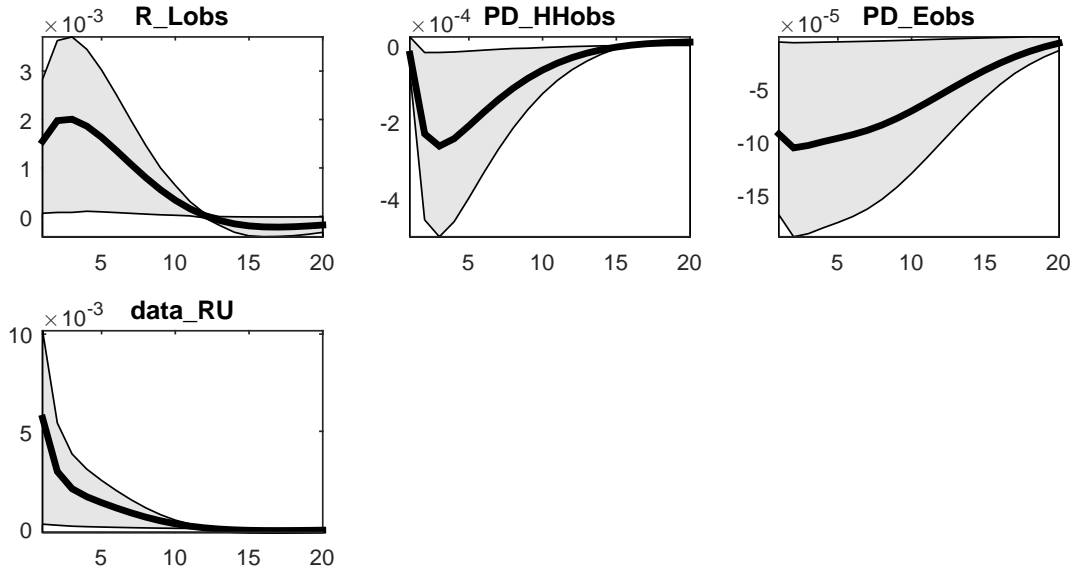


Figure 49: Bayesian IRF: Orthogonalized shock to E_G .

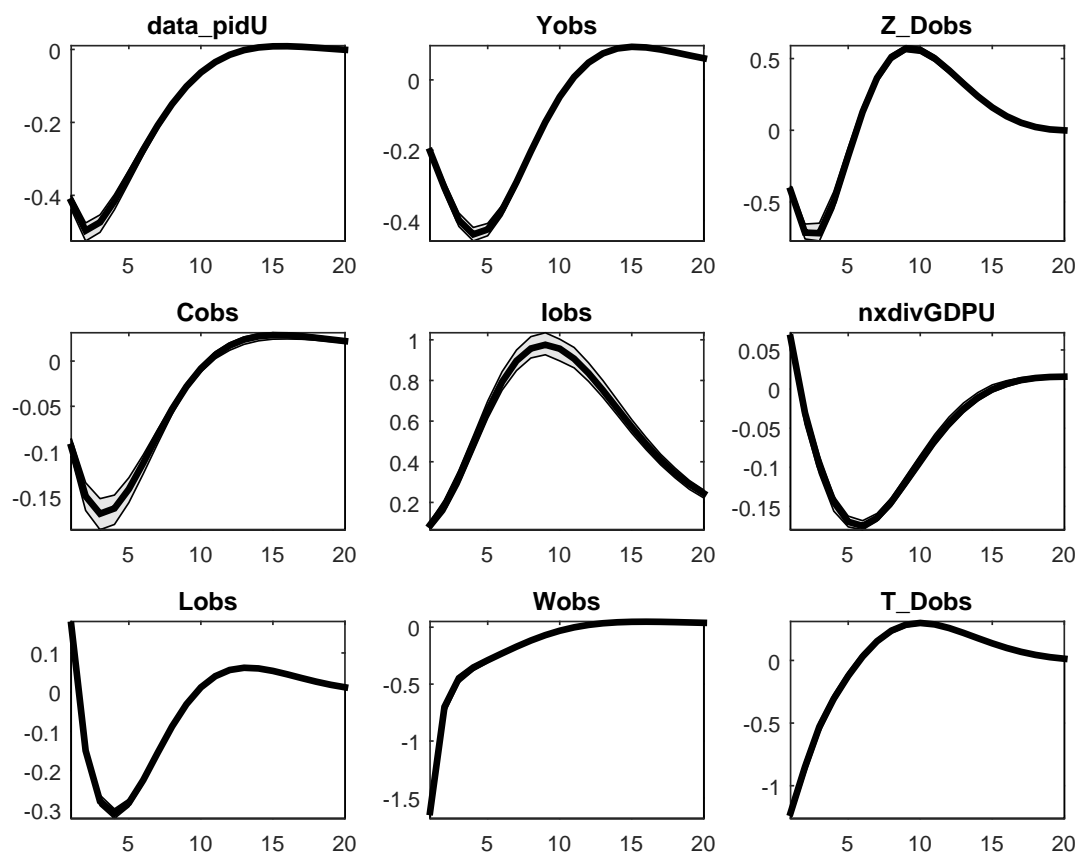


Figure 50: Bayesian IRF: Orthogonalized shock to E_P .

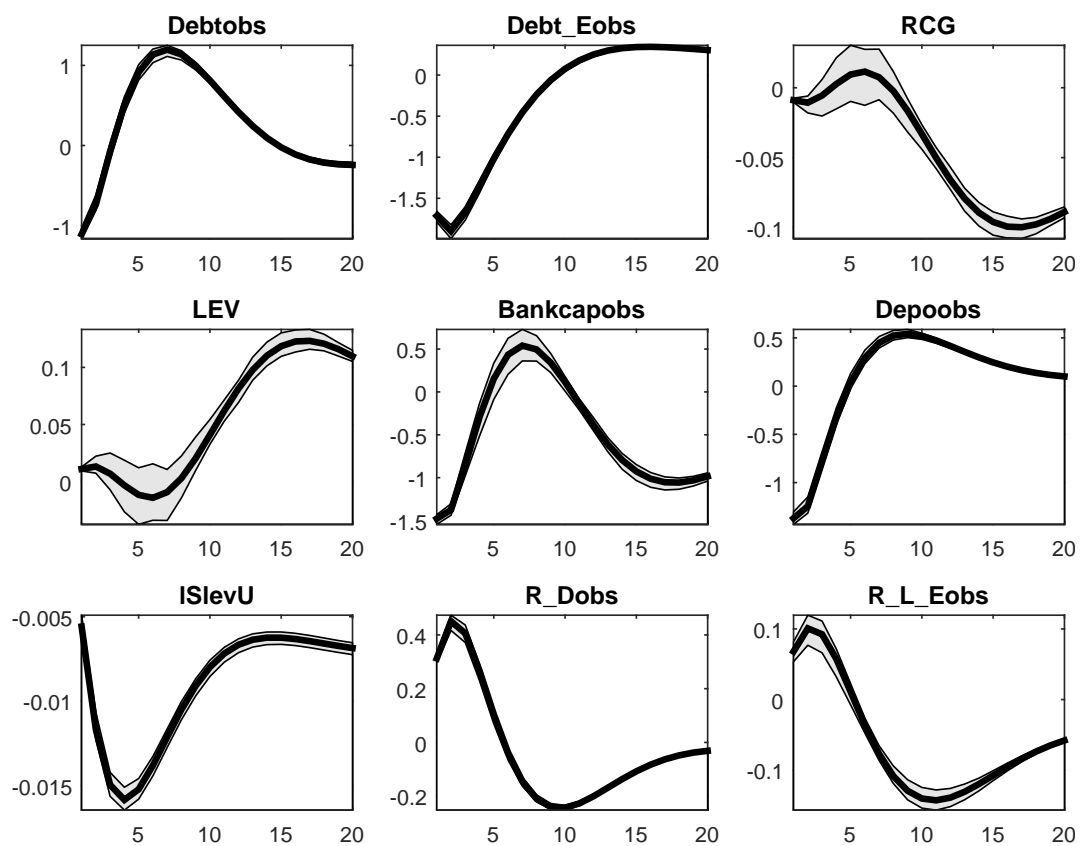


Figure 51: Bayesian IRF: Orthogonalized shock to E_P .

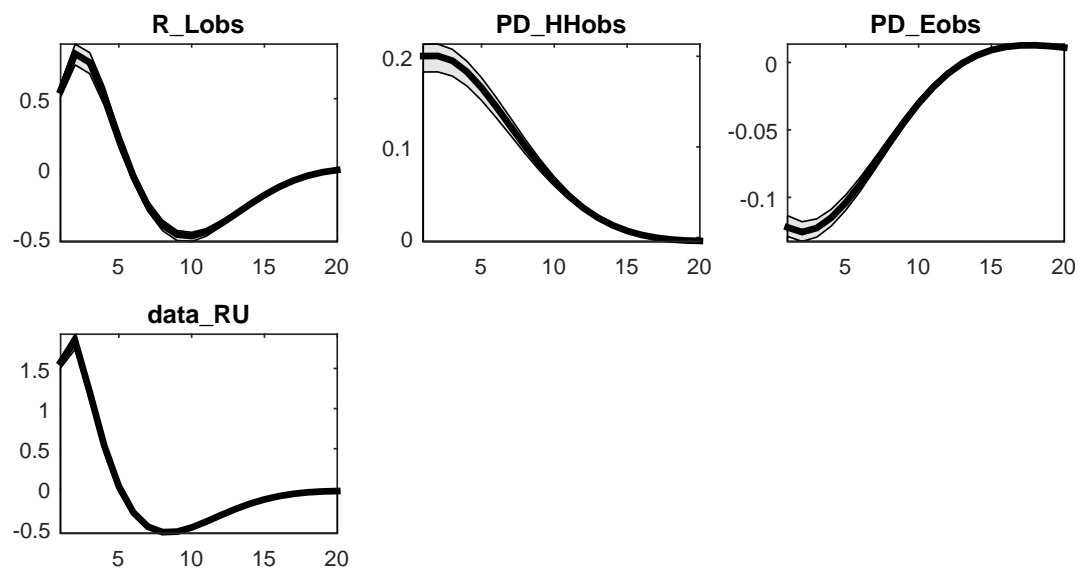


Figure 52: Bayesian IRF: Orthogonalized shock to E_P .

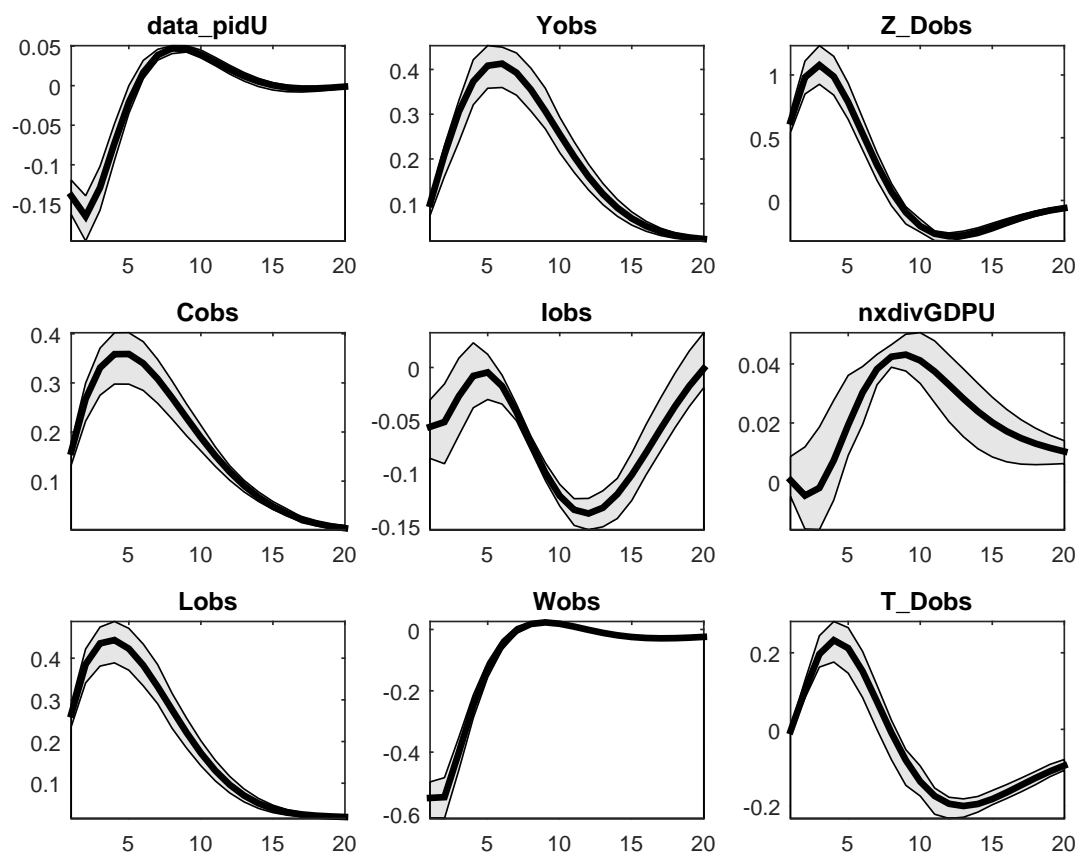


Figure 53: Bayesian IRF: Orthogonalized shock to E_W .

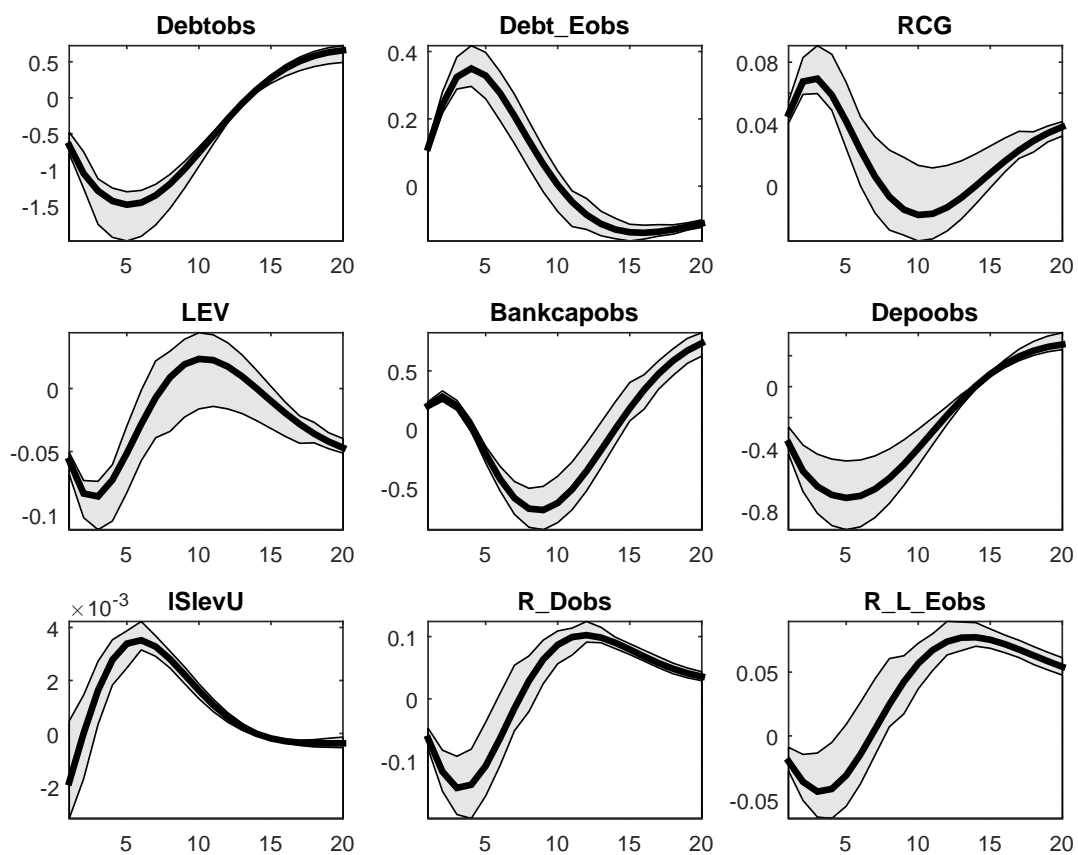


Figure 54: Bayesian IRF: Orthogonalized shock to E_W .

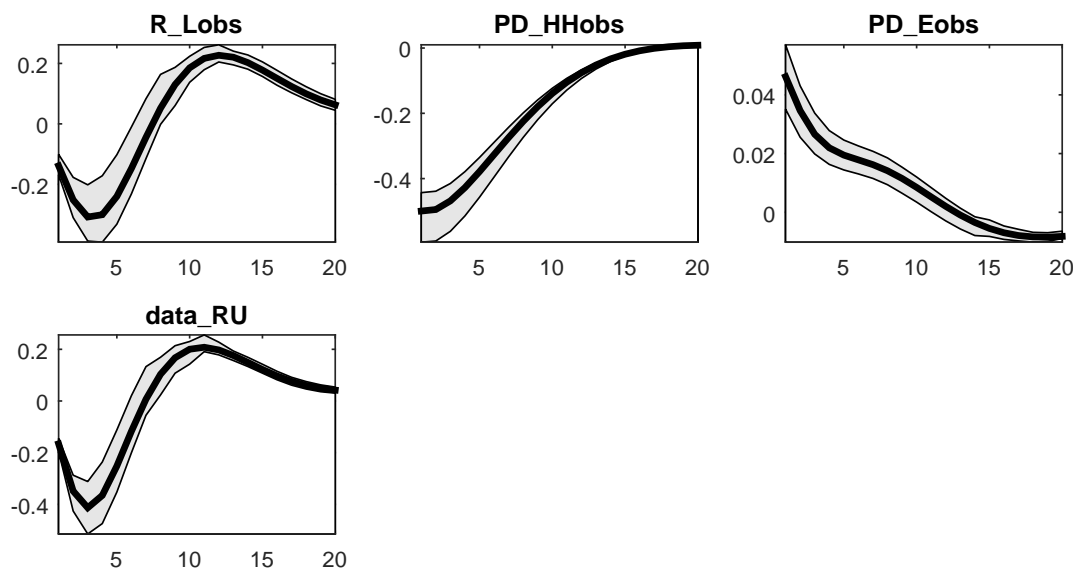


Figure 55: Bayesian IRF: Orthogonalized shock to E_W .

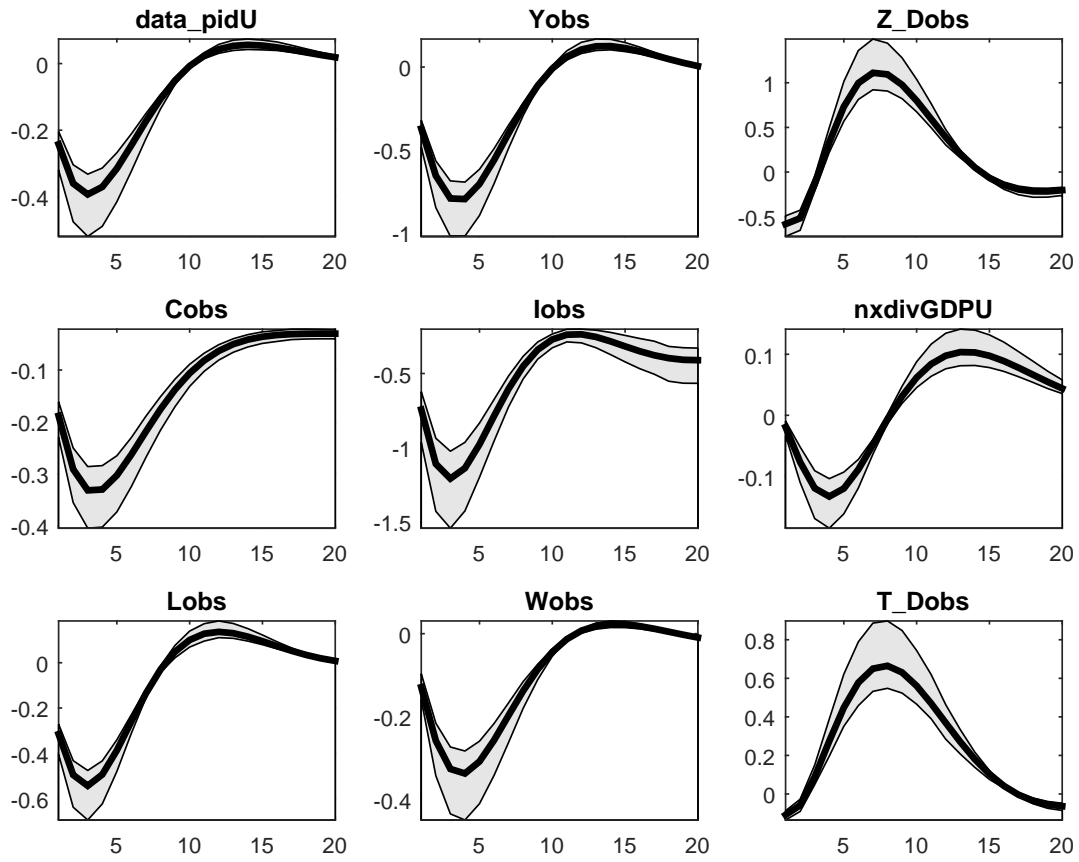


Figure 56: Bayesian IRF: Orthogonalized shock to E_R .

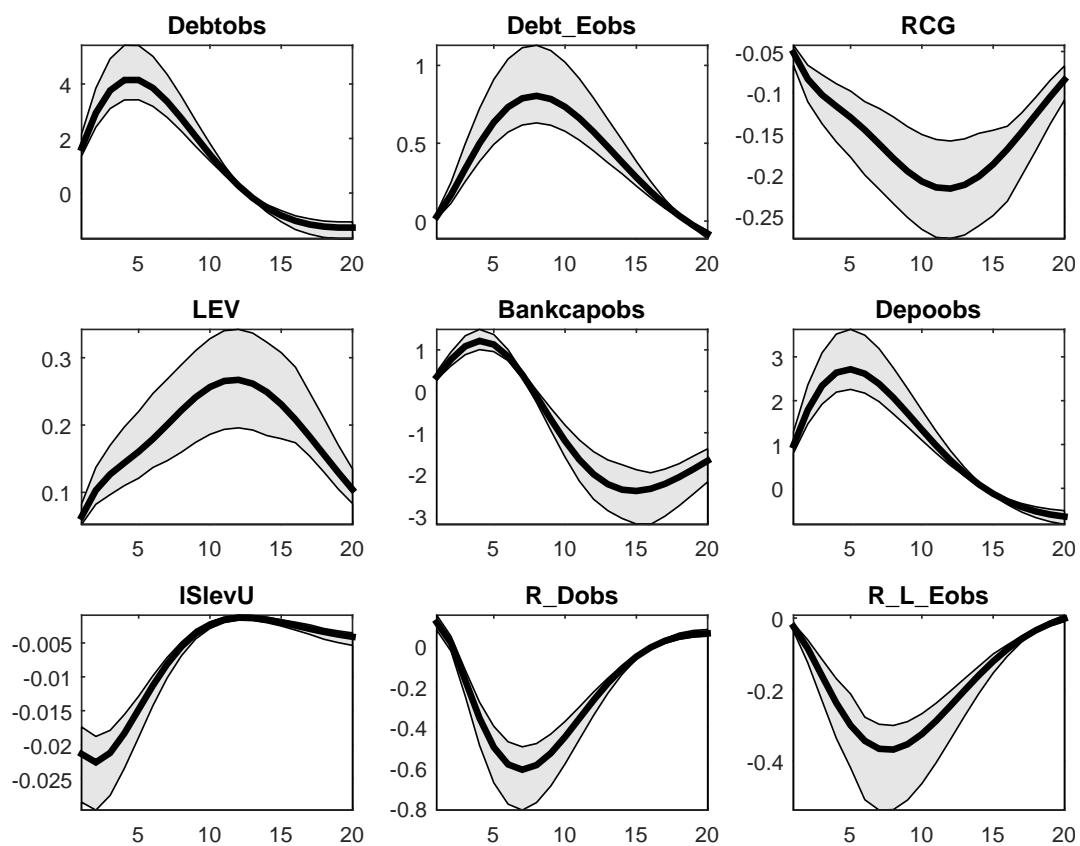


Figure 57: Bayesian IRF: Orthogonalized shock to E_R .

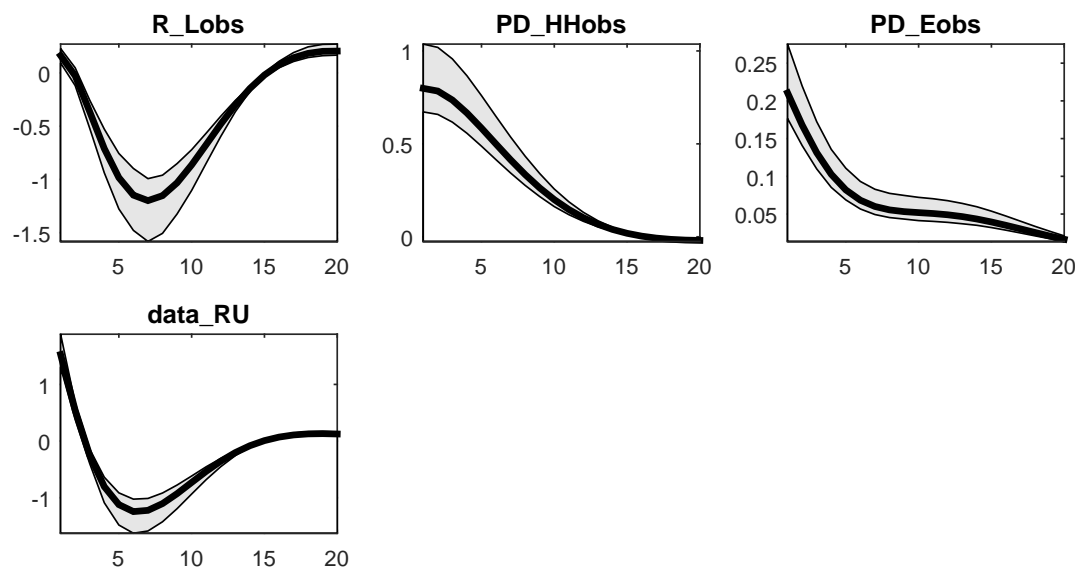


Figure 58: Bayesian IRF: Orthogonalized shock to E_R .

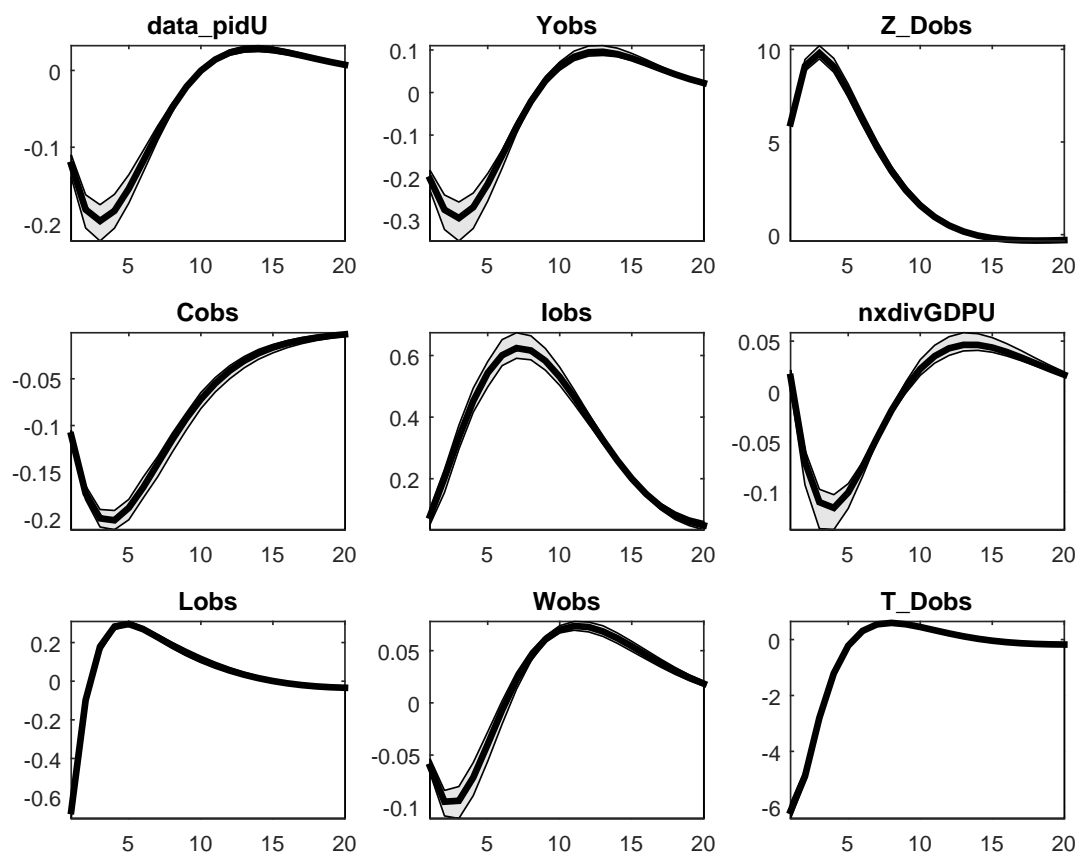


Figure 59: Bayesian IRF: Orthogonalized shock to E_A_D .

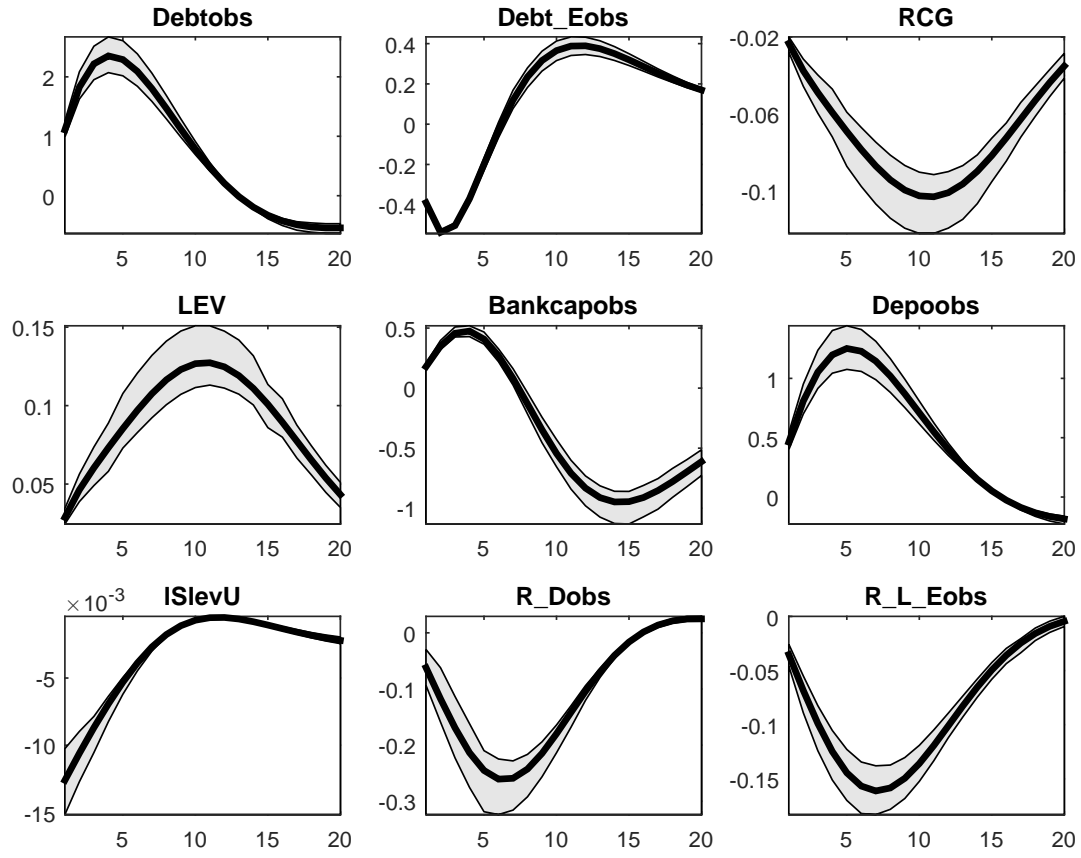


Figure 60: Bayesian IRF: Orthogonalized shock to E_A_D .

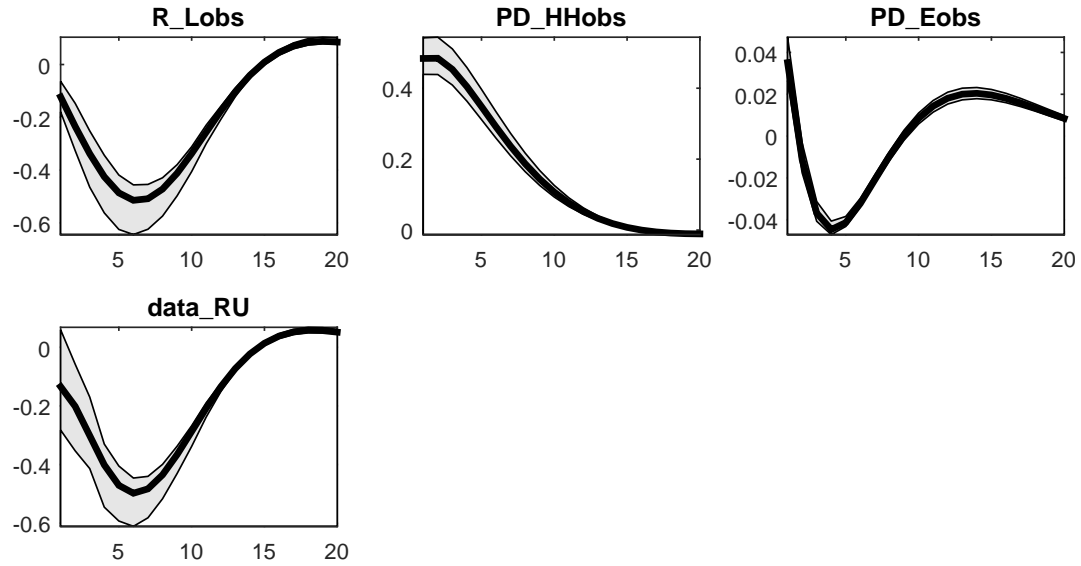


Figure 61: Bayesian IRF: Orthogonalized shock to E_A_D .

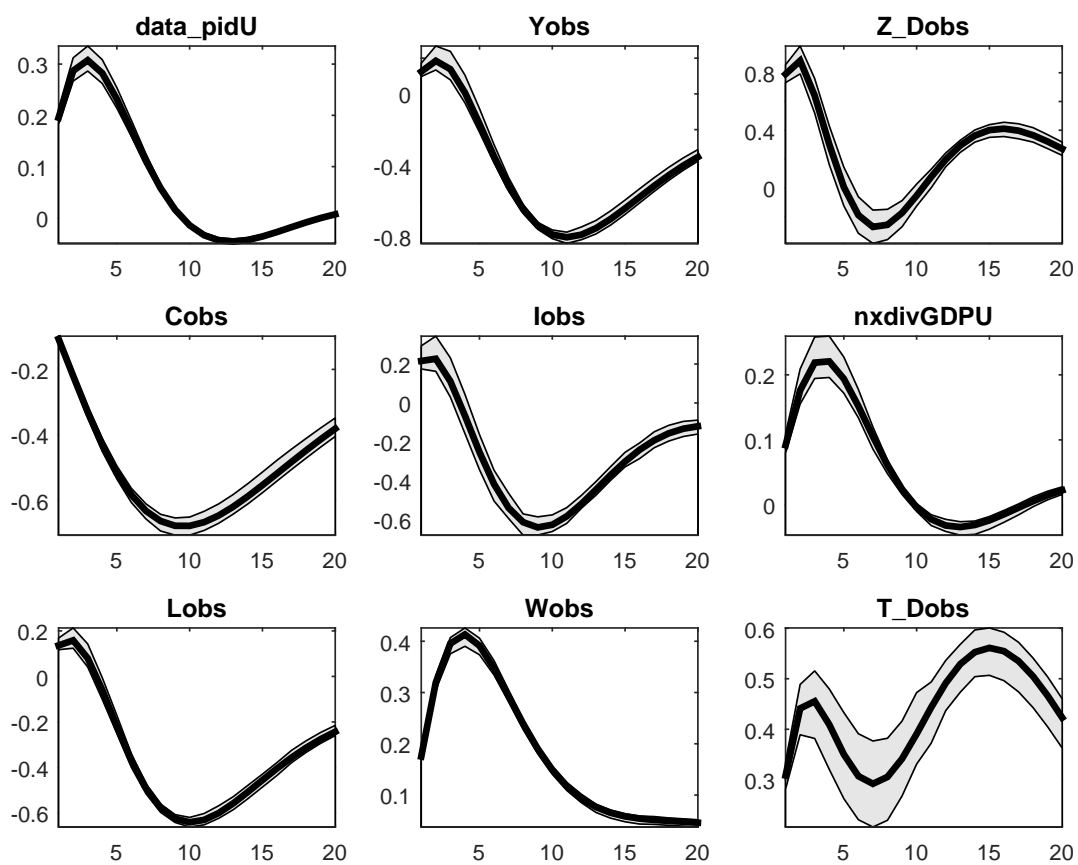


Figure 62: Bayesian IRF: Orthogonalized shock to E_H .

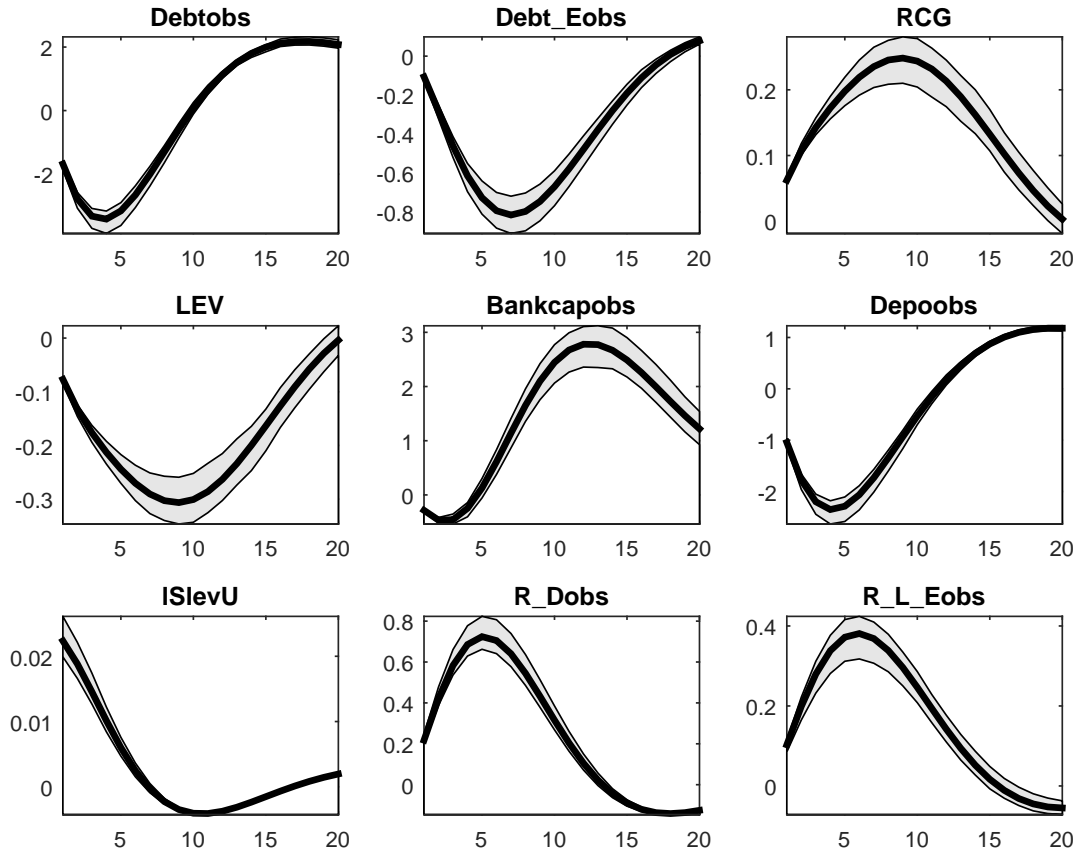


Figure 63: Bayesian IRF: Orthogonalized shock to E_H .

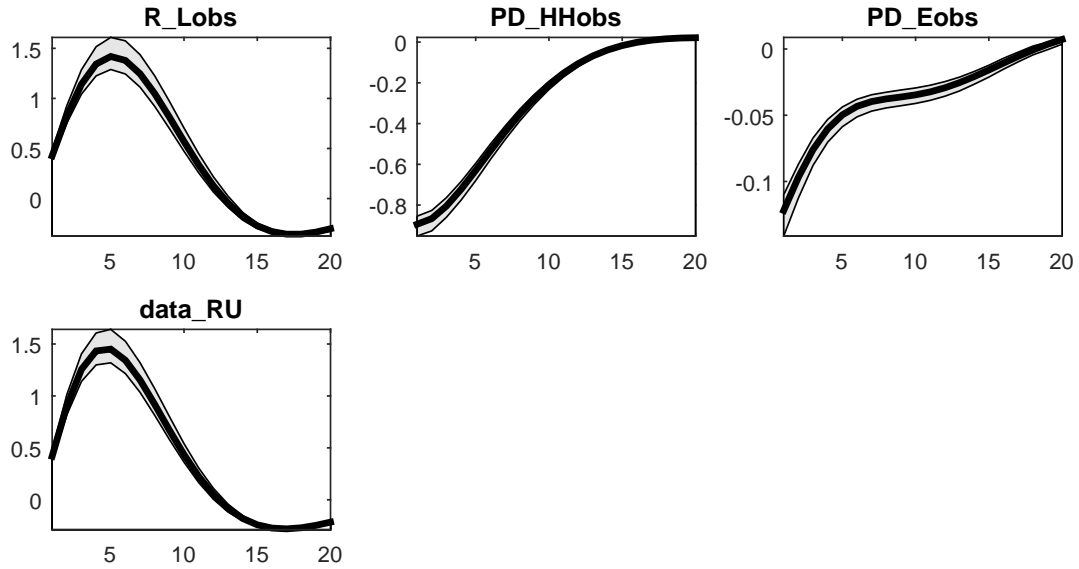


Figure 64: Bayesian IRF: Orthogonalized shock to E_H .

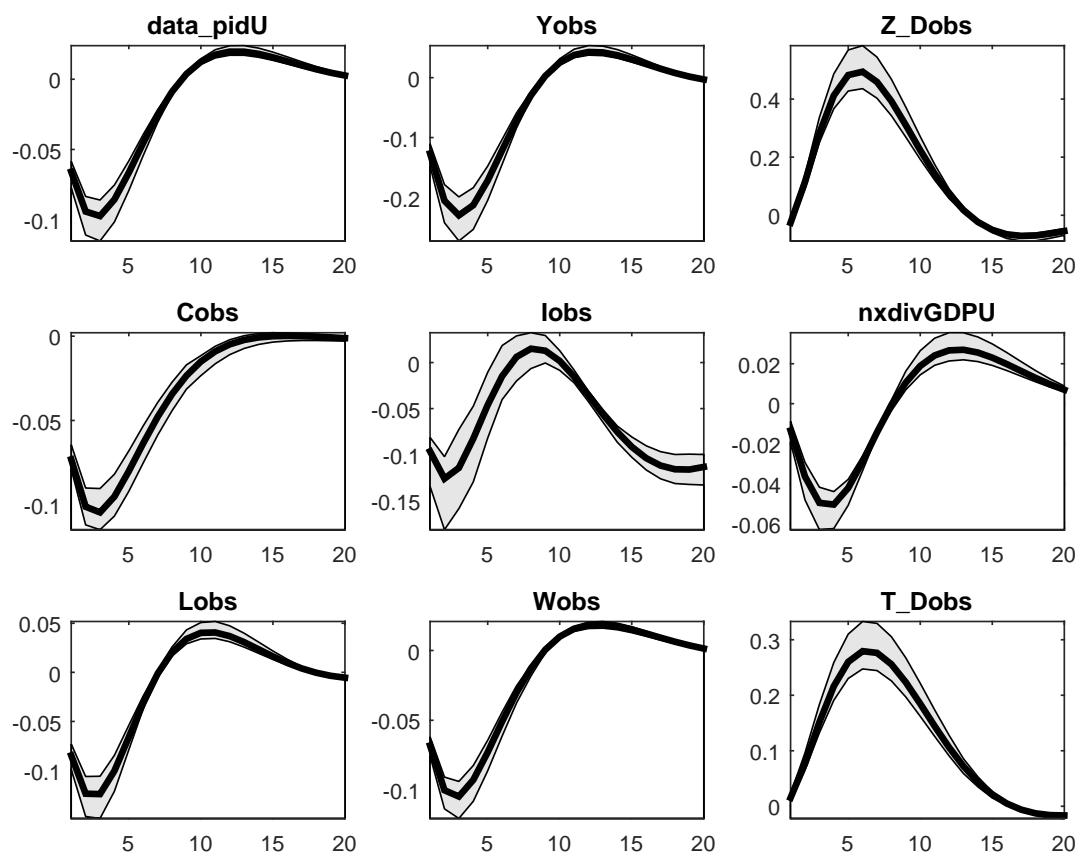


Figure 65: Bayesian IRF: Orthogonalized shock to E_SIG_HH .

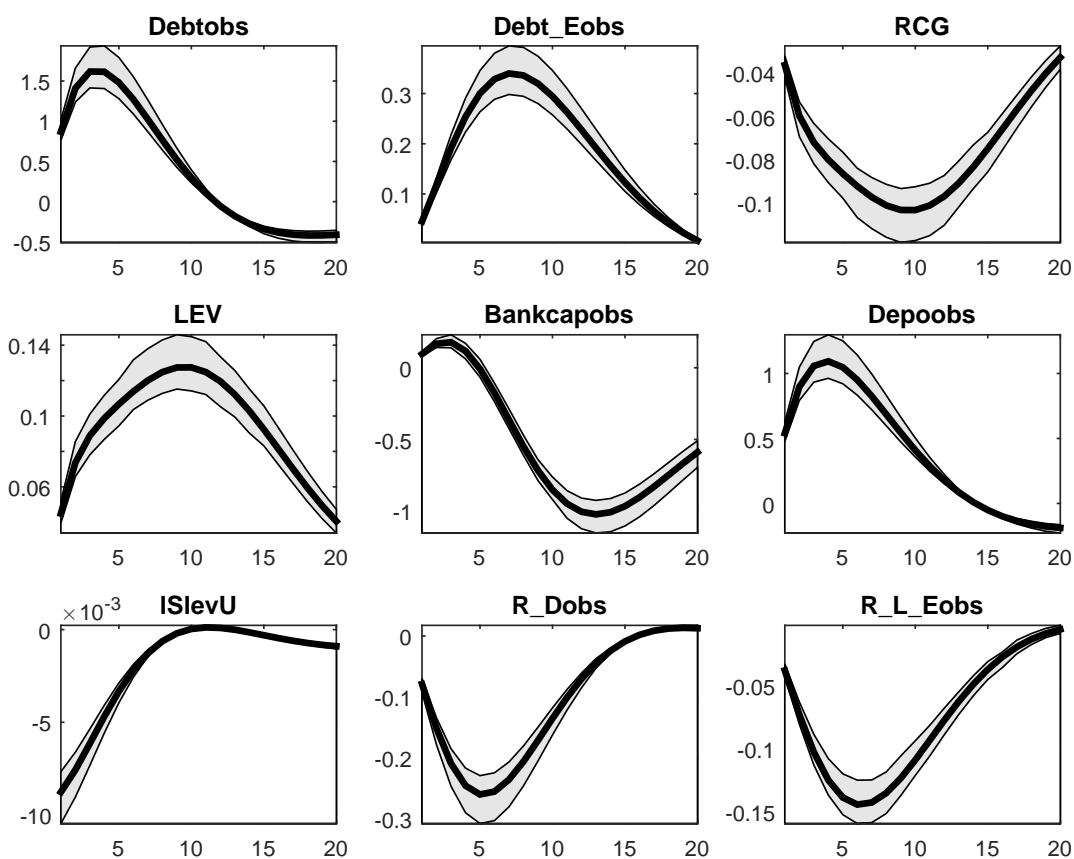


Figure 66: Bayesian IRF: Orthogonalized shock to E_SIG_HH .

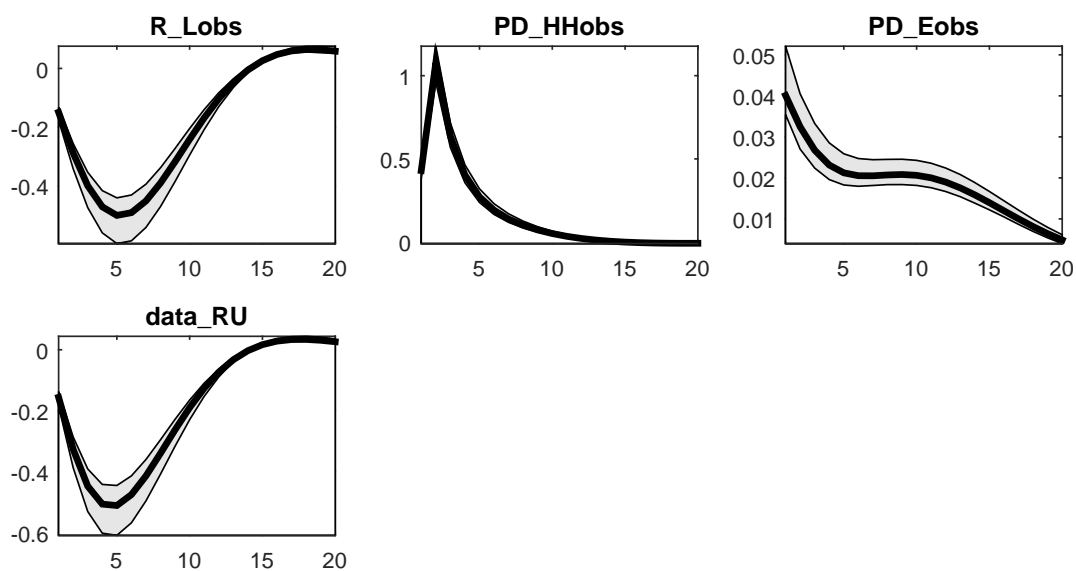


Figure 67: Bayesian IRF: Orthogonalized shock to E_SIG_HH .

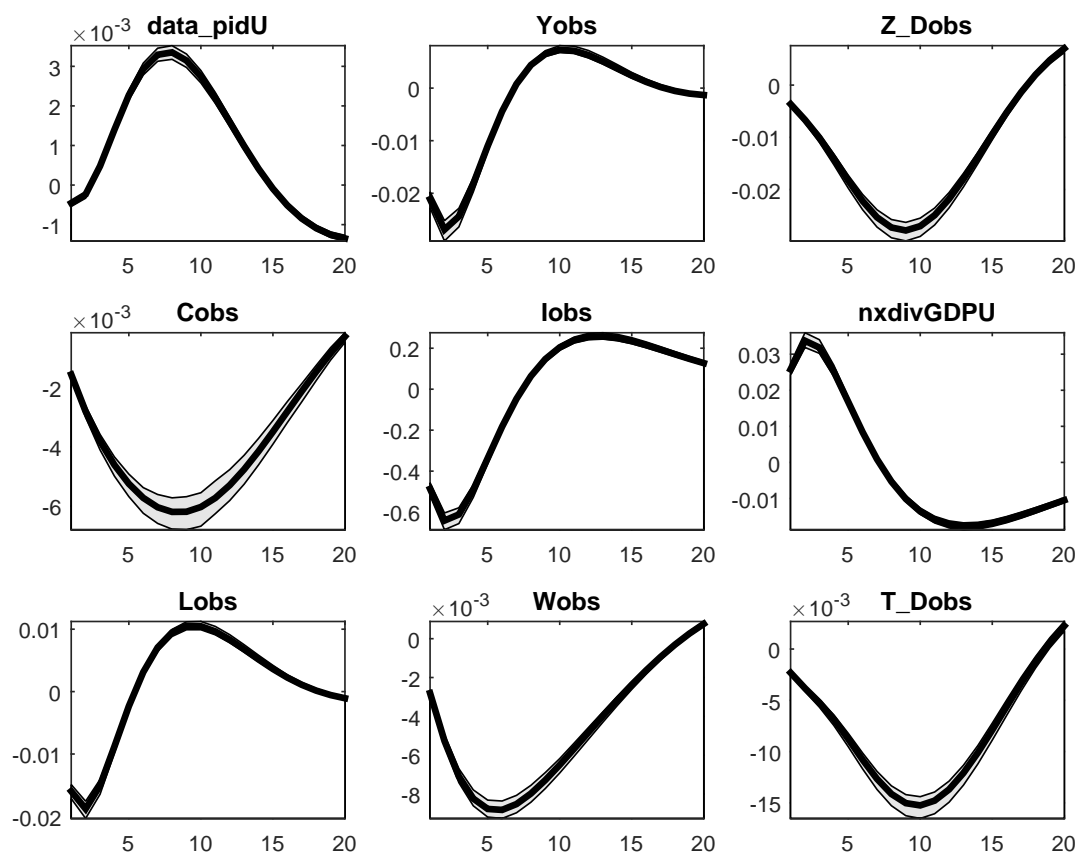


Figure 68: Bayesian IRF: Orthogonalized shock to E_SIG .

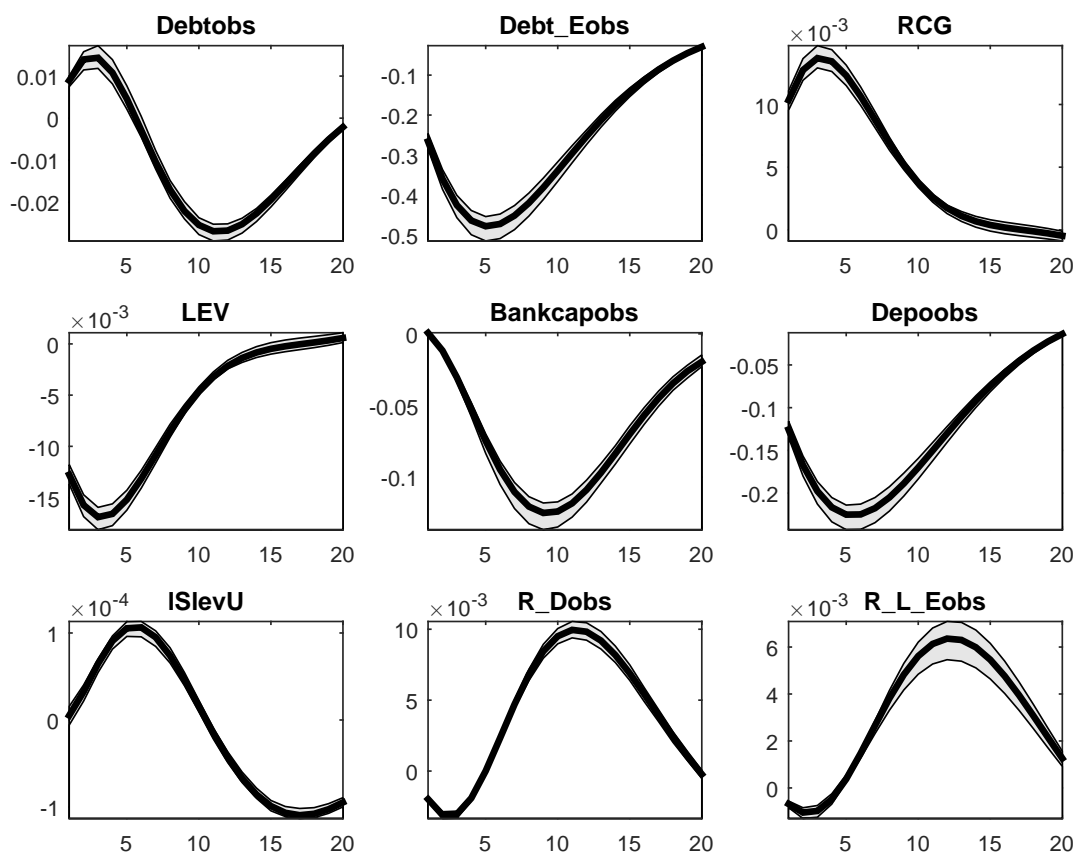


Figure 69: Bayesian IRF: Orthogonalized shock to E_SIG .

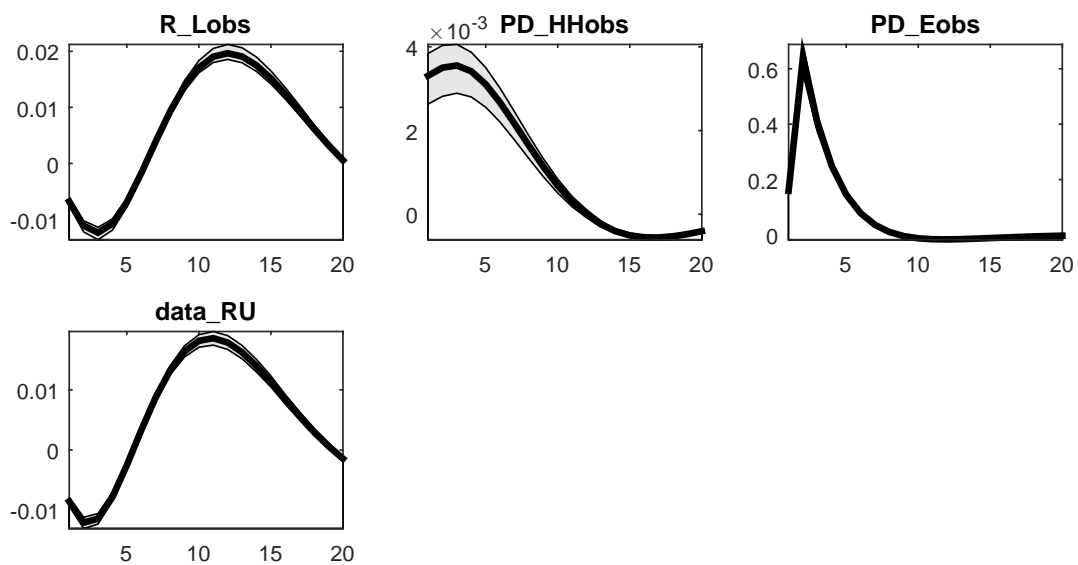


Figure 70: Bayesian IRF: Orthogonalized shock to E_SIG .

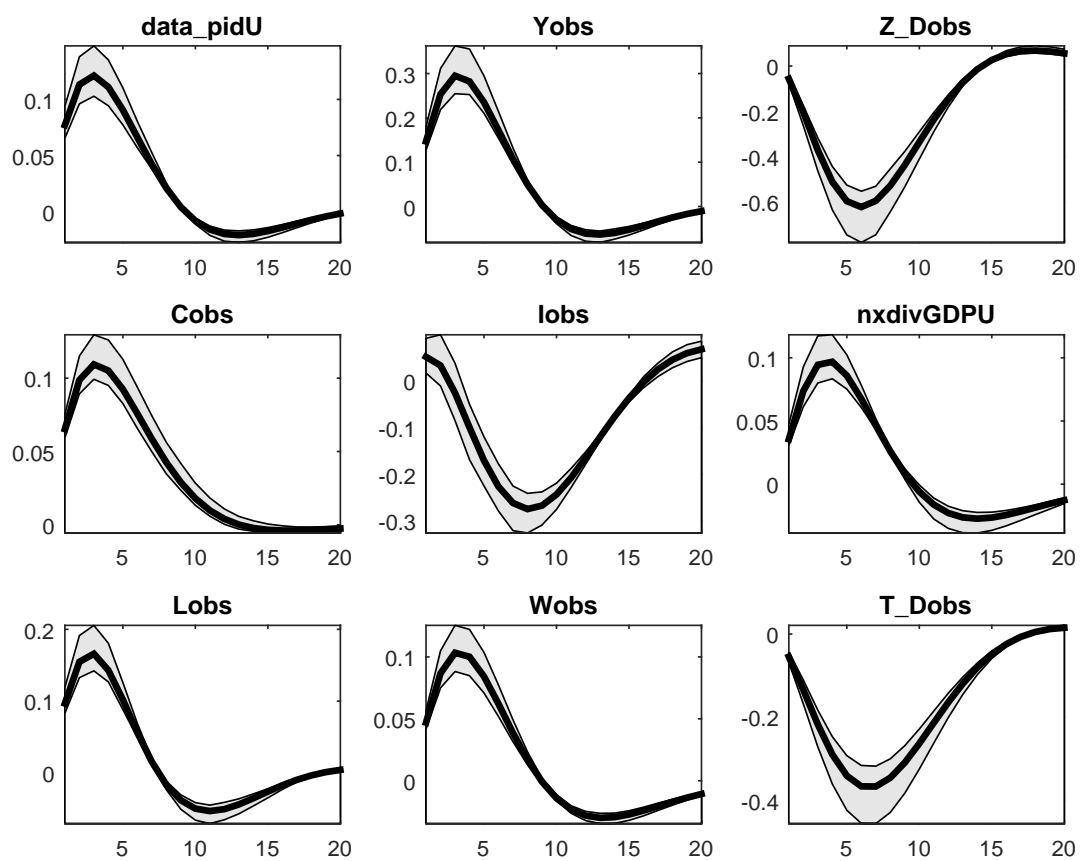


Figure 71: Bayesian IRF: Orthogonalized shock to $E_{R.L.}$.

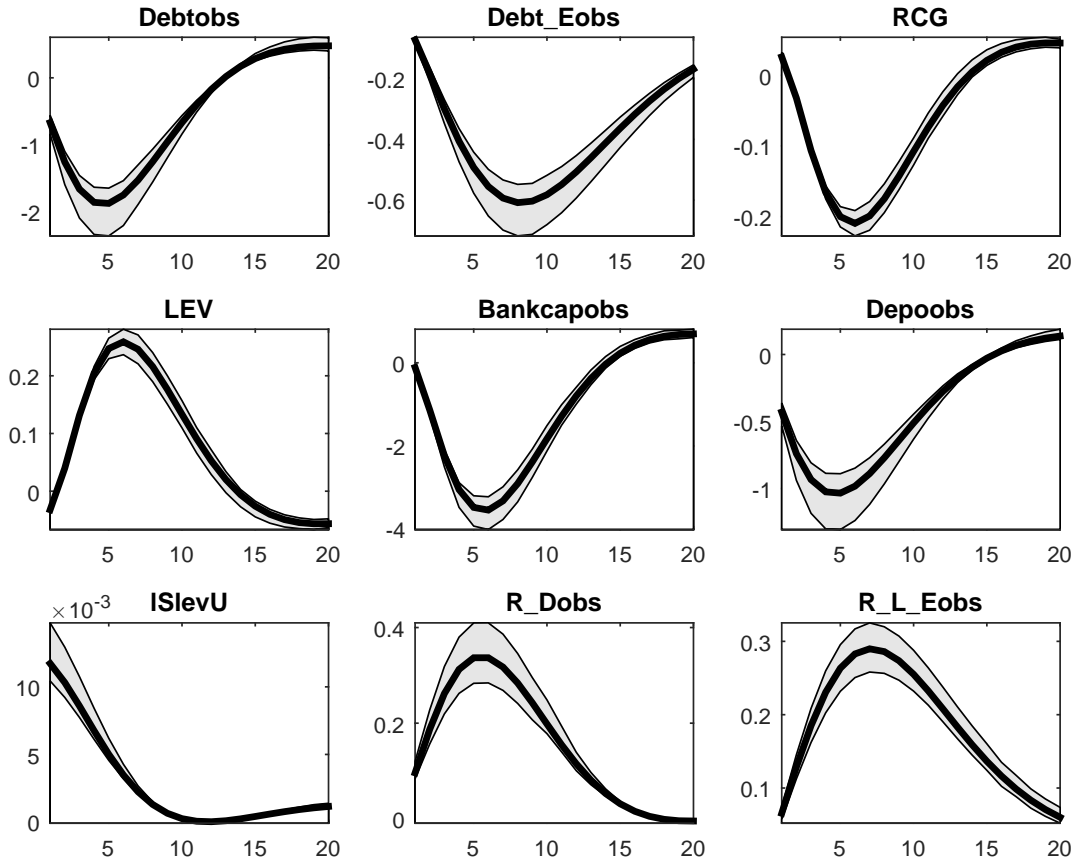


Figure 72: Bayesian IRF: Orthogonalized shock to $E_R.L$.

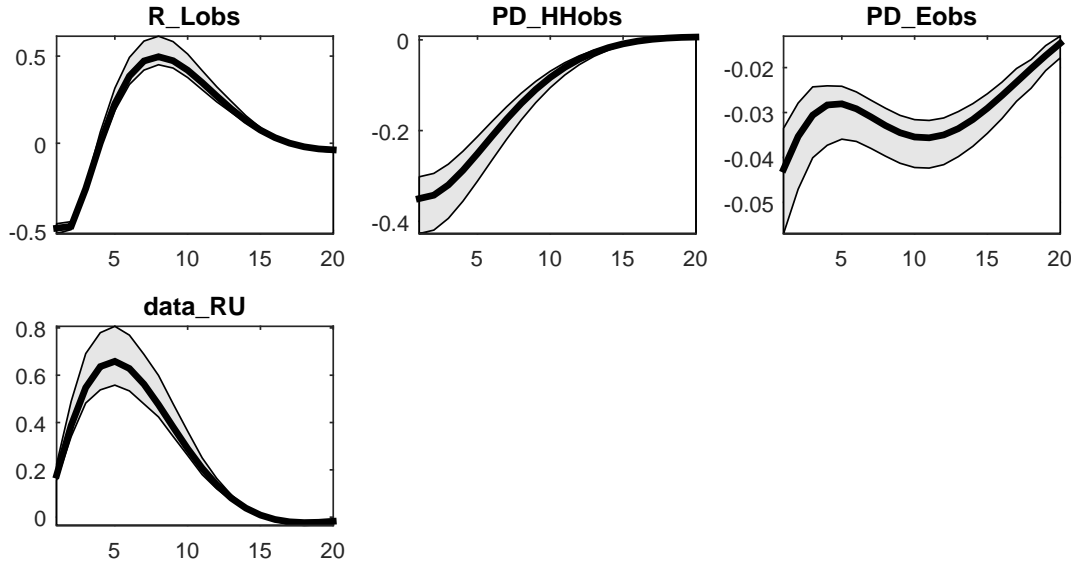


Figure 73: Bayesian IRF: Orthogonalized shock to $E_R.L$.

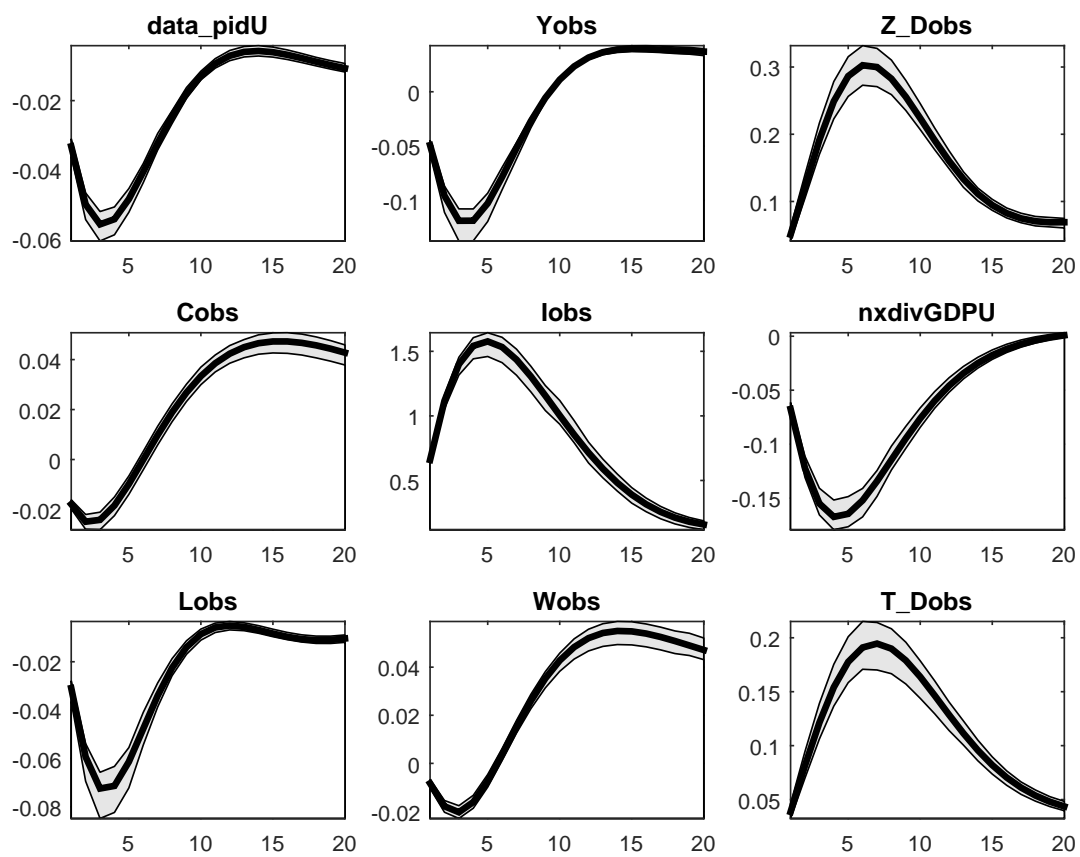


Figure 74: Bayesian IRF: Orthogonalized shock to $E_R_L_E$.

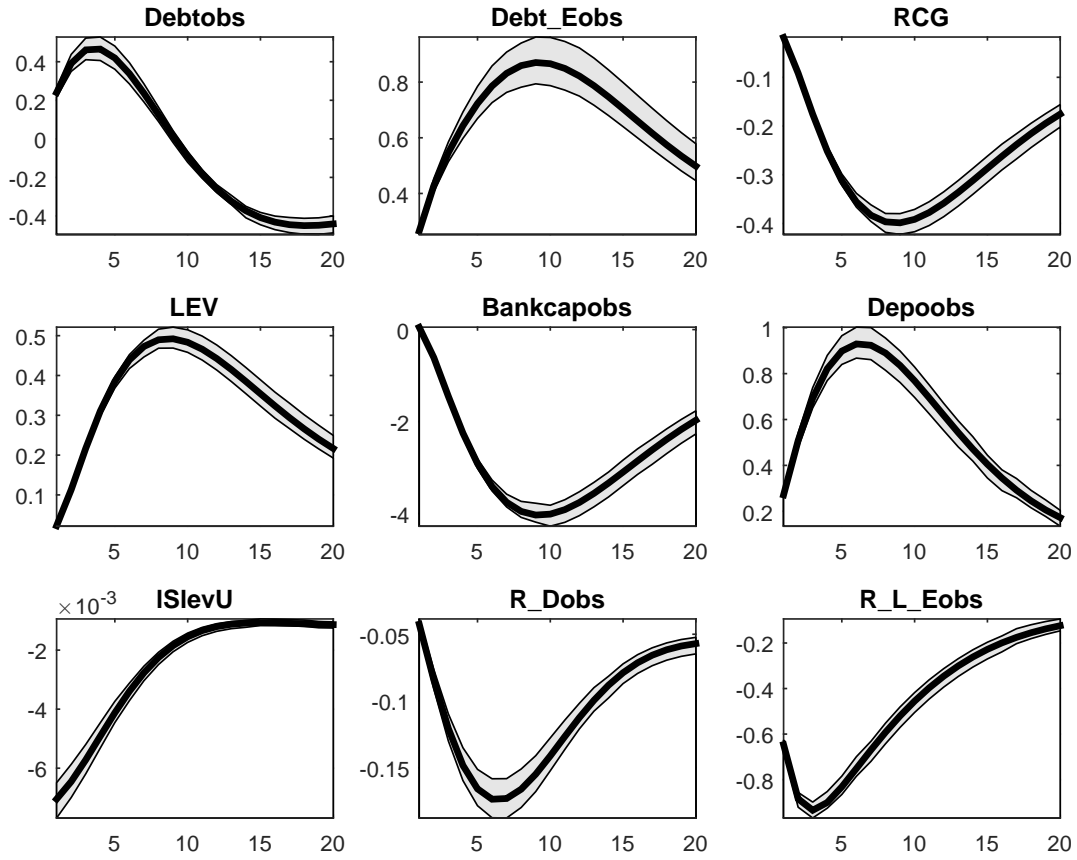


Figure 75: Bayesian IRF: Orthogonalized shock to $E_R_L_E$.

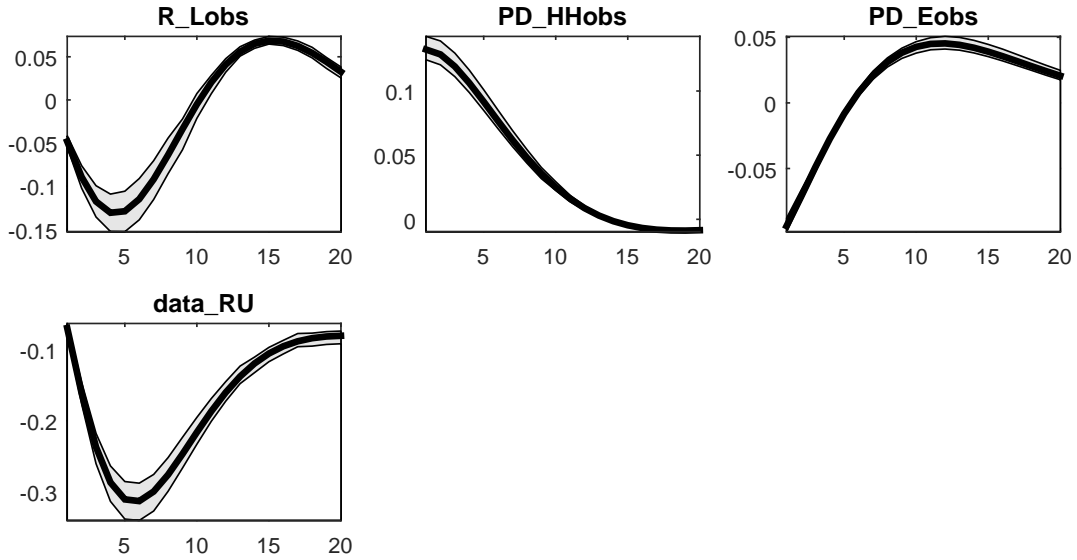


Figure 76: Bayesian IRF: Orthogonalized shock to $E_R_L_E$.

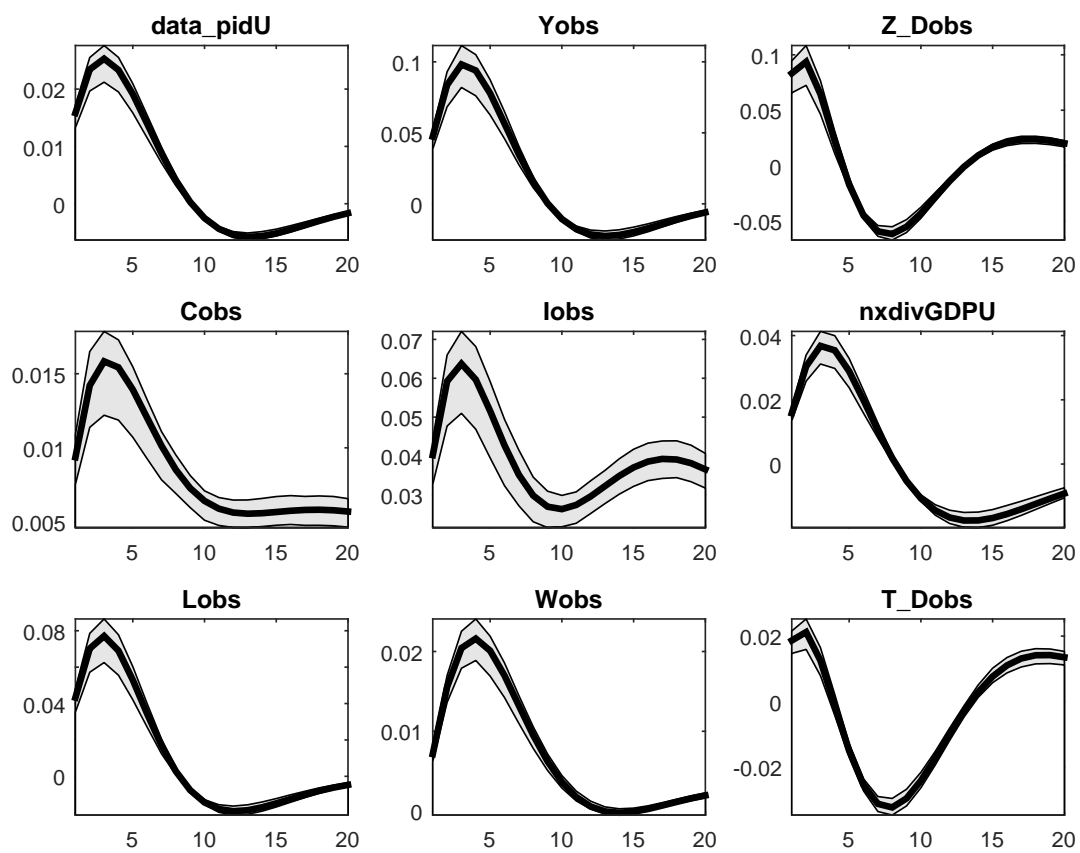


Figure 77: Bayesian IRF: Orthogonalized shock to E_R_D .

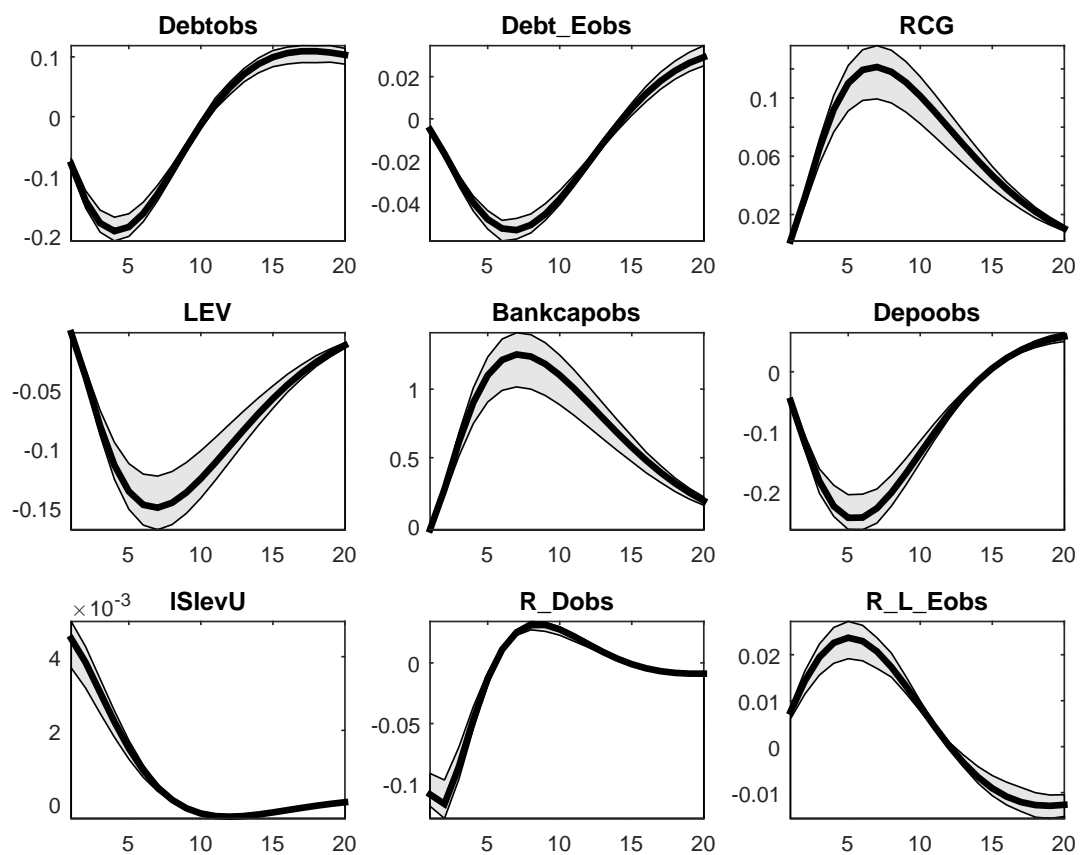


Figure 78: Bayesian IRF: Orthogonalized shock to $E_{R,D}$.

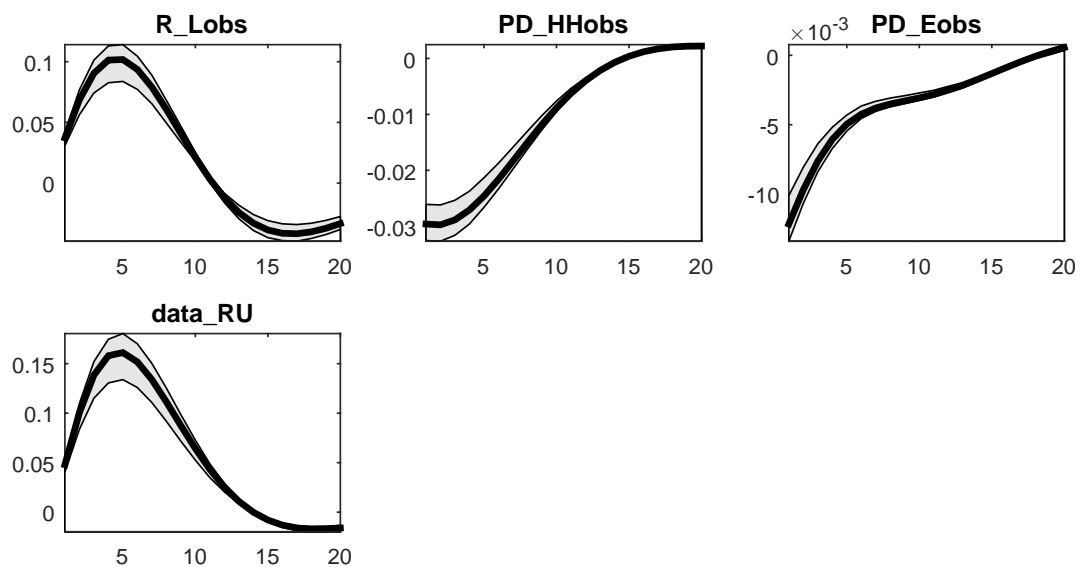


Figure 79: Bayesian IRF: Orthogonalized shock to $E_{R,D}$.

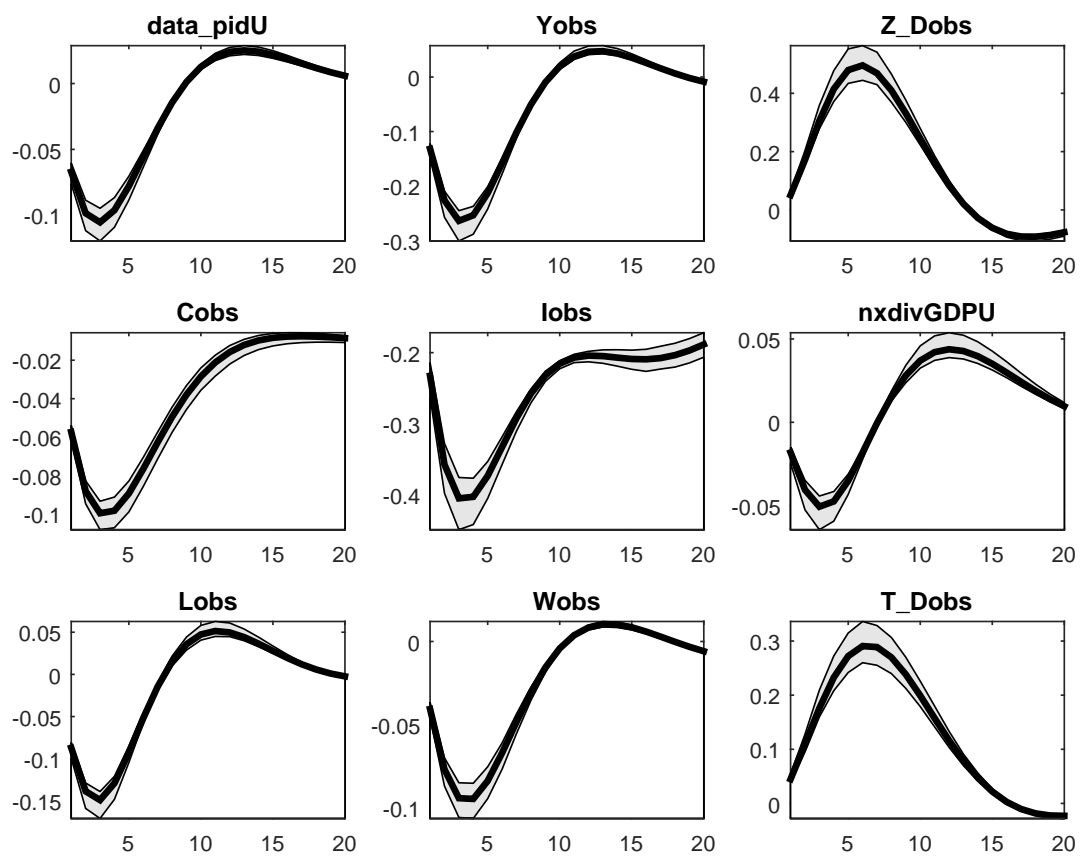


Figure 80: Bayesian IRF: Orthogonalized shock to $E_Bankcap$.

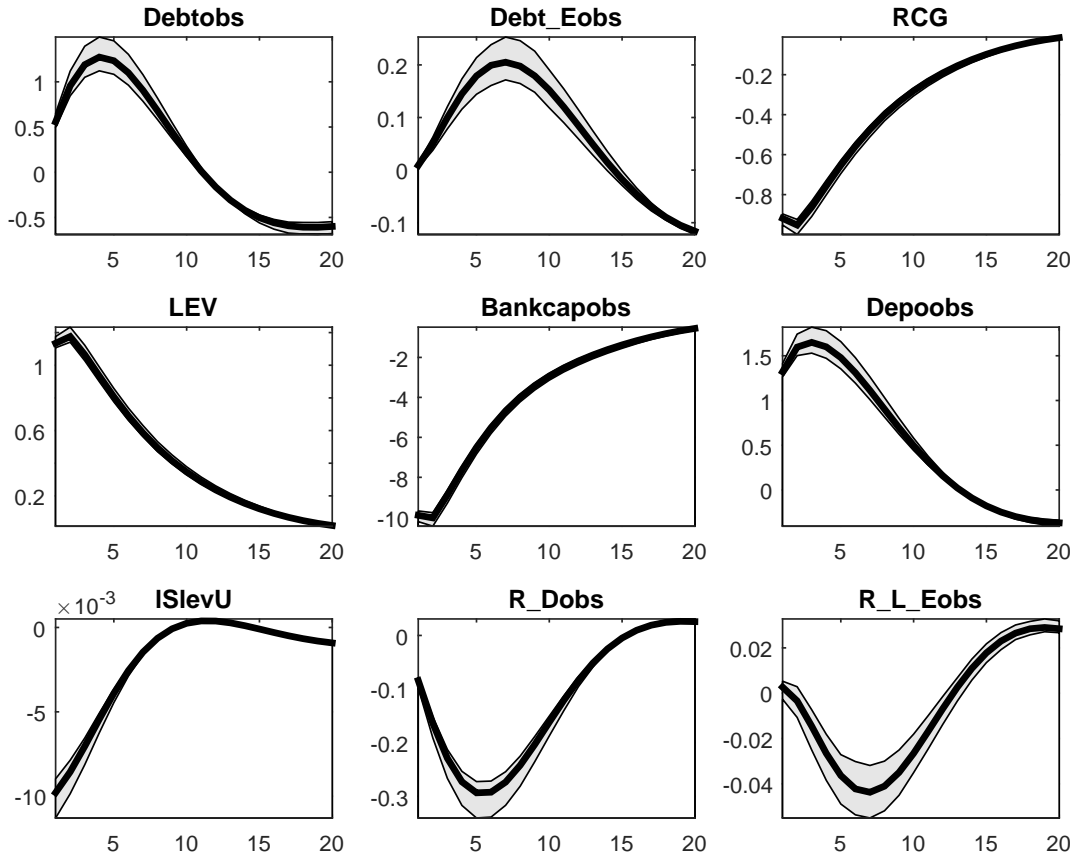


Figure 81: Bayesian IRF: Orthogonalized shock to $E_Bankcap$.

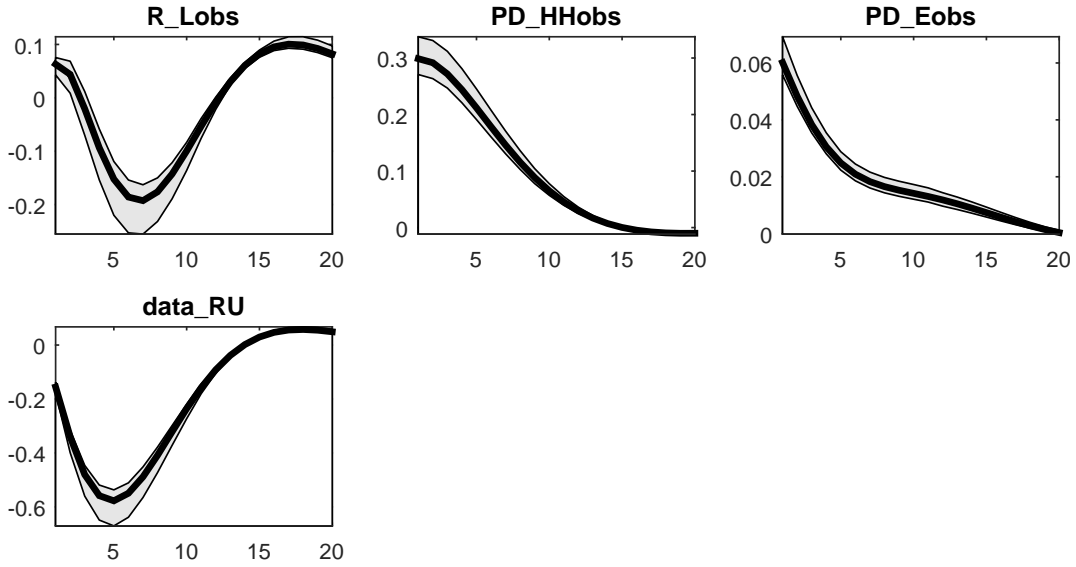


Figure 82: Bayesian IRF: Orthogonalized shock to $E_Bankcap$.

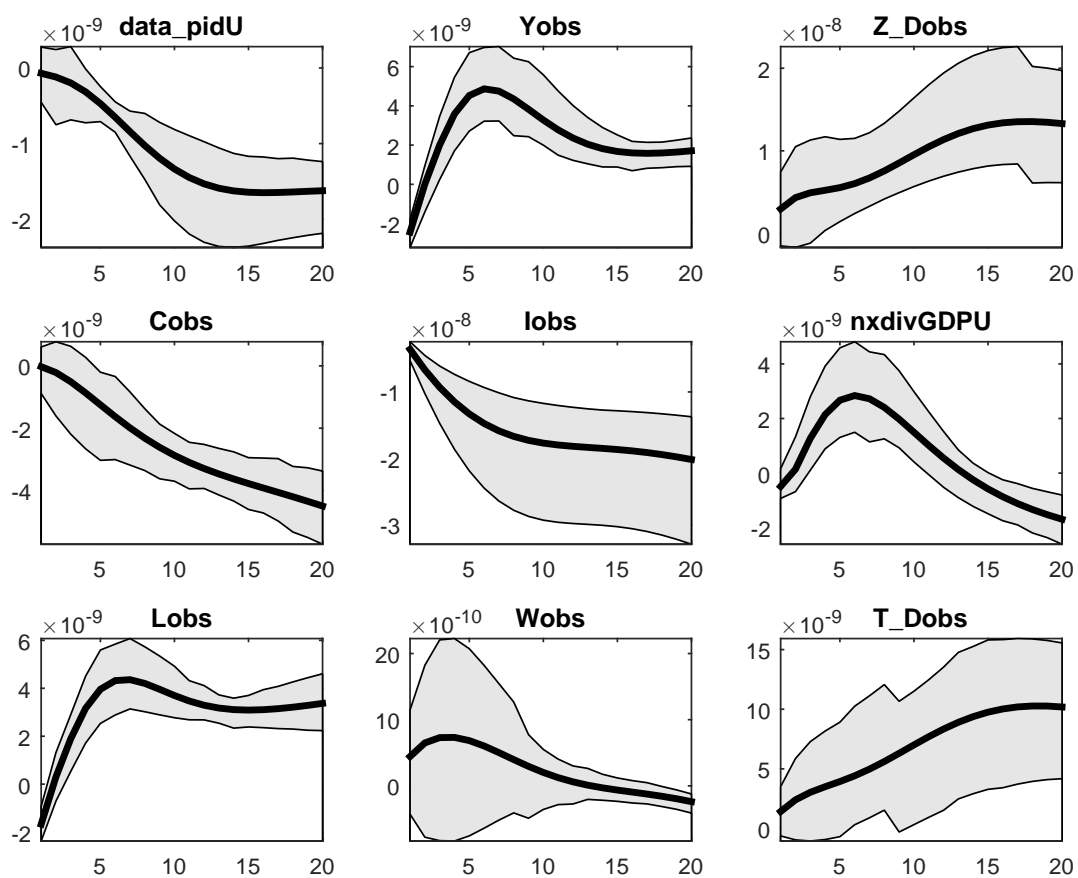


Figure 83: Bayesian IRF: Orthogonalized shock to $mupsi_eps$.

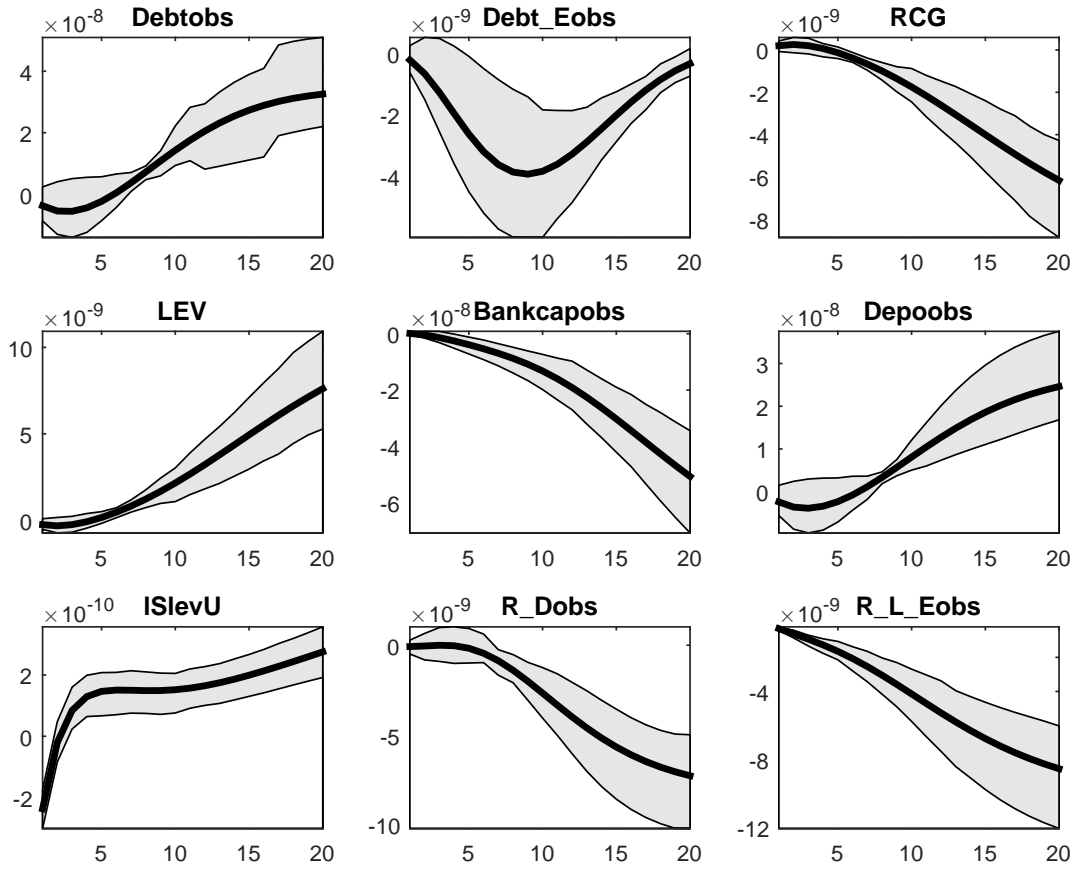


Figure 84: Bayesian IRF: Orthogonalized shock to $mupsi_eps$.

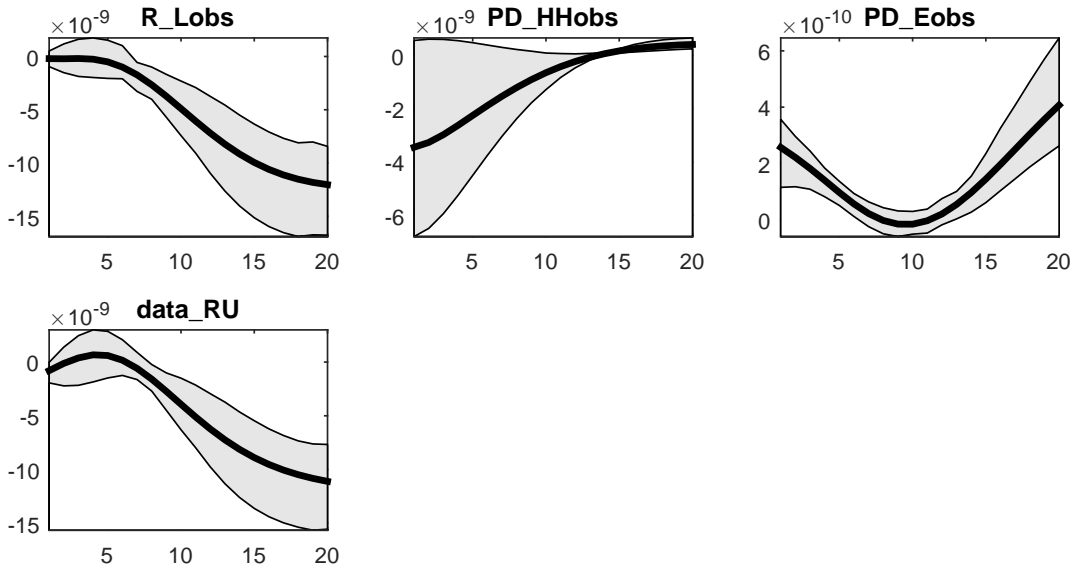


Figure 85: Bayesian IRF: Orthogonalized shock to $mupsi_eps$.

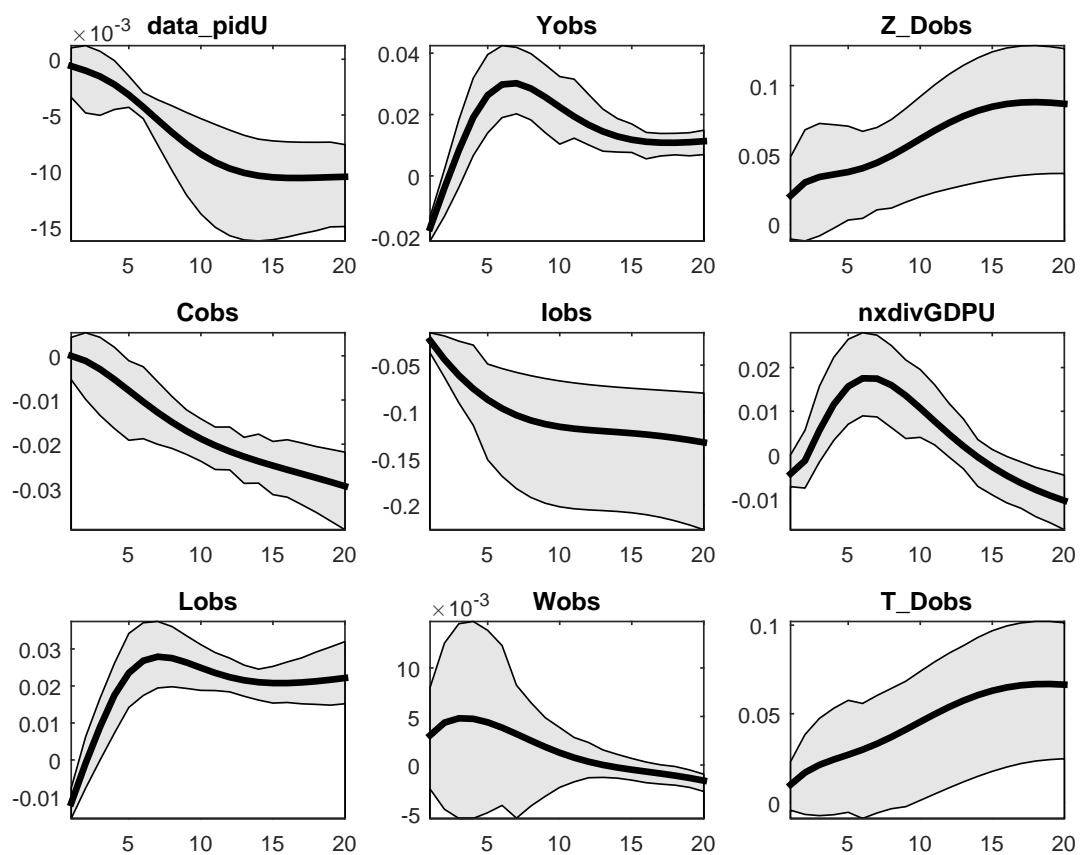


Figure 86: Bayesian IRF: Orthogonalized shock to *muz_eps*.

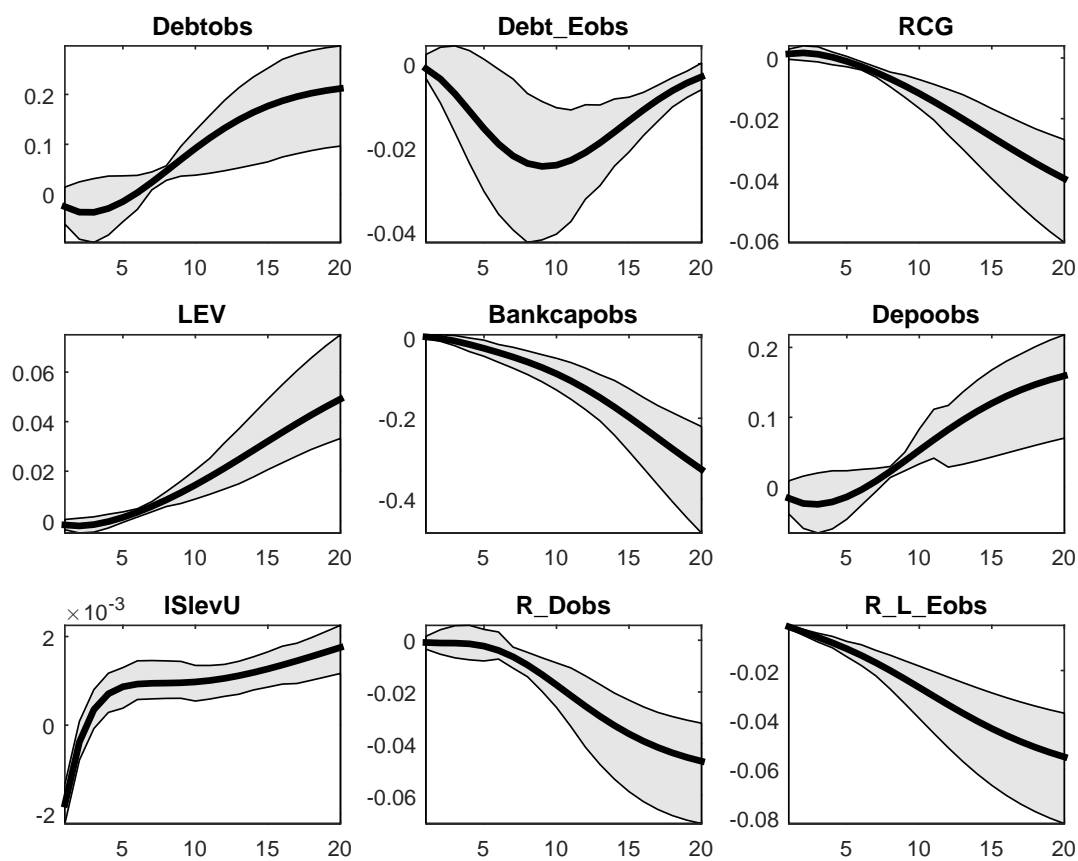


Figure 87: Bayesian IRF: Orthogonalized shock to muz_eps .

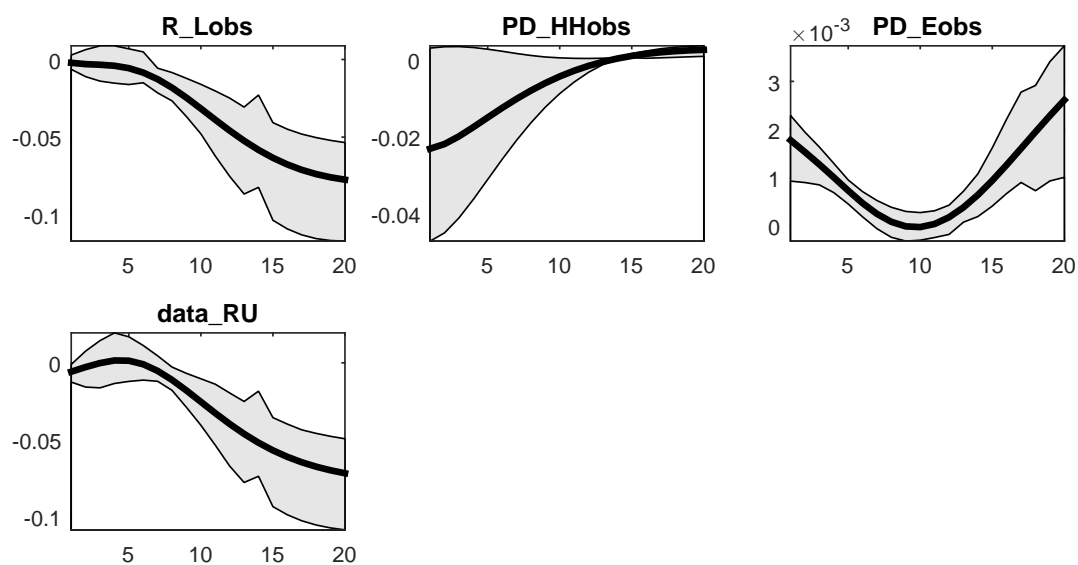


Figure 88: Bayesian IRF: Orthogonalized shock to muz_eps .

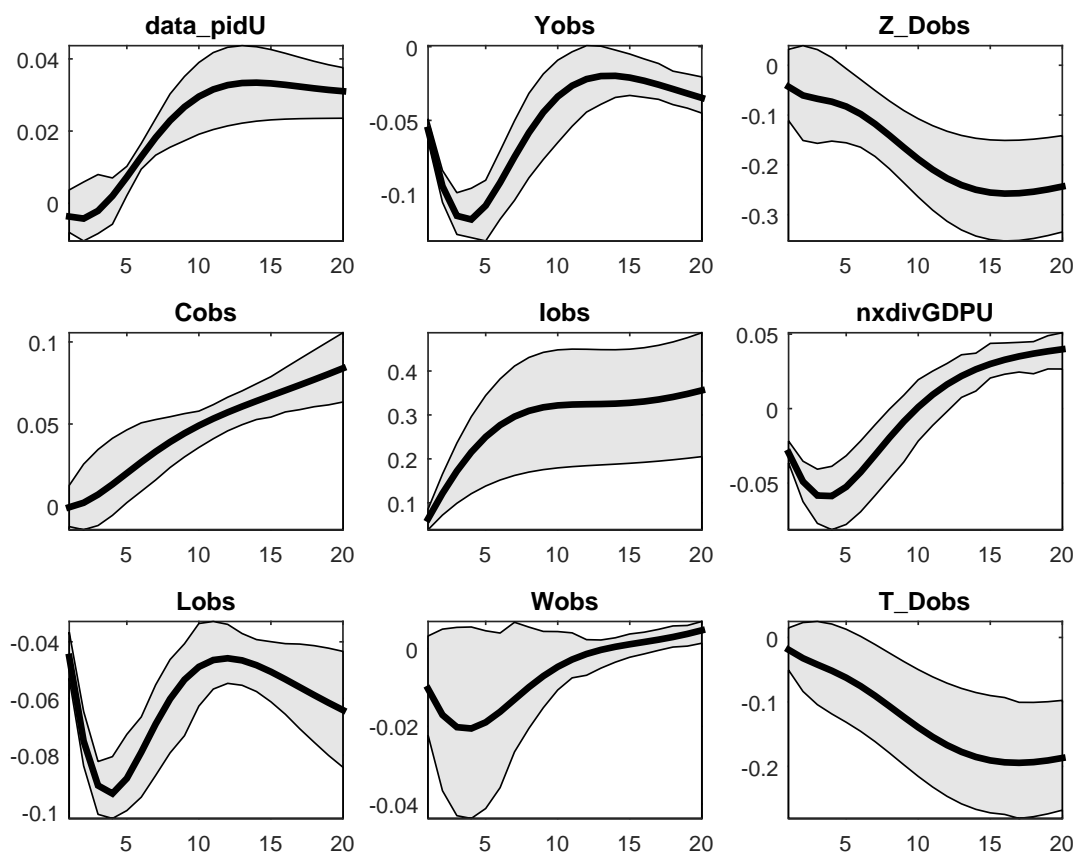


Figure 89: Bayesian IRF: Orthogonalized shock to $Rstar_eps$.

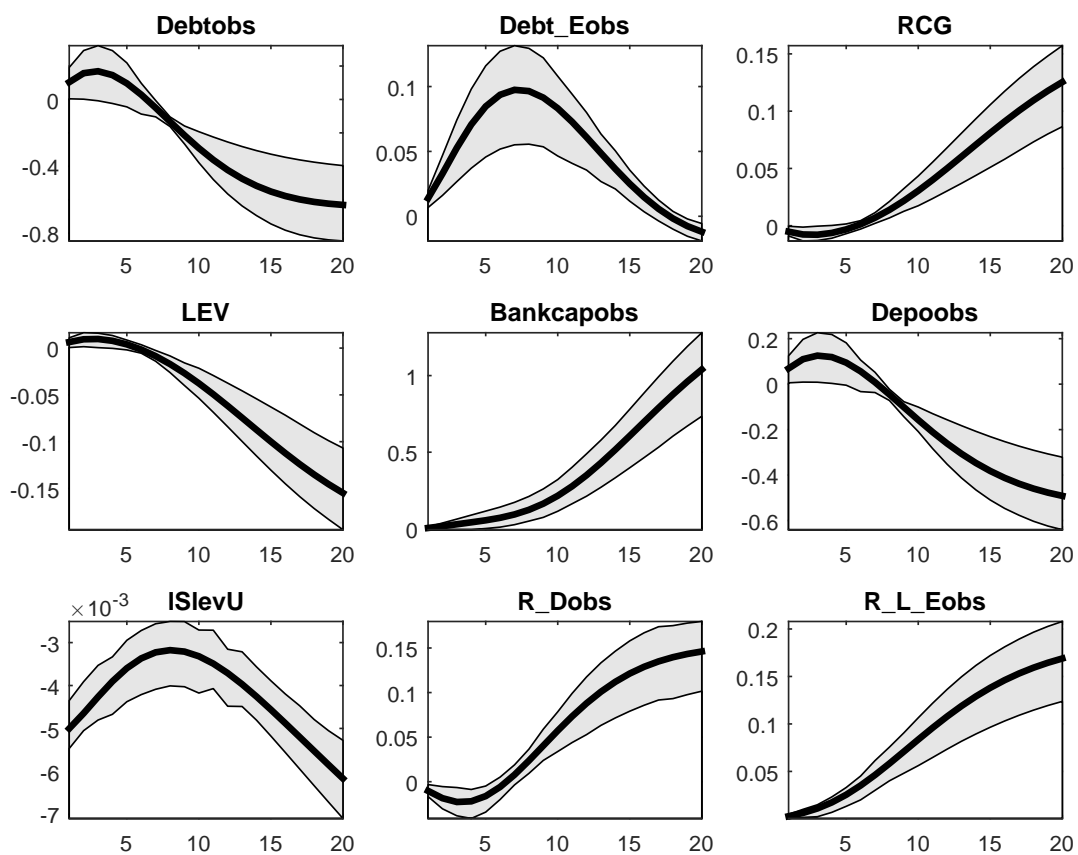


Figure 90: Bayesian IRF: Orthogonalized shock to $Rstar_eps$.

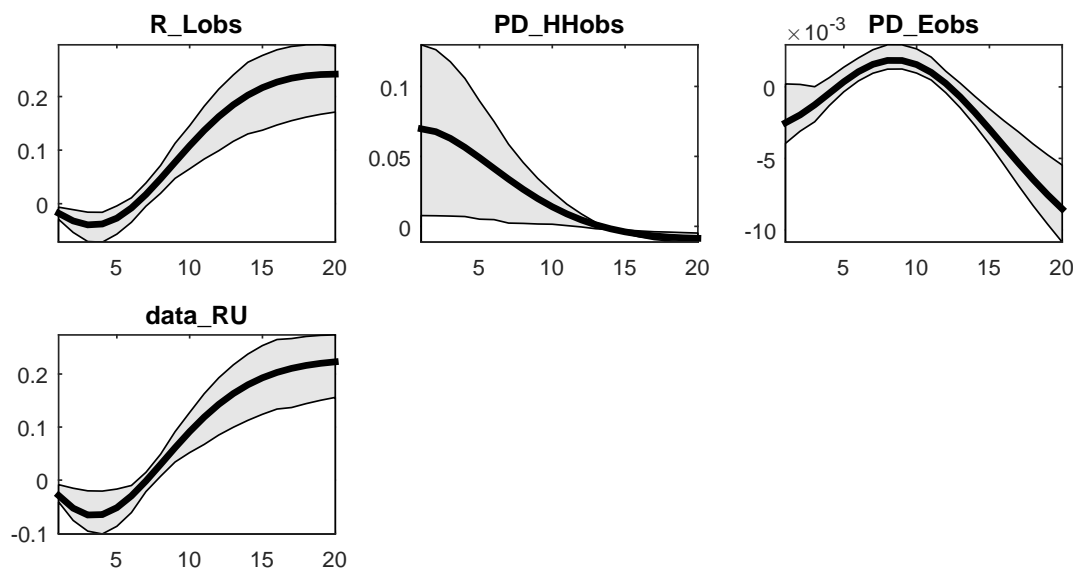


Figure 91: Bayesian IRF: Orthogonalized shock to $Rstar_eps$.

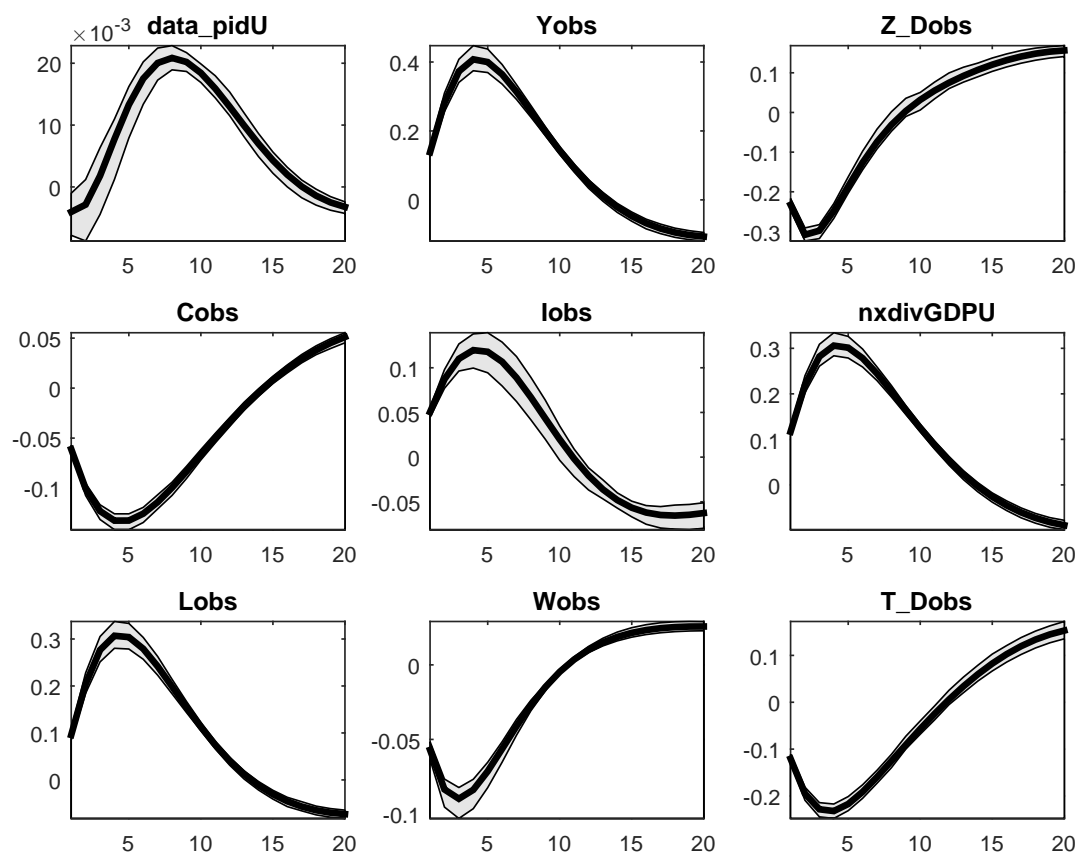


Figure 92: Bayesian IRF: Orthogonalized shock to $\tilde{\phi}$.

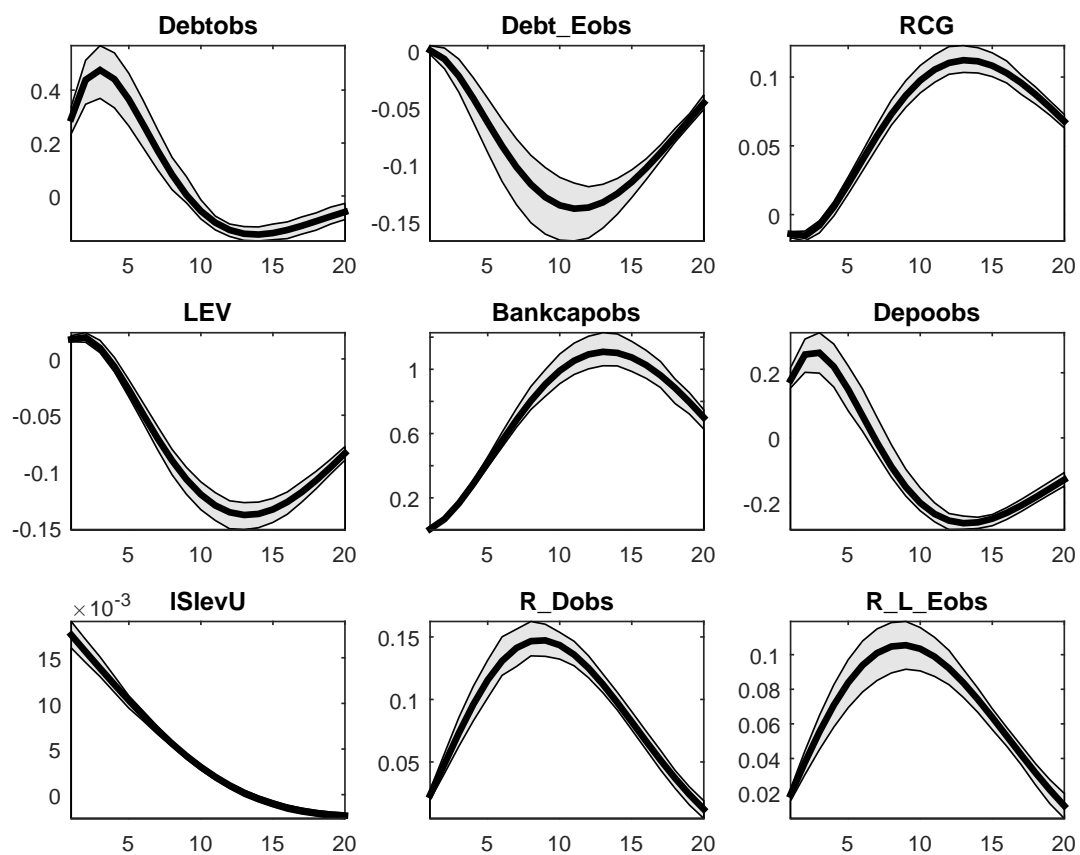


Figure 93: Bayesian IRF: Orthogonalized shock to $\tilde{phitilde_eps}$.

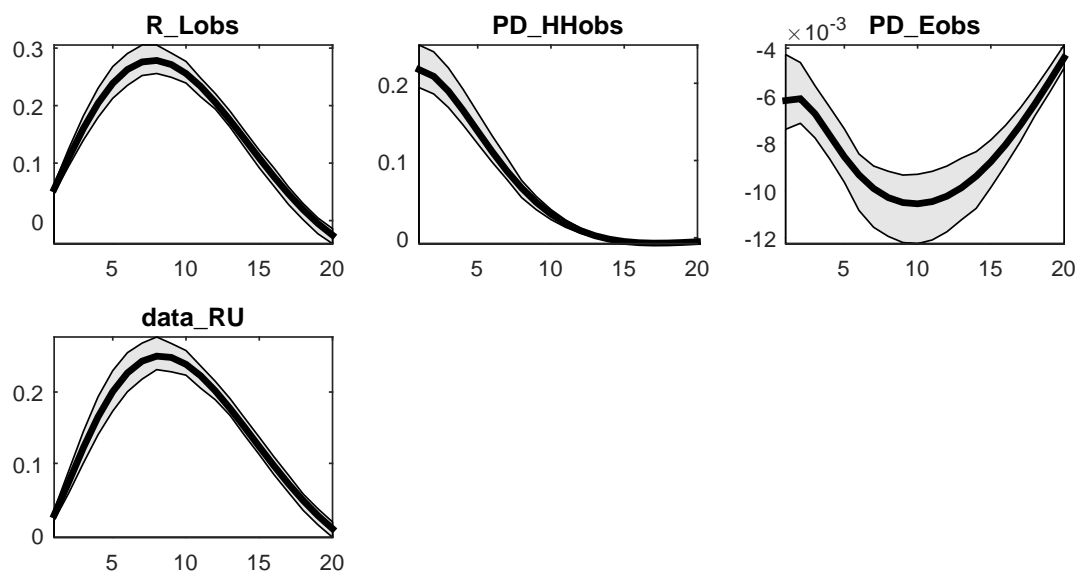


Figure 94: Bayesian IRF: Orthogonalized shock to $\tilde{phitilde_eps}$.

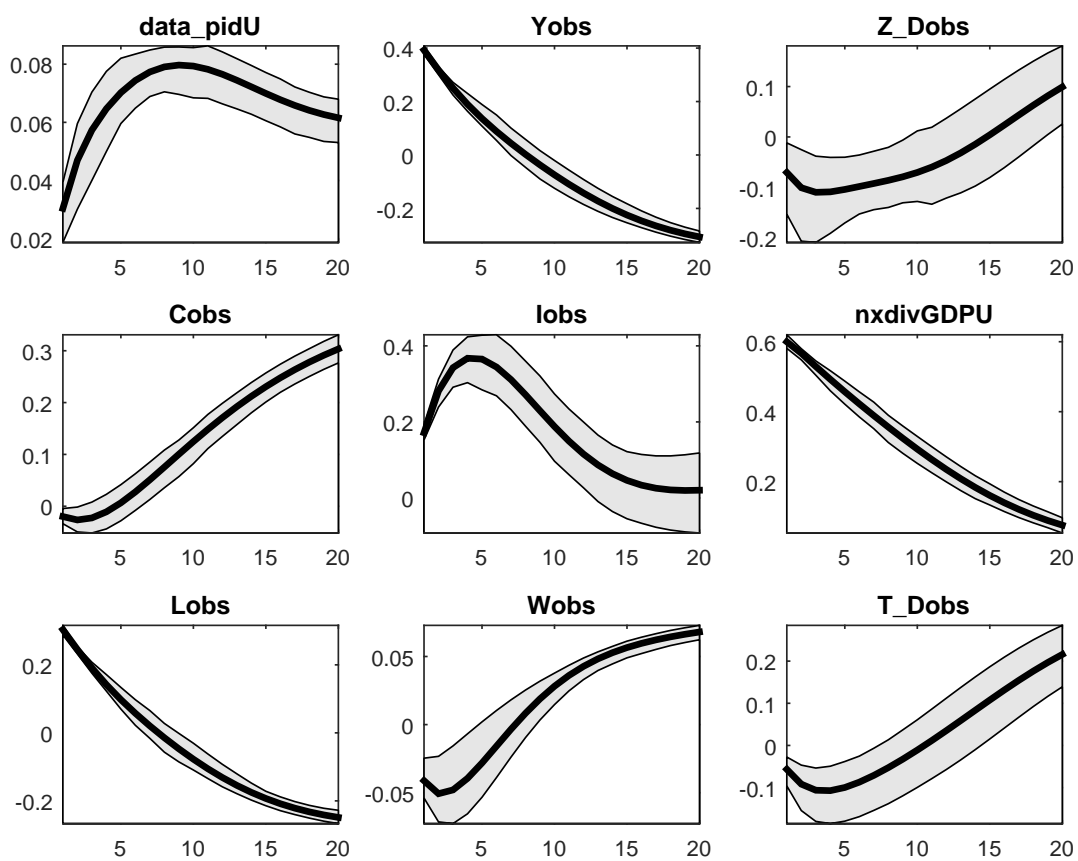


Figure 95: Bayesian IRF: Orthogonalized shock to *ystar_eps*.

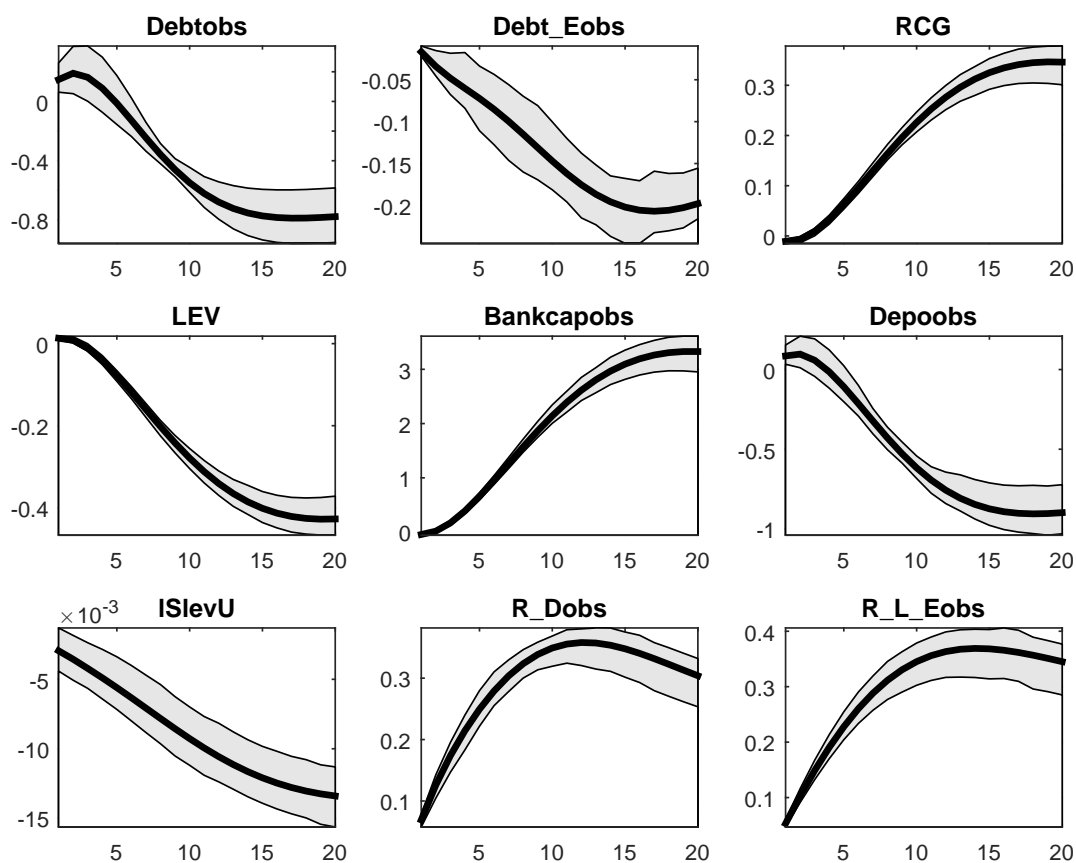


Figure 96: Bayesian IRF: Orthogonalized shock to $ystar_eps$.

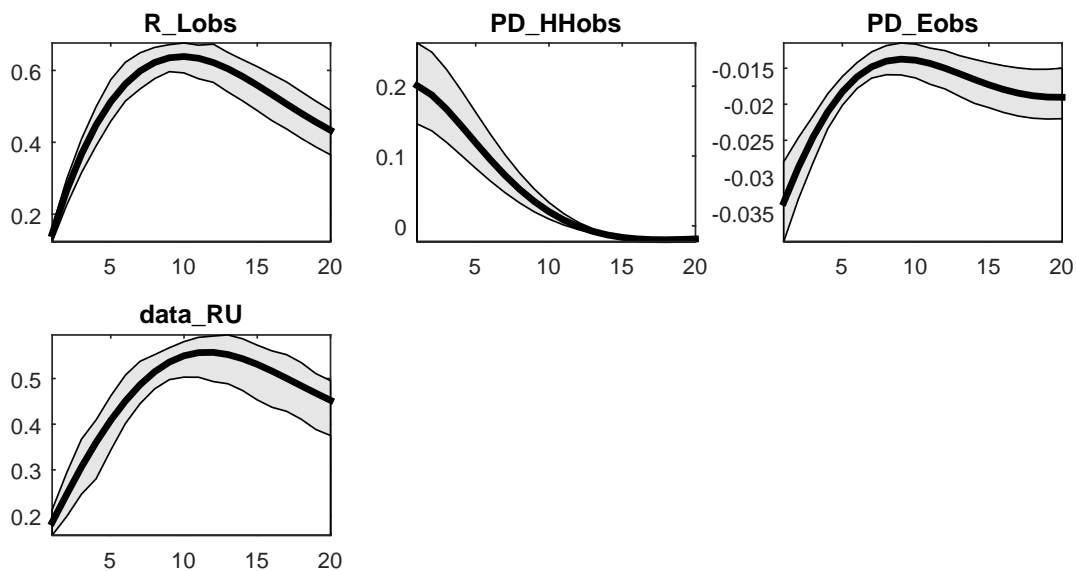


Figure 97: Bayesian IRF: Orthogonalized shock to $ystar_eps$.

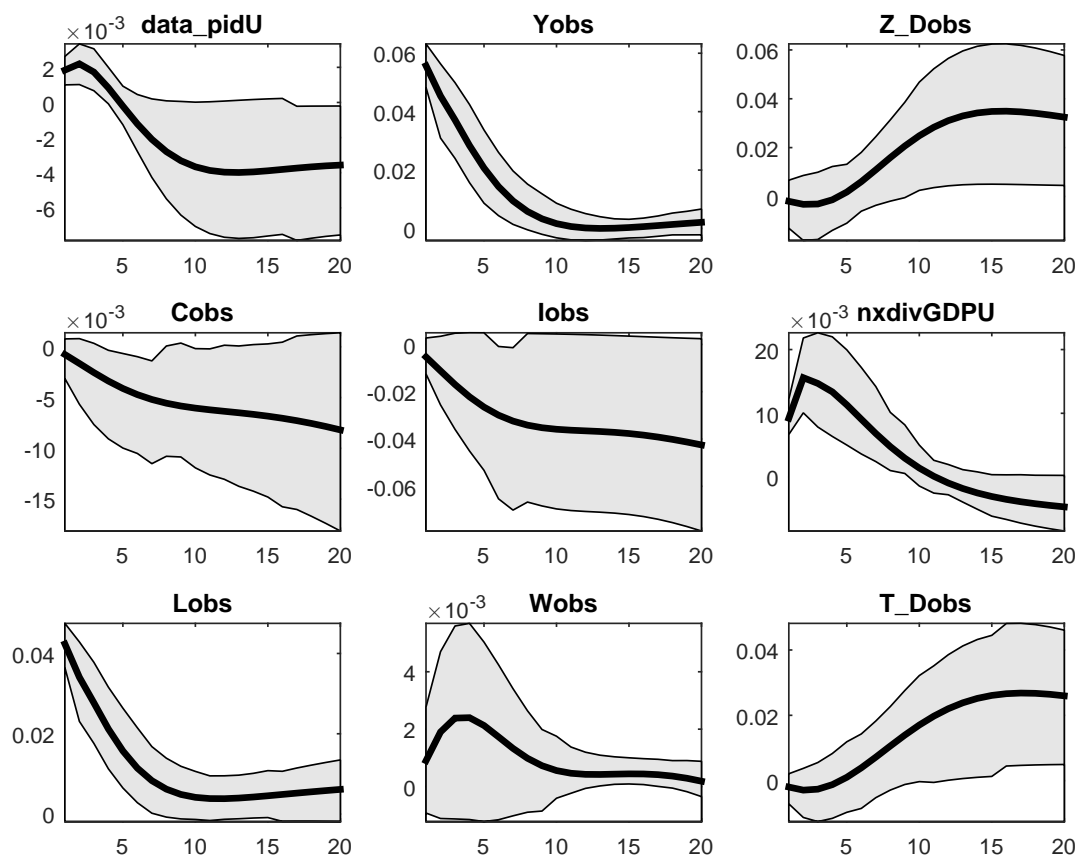


Figure 98: Bayesian IRF: Orthogonalized shock to *pistar_eps*.

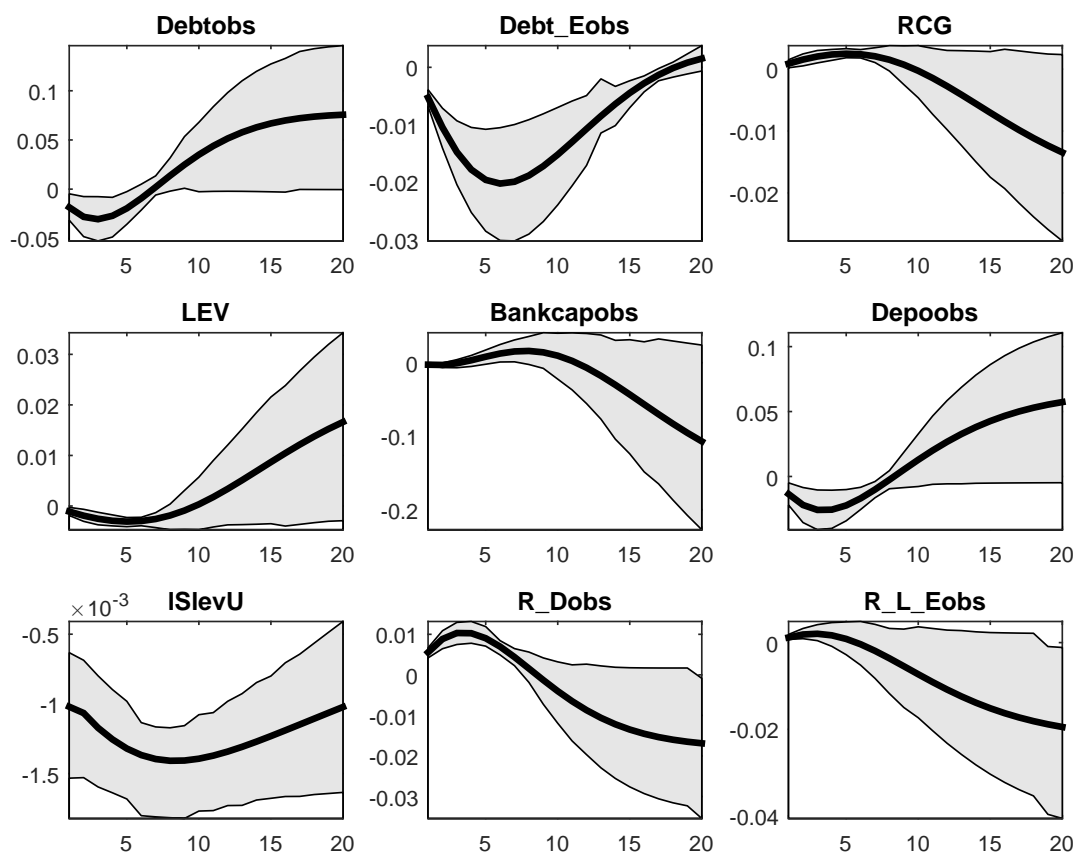


Figure 99: Bayesian IRF: Orthogonalized shock to *pistar_eps*.

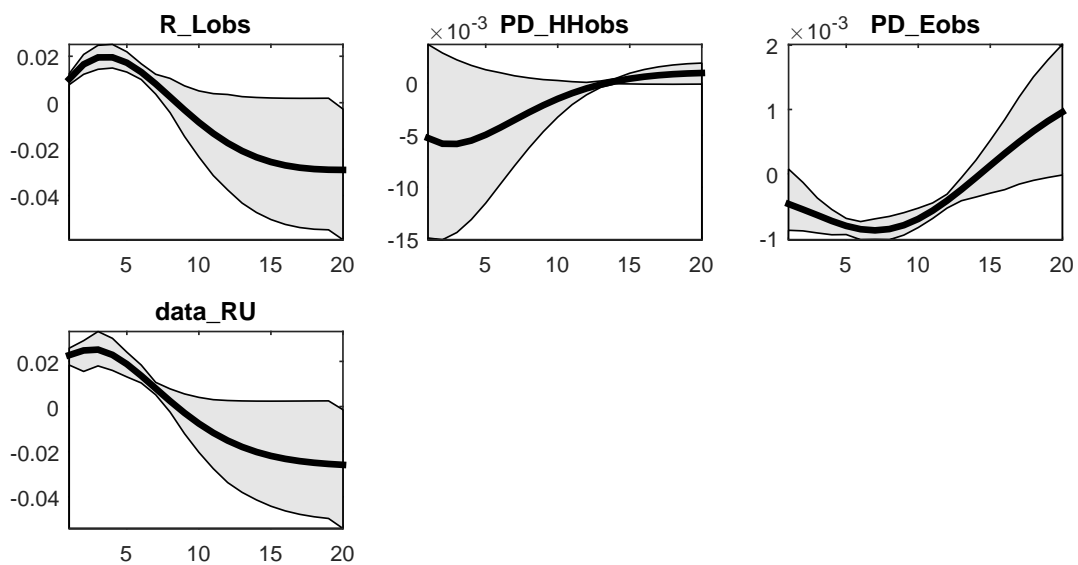


Figure 100: Bayesian IRF: Orthogonalized shock to *pistar_eps*.

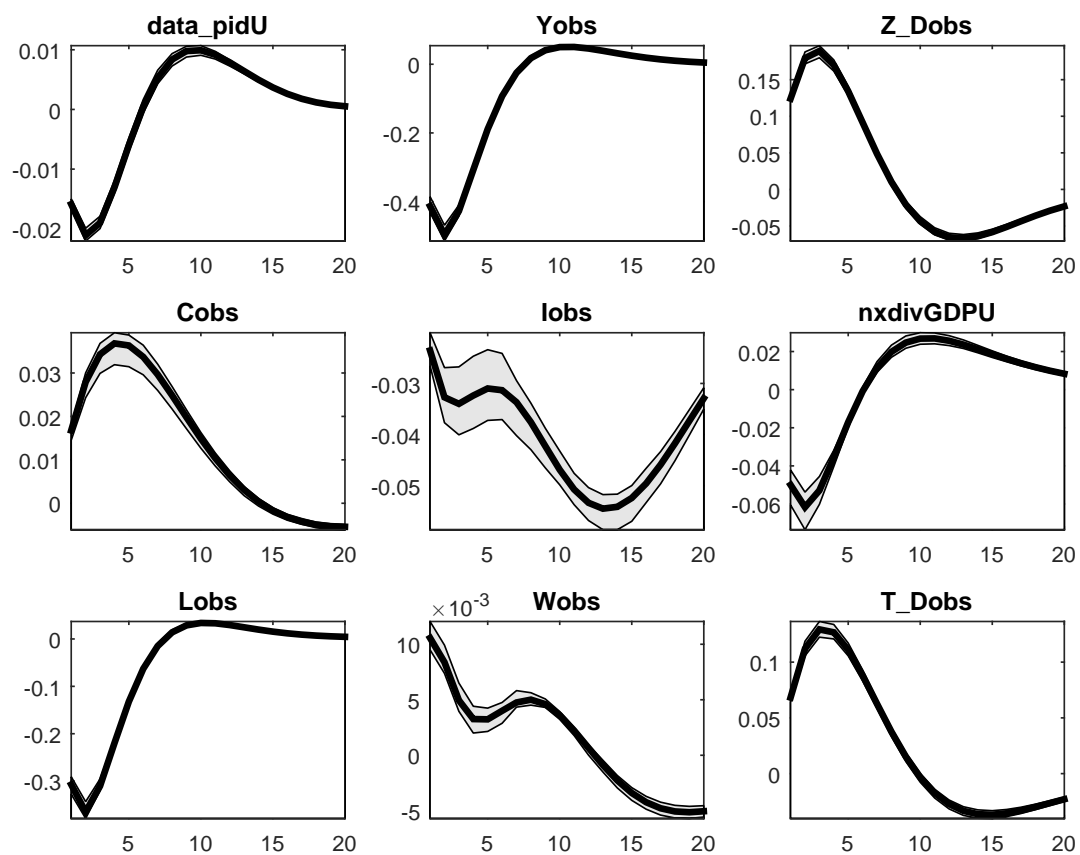


Figure 101: Bayesian IRF: Orthogonalized shock to τ_{x_eps} .

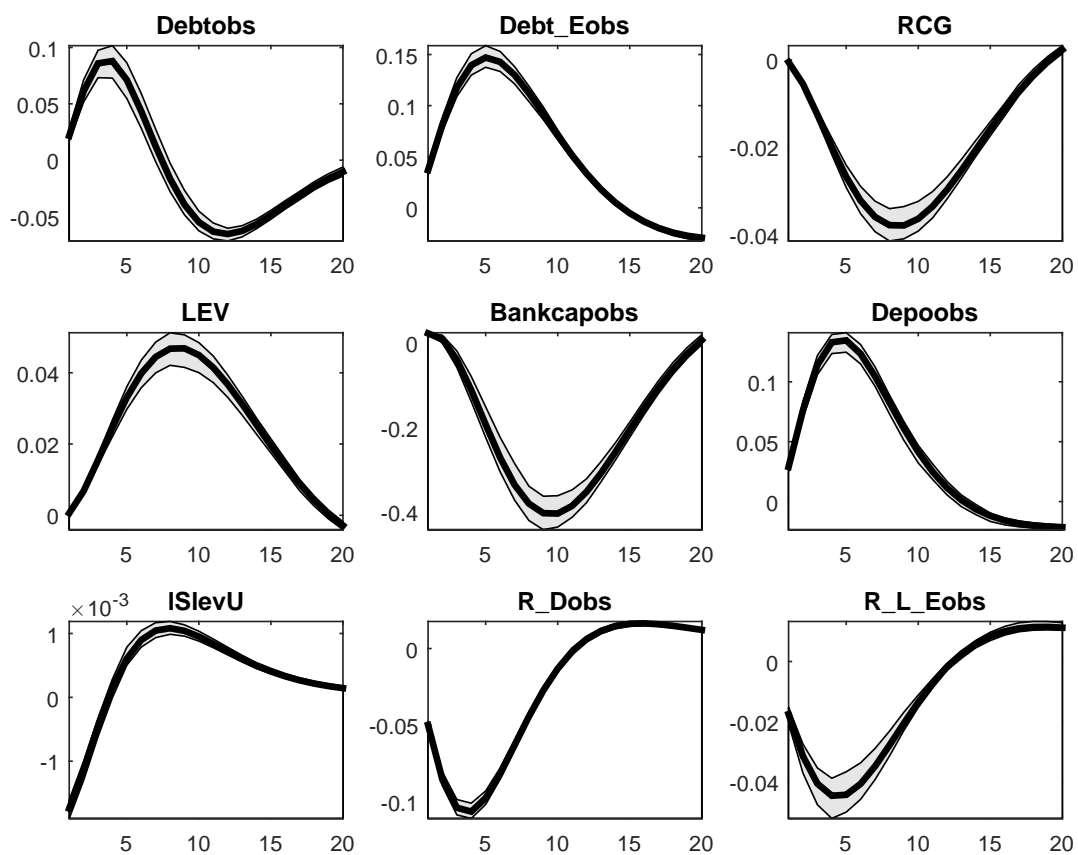


Figure 102: Bayesian IRF: Orthogonalized shock to τ_{x_eps} .

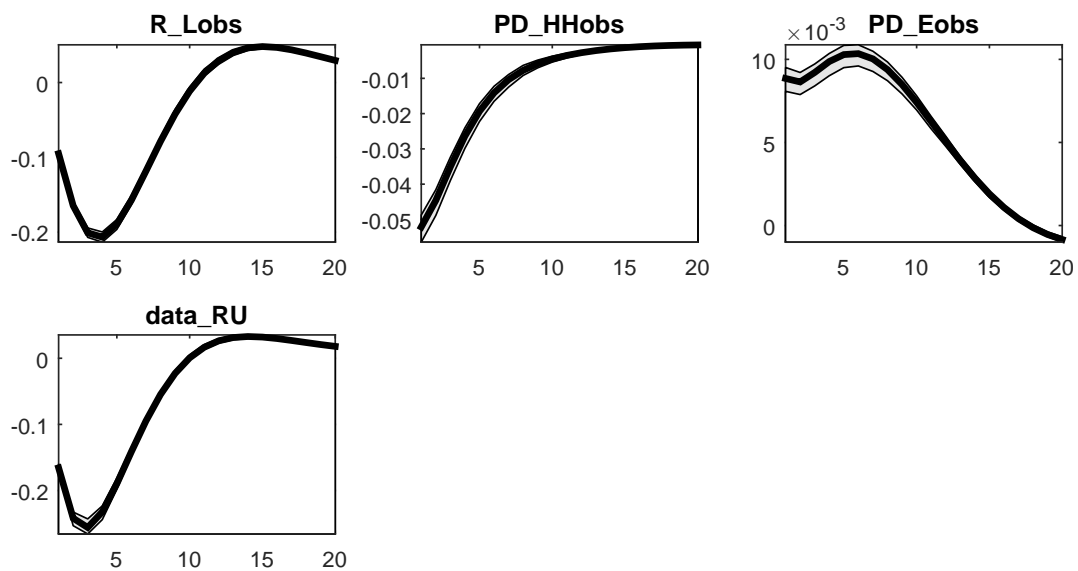


Figure 103: Bayesian IRF: Orthogonalized shock to τ_{x_eps} .

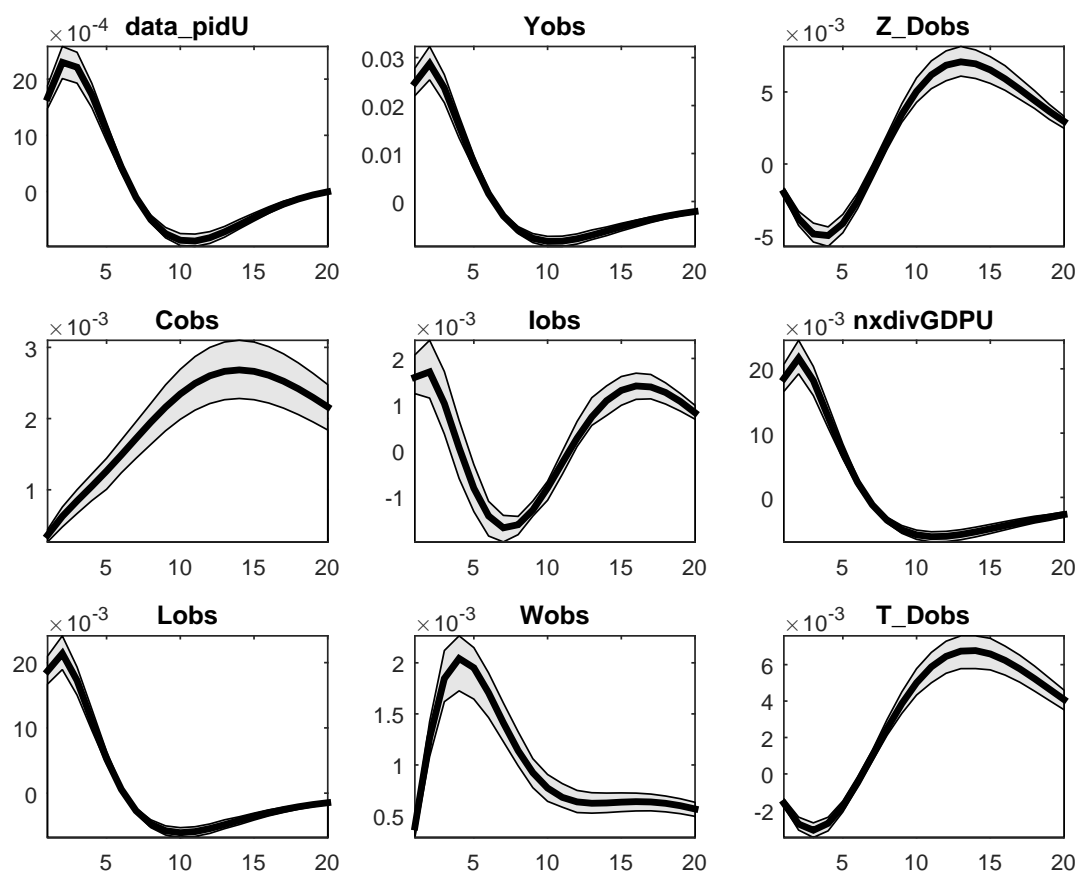


Figure 104: Bayesian IRF: Orthogonalized shock to *taumc_eps*.

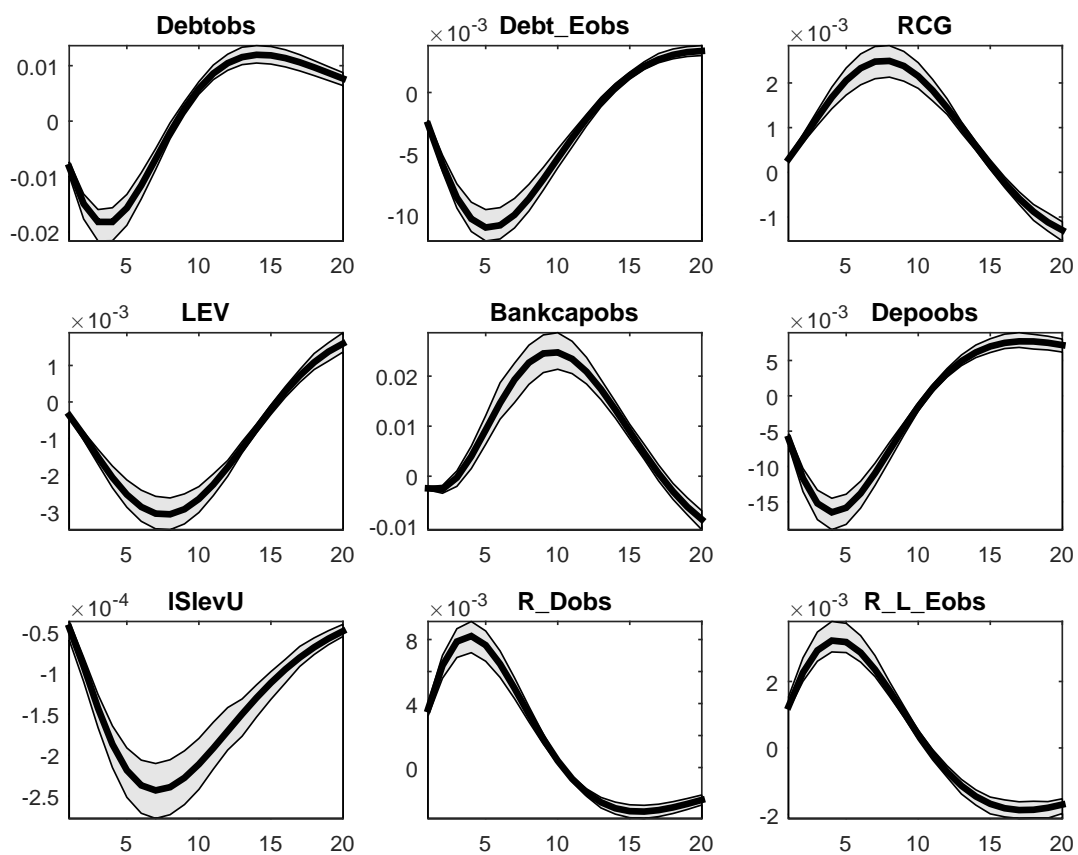


Figure 105: Bayesian IRF: Orthogonalized shock to $taumc_eps$.

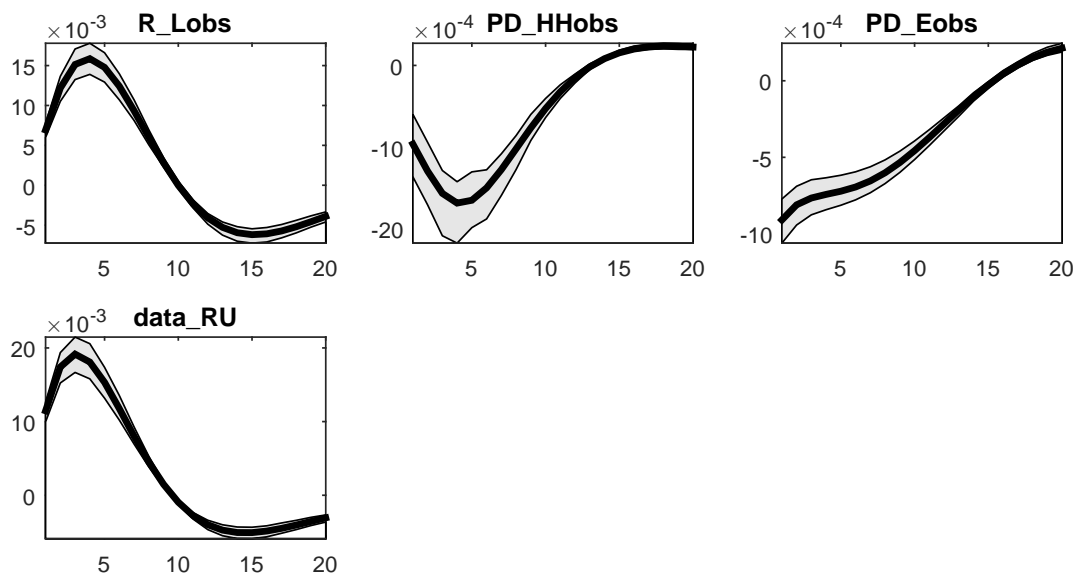


Figure 106: Bayesian IRF: Orthogonalized shock to $taumc_eps$.

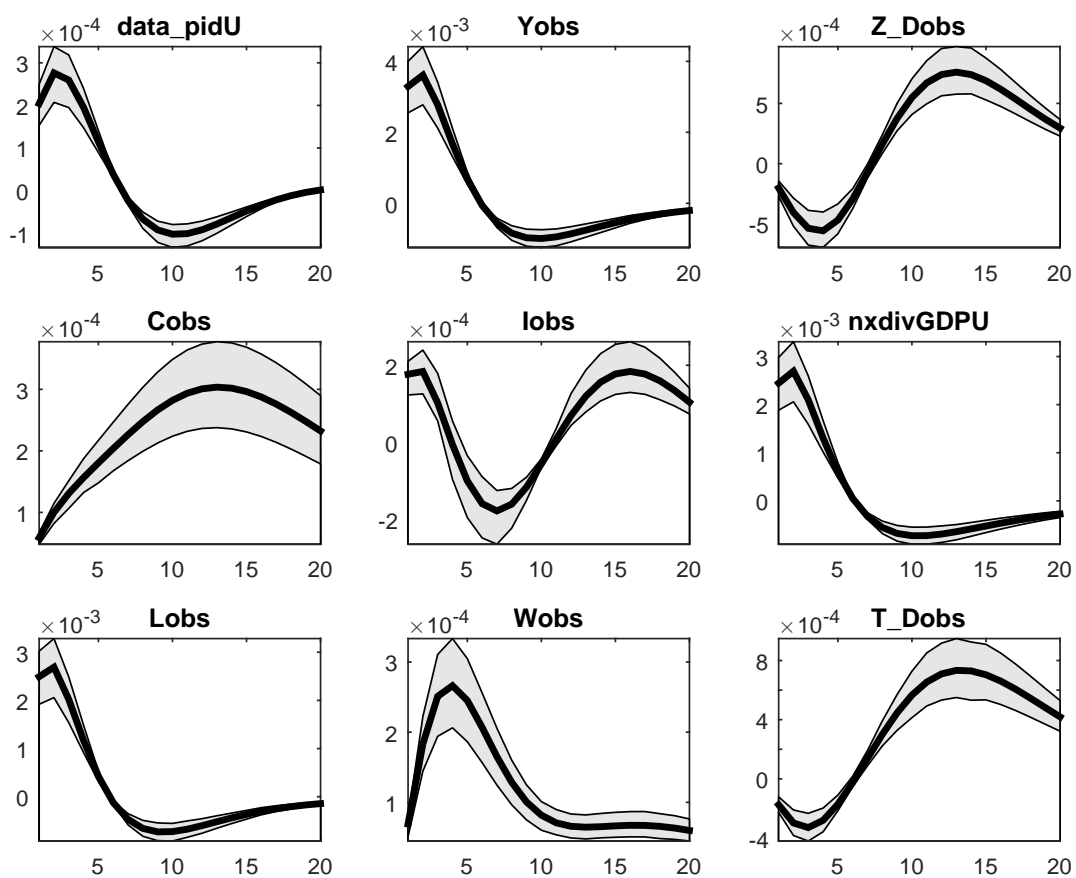


Figure 107: Bayesian IRF: Orthogonalized shock to $taumi_eps$.

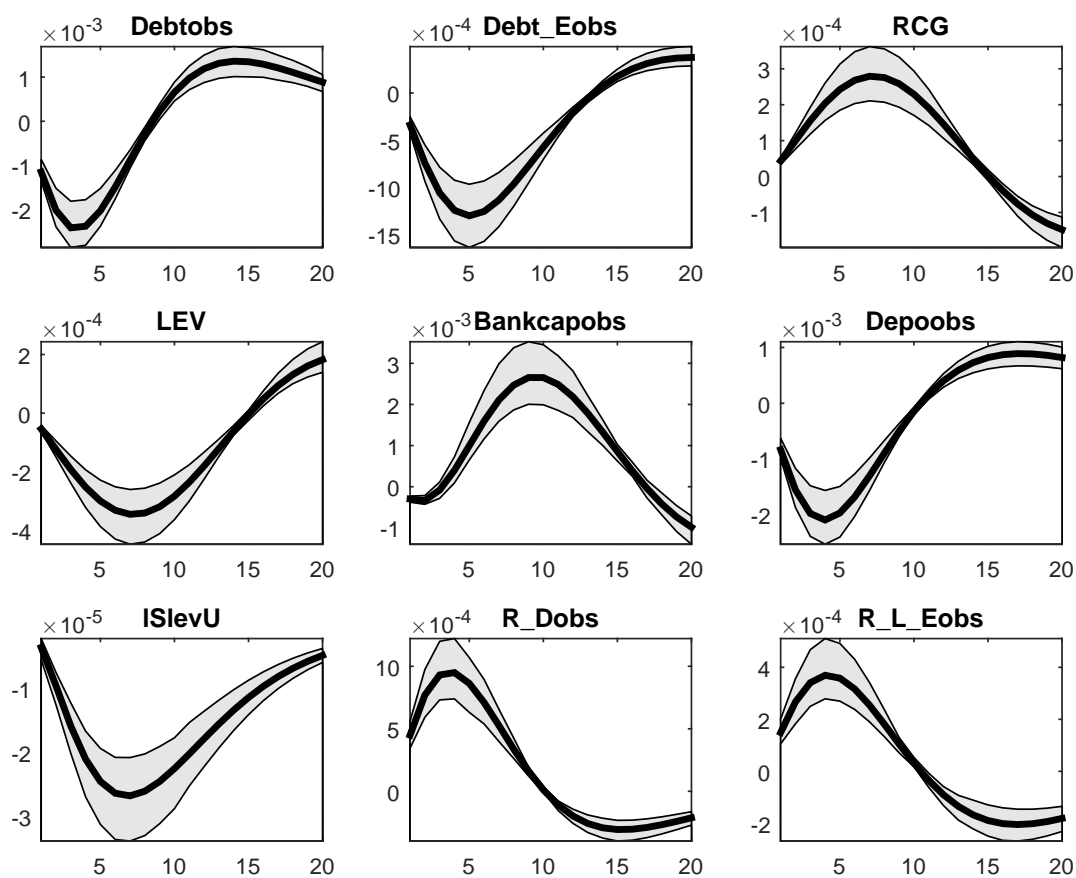


Figure 108: Bayesian IRF: Orthogonalized shock to $taumi_eps$.

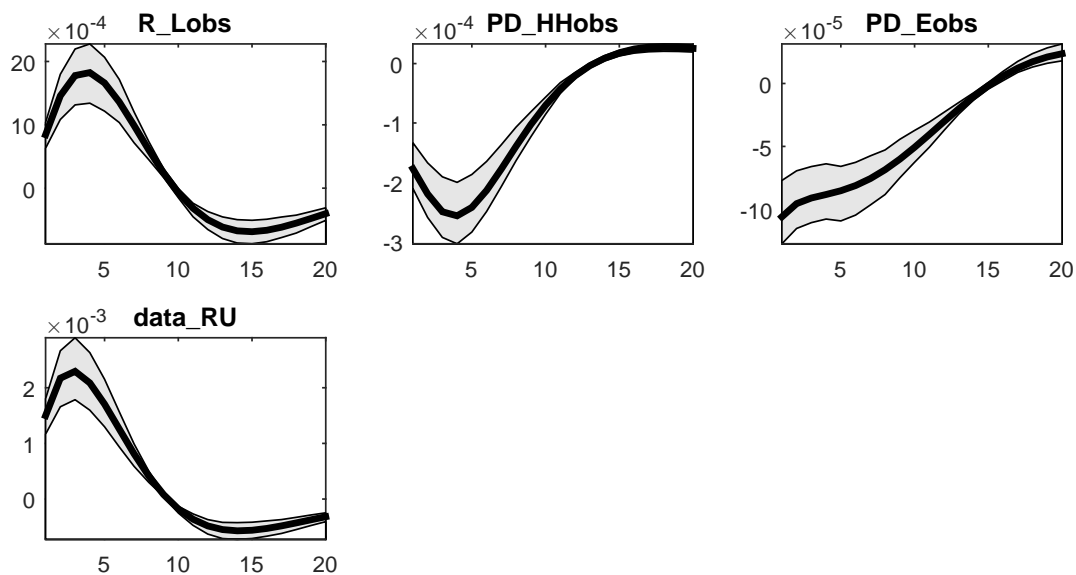


Figure 109: Bayesian IRF: Orthogonalized shock to $taumi_eps$.

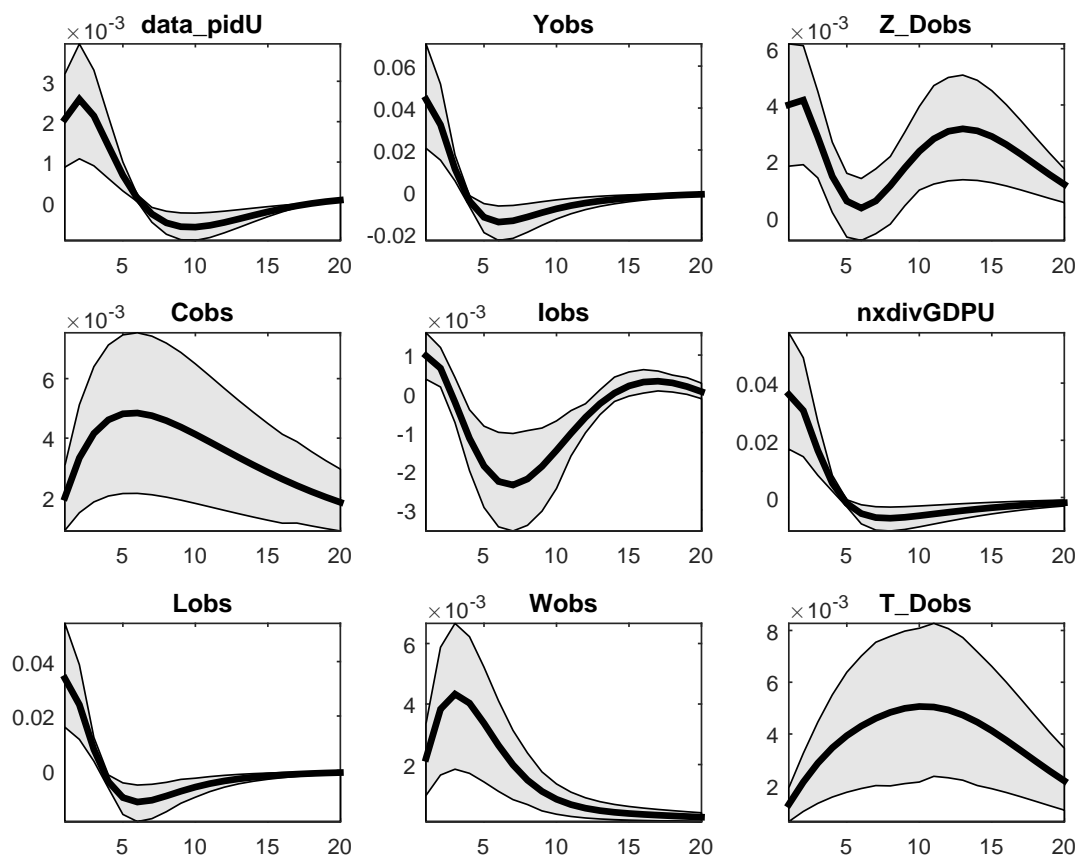


Figure 110: Bayesian IRF: Orthogonalized shock to $taumx_eps$.

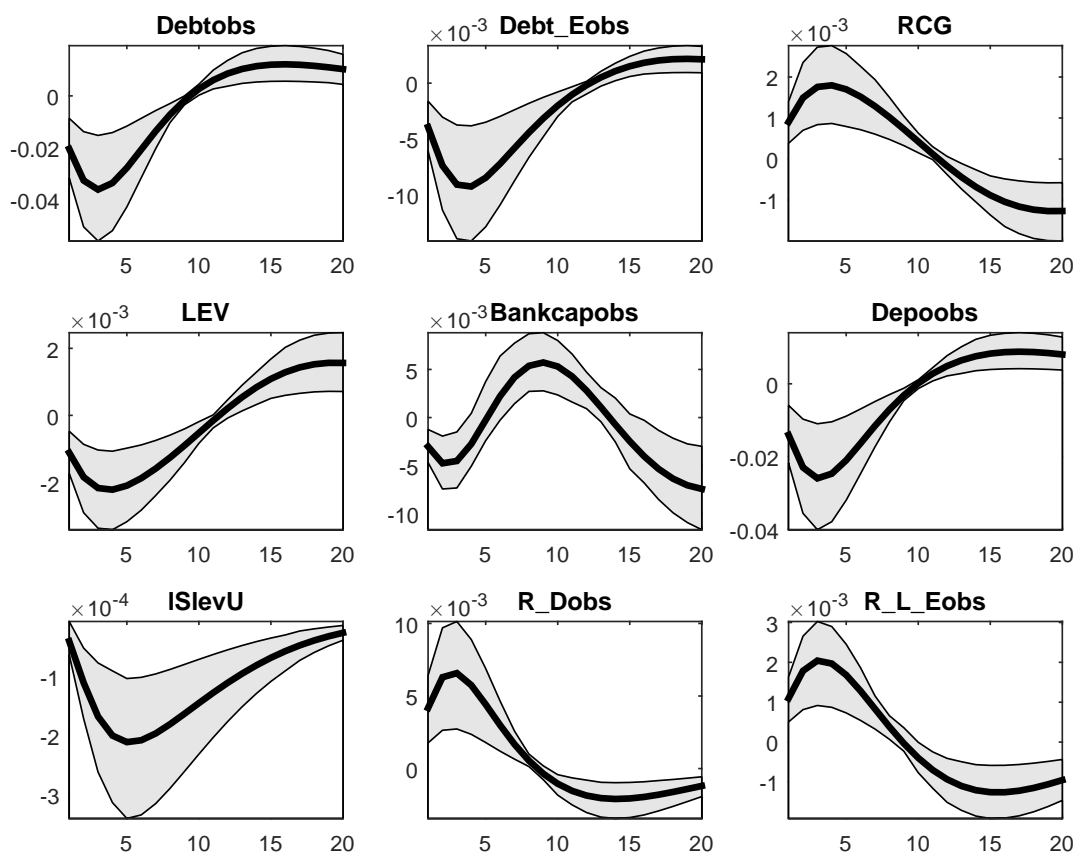


Figure 111: Bayesian IRF: Orthogonalized shock to $taumx_eps$.

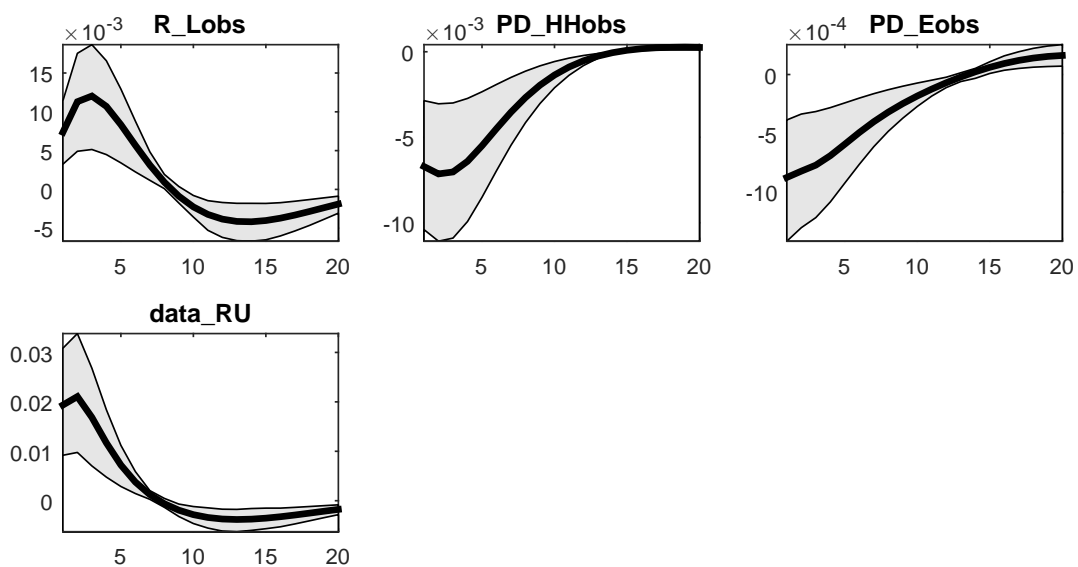


Figure 112: Bayesian IRF: Orthogonalized shock to $taumx_eps$.

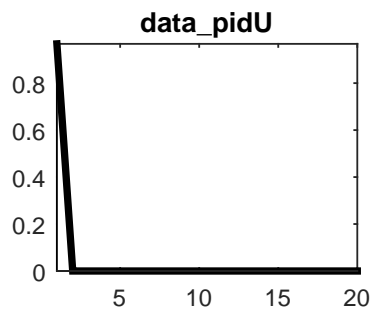


Figure 113: Bayesian IRF: Orthogonalized shock to *data_pidU_eps*.

Table 1: MCMC Inefficiency factors per block

<i>Parameter</i>	<i>Block 1</i>
SE_{E_A}	269.664
SE_{E_B}	231.545
SE_{E_G}	232.117
SE_{E_W}	628.711
SE_{E_I}	330.824
SE_{E_R}	154.503
$SE_{E_R_L}$	166.672
$SE_{E_R_L_E}$	337.356
$SE_{E_R_D}$	202.636
SE_{E_P}	220.480
$SE_{E_A_D}$	357.303
SE_{E_H}	323.504
$SE_{E_Bankcap}$	182.063
SE_{E_SIG}	254.522
$SE_{E_SIG_HH}$	417.957
SE_{Rstar_eps}	168.522
$SE_{phitilde_eps}$	367.203
SE_{ystar_eps}	160.192
SE_{pistar_eps}	153.095
SE_{taux_eps}	178.418
SE_{taumc_eps}	125.301
SE_{taumi_eps}	78.770
SE_{taumx_eps}	204.302
ρ_a	270.413
ρ_b	218.898
ρ_g	217.289
ρ_l	151.126
ρ_i	484.078
ρ_{a_D}	340.387
ρ_H	281.414
ρ_{R_L}	280.254
$\rho_{R_L_E}$	362.921
ρ_{R_D}	292.555
$\rho_{Bankcap}$	114.767
ρ_{sig}	191.340
ρ_{sig_HH}	323.866
ϕ_{i_h}	392.745
ϕ_i	402.869
$czcapbis$	599.659
sig_l_C	409.191
(Continued on next page)	

Table 1: (continued)

<i>Parameter</i>	<i>Block 1</i>
<i>xi_w_C</i>	536.419
<i>xi_w_D</i>	587.752
<i>gamma_w_C</i>	671.510
<i>xi_p</i>	407.055
<i>gamma_p</i>	418.542
<i>xi_R_L</i>	607.314
<i>xi_R_D</i>	336.621
<i>xi_R_L_E</i>	629.049
<i>xi_p_D</i>	455.126
<i>rho</i>	365.296
<i>r_PI</i>	471.960
<i>r_dpi</i>	561.435
<i>r_y</i>	502.619
<i>r_dy</i>	298.729
<i>kappa_b</i>	217.427
<i>xix</i>	481.130
<i>ximc</i>	622.260
<i>ximi</i>	320.460
<i>ximx</i>	571.585
<i>kappax</i>	607.988
<i>kappamc</i>	589.739
<i>kappami</i>	486.279
<i>kappamx</i>	533.928
<i>etaf</i>	234.558
<i>phitildes</i>	647.086
<i>rhophitilde</i>	134.905
<i>a11</i>	567.519
<i>a22</i>	489.170
<i>a33</i>	650.209
<i>a12</i>	296.837
<i>a13</i>	330.233
<i>a21</i>	416.480
<i>a23</i>	388.331
<i>a31</i>	566.599
<i>a32</i>	625.891
<i>c21</i>	254.202
<i>c31</i>	386.735
<i>c32</i>	259.455

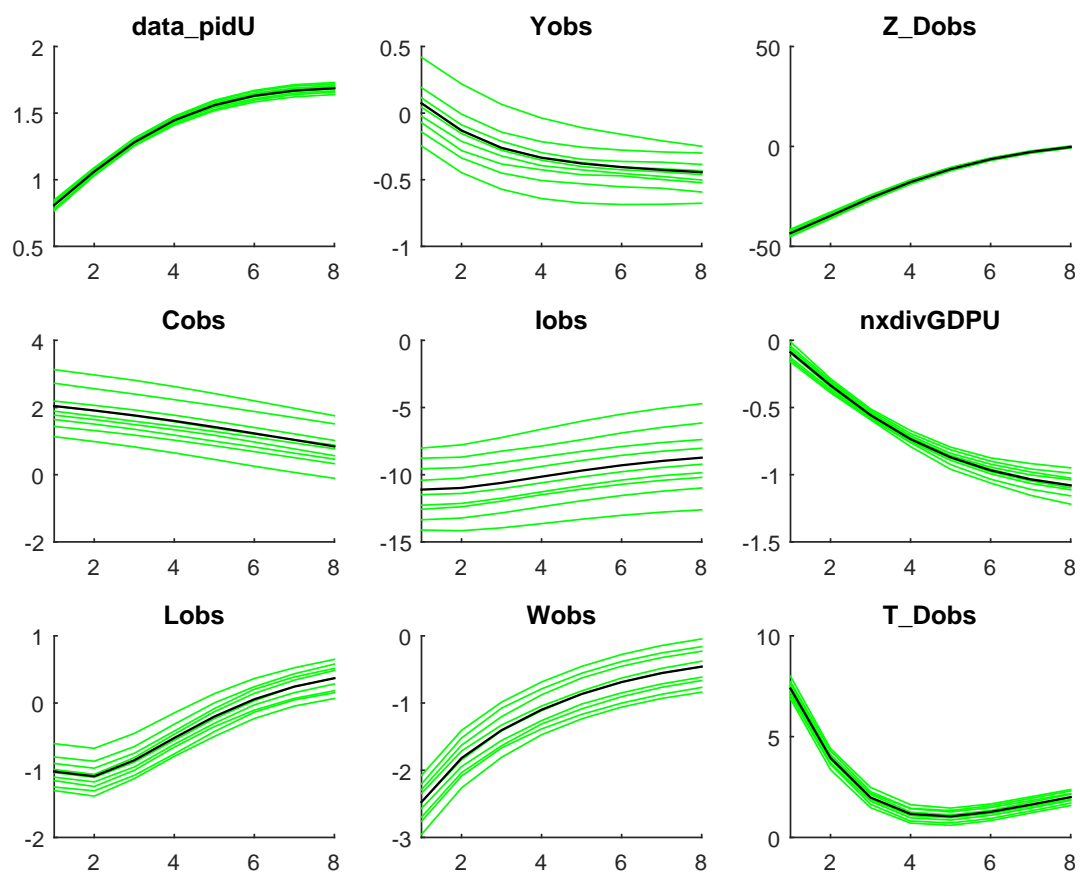


Figure 114: Forecasted variables (mean)

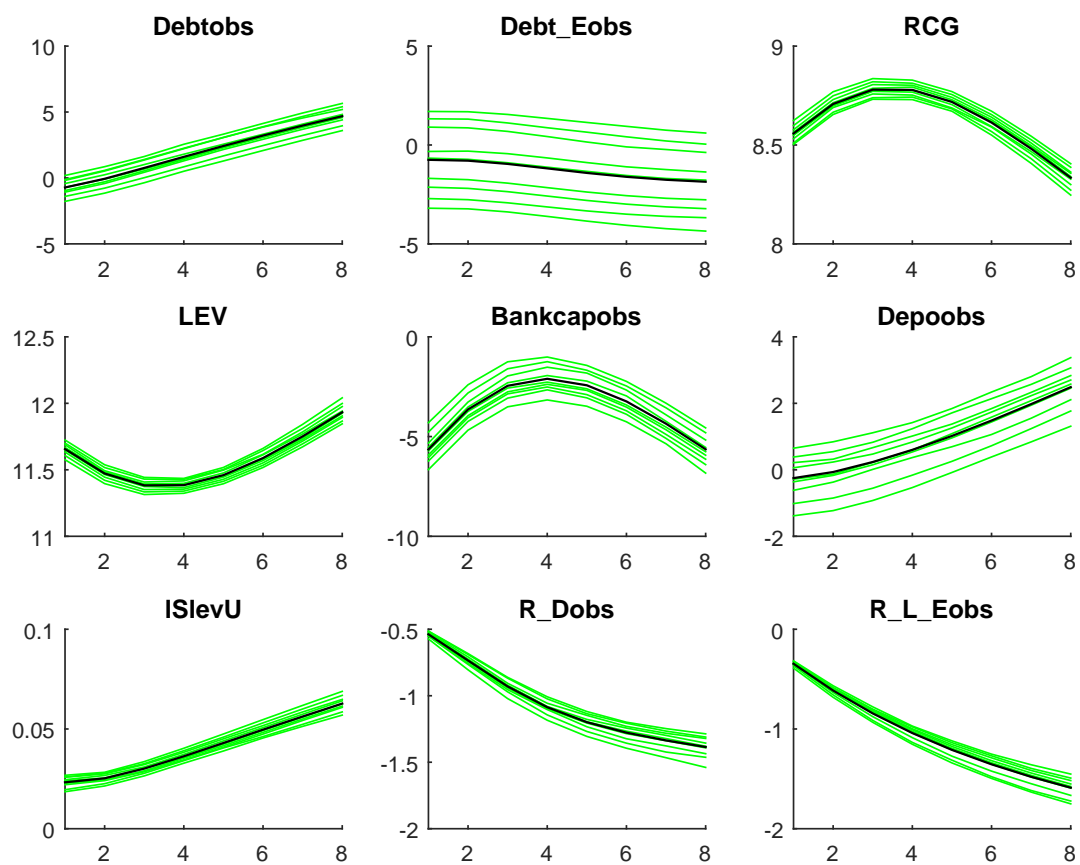


Figure 115: Forecasted variables (mean)

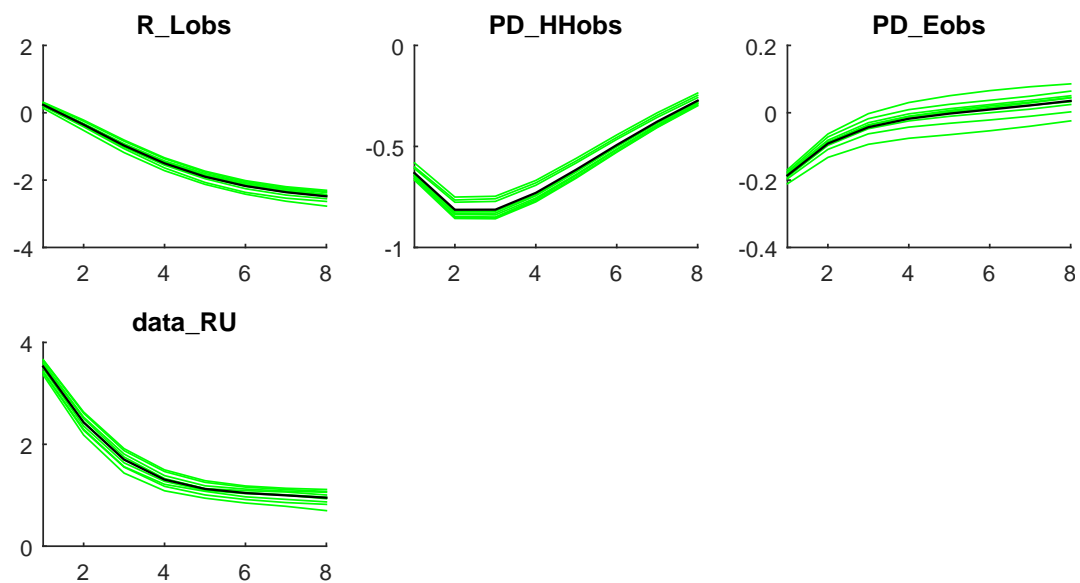


Figure 116: Forecasted variables (mean)

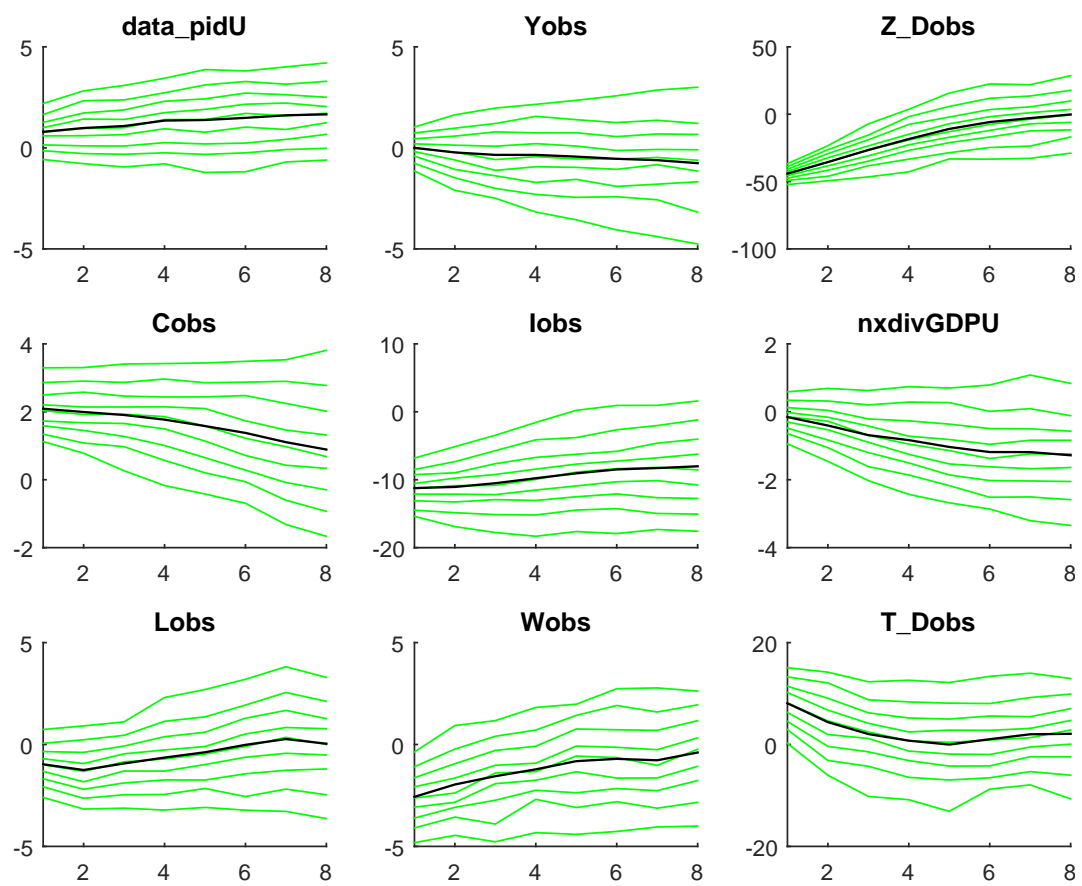


Figure 117: Forecasted variables (point)

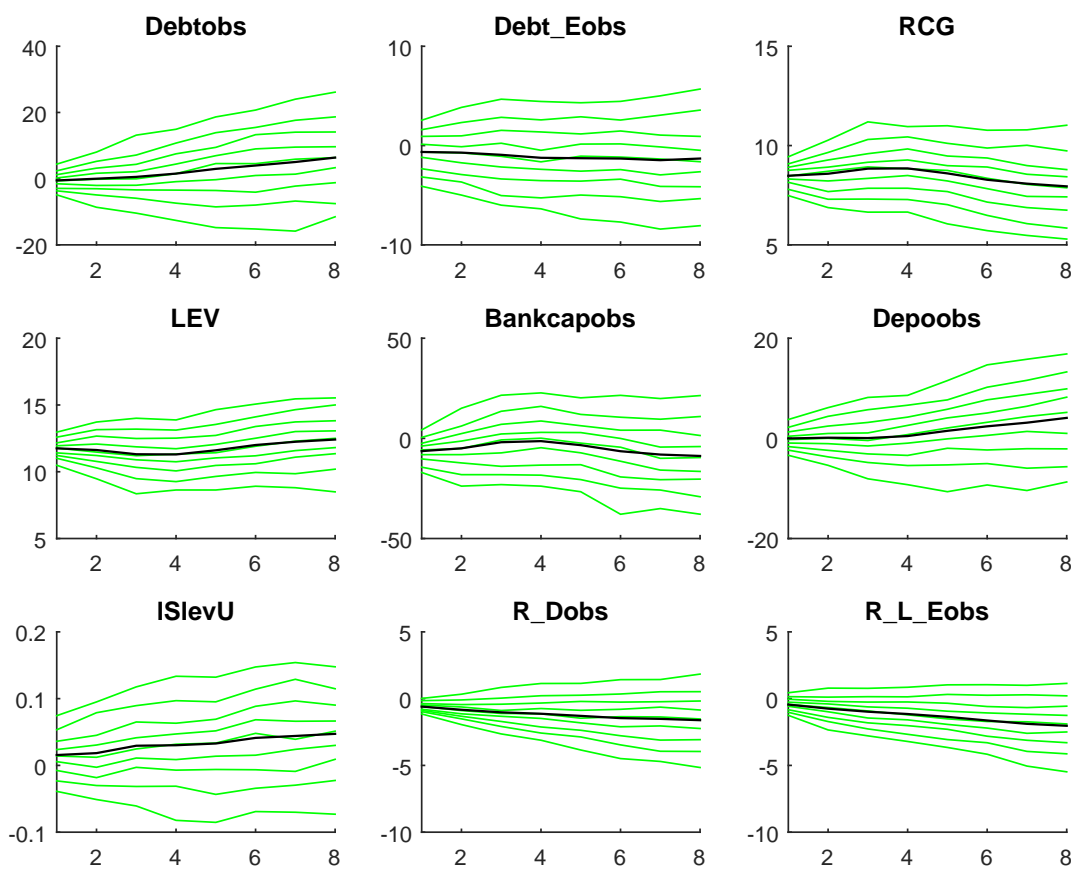


Figure 118: Forecasted variables (point)

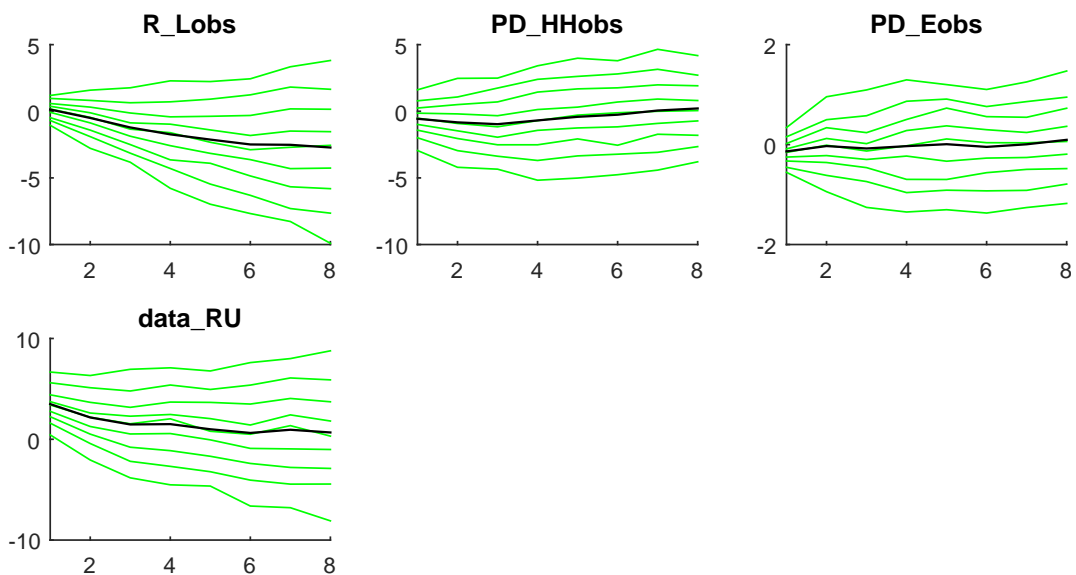


Figure 119: Forecasted variables (point)

Table 2: Results from Metropolis-Hastings (parameters)

	Prior			Posterior			
	Dist.	Mean	Stdev.	Mean	Stdev.	HPD inf	HPD sup
<i>rho_a</i>	beta	0.500	0.2000	0.989	0.0076	0.9754	0.9987
<i>rho_b</i>	beta	0.500	0.2000	1.000	0.0001	0.9997	0.9999
<i>rho_g</i>	beta	0.500	0.2000	0.853	0.0249	0.8149	0.8940
<i>rho_l</i>	beta	0.500	0.2000	0.090	0.0484	0.0095	0.1590
<i>rho_i</i>	beta	0.500	0.2000	0.944	0.0011	0.9415	0.9449
<i>rho_a_D</i>	beta	0.500	0.2000	0.713	0.0721	0.6075	0.8305
<i>rho_H</i>	beta	0.500	0.1750	0.998	0.0012	0.9958	0.9993
<i>rho_R_L</i>	beta	0.500	0.2000	0.599	0.0748	0.4828	0.7208
<i>rho_R_L_E</i>	beta	0.500	0.2000	0.507	0.0785	0.3842	0.6236
<i>rho_R_D</i>	beta	0.500	0.2000	0.361	0.0887	0.2225	0.4958
<i>rho_Bankcap</i>	beta	0.500	0.2000	0.098	0.0493	0.0149	0.1710
<i>rho_sig</i>	beta	0.500	0.2000	0.962	0.0143	0.9371	0.9861
<i>rho_sig_HH</i>	beta	0.500	0.2000	0.751	0.0562	0.6477	0.8331
<i>phi_i_h</i>	gamm	1.000	0.5000	0.296	0.0234	0.2619	0.3361
<i>phi_i</i>	norm	4.000	1.5000	10.125	0.9190	8.6135	11.5108
<i>czcapbis</i>	beta	0.500	0.1500	0.973	0.0066	0.9637	0.9834
<i>sig_l_C</i>	gamm	1.500	0.1000	1.646	0.0664	1.5367	1.7373
<i>xi_w_C</i>	beta	0.850	0.0500	0.625	0.0224	0.5869	0.6576
<i>xi_w_D</i>	beta	0.850	0.0500	0.928	0.0164	0.8989	0.9511
<i>gamma_w_C</i>	beta	0.500	0.1500	0.478	0.2126	0.1920	0.8275
<i>xi_p</i>	beta	0.750	0.0500	0.882	0.0096	0.8668	0.8976
<i>gamma_p</i>	beta	0.500	0.1500	0.077	0.0308	0.0268	0.1250
<i>xi_R_L</i>	beta	0.500	0.2000	0.710	0.0028	0.7046	0.7134
<i>xi_R_D</i>	beta	0.500	0.2000	0.662	0.0219	0.6261	0.7012
<i>xi_R_L_E</i>	beta	0.500	0.2000	0.469	0.0082	0.4581	0.4826
<i>xi_p_D</i>	beta	0.200	0.1000	0.099	0.0380	0.0436	0.1681
<i>rho</i>	beta	0.750	0.1000	0.868	0.0025	0.8641	0.8721
<i>r_PI</i>	gamm	2.500	0.2500	2.413	0.0371	2.3429	2.4675
<i>r_dpi</i>	gamm	0.300	0.1000	0.268	0.0110	0.2480	0.2841
<i>r_y</i>	gamm	0.200	0.1000	0.025	0.0033	0.0202	0.0307
<i>r_dy</i>	gamm	0.120	0.0500	0.174	0.0107	0.1574	0.1905
<i>kappa_b</i>	gamm	20.000	2.5000	14.599	1.4906	12.0846	16.9817
<i>xix</i>	beta	0.750	0.0750	0.947	0.0027	0.9426	0.9513
<i>ximc</i>	beta	0.750	0.0750	0.908	0.0024	0.9043	0.9115
<i>ximi</i>	beta	0.750	0.0750	0.914	0.0027	0.9098	0.9188
<i>ximx</i>	beta	0.660	0.1000	0.925	0.0016	0.9228	0.9277
<i>kappax</i>	beta	0.500	0.1500	0.356	0.0078	0.3446	0.3687
<i>kappamc</i>	beta	0.500	0.1500	0.835	0.0589	0.7294	0.9296
<i>kappami</i>	beta	0.500	0.1500	0.796	0.0362	0.7350	0.8518
<i>kappamx</i>	beta	0.500	0.1500	0.764	0.0209	0.7253	0.7926
<i>etaf</i>	gamm	1.500	0.2500	2.261	0.1518	2.0376	2.5222

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Table 2: (continued)

	Prior			Posterior			
	Dist.	Mean	Stdev.	Mean	Stdev.	HPD inf	HPD sup
<i>phitildes</i>	gamm	1.250	0.1000	1.061	0.0550	0.9974	1.1556
<i>rhophitilde</i>	beta	0.850	0.0750	0.991	0.0045	0.9841	0.9980
<i>a11</i>	norm	0.500	0.5000	0.970	0.0071	0.9584	0.9802
<i>a22</i>	norm	0.000	0.5000	0.142	0.0018	0.1388	0.1448
<i>a33</i>	norm	0.500	0.5000	1.011	0.0075	0.9993	1.0225
<i>a12</i>	norm	0.000	0.5000	-0.307	0.1007	-0.5004	-0.1629
<i>a13</i>	norm	0.000	0.5000	0.617	0.1625	0.3517	0.8815
<i>a21</i>	norm	0.000	0.5000	-0.019	0.0028	-0.0237	-0.0148
<i>a23</i>	norm	0.000	0.5000	-0.023	0.1142	-0.2180	0.1530
<i>a31</i>	norm	0.000	0.5000	-0.001	0.0004	-0.0021	-0.0008
<i>a32</i>	norm	0.000	0.5000	-0.030	0.0060	-0.0406	-0.0215
<i>c21</i>	norm	0.000	0.5000	0.088	0.0388	0.0263	0.1499
<i>c31</i>	norm	0.000	0.5000	0.022	0.0055	0.0137	0.0306
<i>c32</i>	norm	0.000	0.5000	0.022	0.0126	0.0010	0.0410

Table 3: Results from Metropolis-Hastings (standard deviation of structural shocks)

		Prior		Posterior			
		Dist.	Mean	Stdev.	Mean	Stdev.	HPD inf HPD sup
<i>E_A</i>	unif	5.000	2.8868	0.499	0.0491	0.4194	0.5775
<i>E_B</i>	invg	2.000	Inf	23.481	2.4983	19.0297	27.2929
<i>E_G</i>	unif	5.000	2.8868	3.782	0.4246	3.1681	4.4843
<i>E_W</i>	unif	5.000	2.8868	10.000	0.0000	10.0000	10.0000
<i>E_I</i>	invg	0.250	Inf	0.349	0.0419	0.2864	0.4177
<i>E_R</i>	unif	5.000	2.8868	0.438	0.0389	0.3835	0.5074
<i>E_R_L</i>	invg	0.250	2.0000	0.128	0.0135	0.1073	0.1495
<i>E_R_L_E</i>	invg	0.250	2.0000	0.332	0.0383	0.2740	0.3986
<i>E_R_D</i>	invg	0.100	2.0000	0.030	0.0031	0.0251	0.0352
<i>E_P</i>	unif	5.000	2.8868	1.456	0.1454	1.2121	1.6925
<i>E_A_D</i>	unif	5.000	2.8868	3.876	0.4539	3.0155	4.4931
<i>E_H</i>	invg	2.000	Inf	3.131	0.3954	2.5634	3.8269
<i>E_Bankcap</i>	invg	2.000	Inf	6.118	0.4841	5.3558	6.9296
<i>E_SIG</i>	invg	0.250	Inf	0.078	0.0089	0.0641	0.0922
<i>E_SIG_HH</i>	unif	1.000	0.5774	0.135	0.0168	0.1095	0.1622
<i>Rstar_eps</i>	invg	1.500	Inf	0.816	0.0807	0.6881	0.9407
<i>phitilde_eps</i>	invg	0.150	Inf	0.102	0.0120	0.0839	0.1228
<i>ystar_eps</i>	invg	0.500	Inf	2.484	0.2312	2.1107	2.8498
<i>pistar_eps</i>	invg	0.500	Inf	0.775	0.0595	0.6687	0.8687
<i>taux_eps</i>	invg	0.500	Inf	57.355	8.5342	43.0310	69.7776
<i>taumc_eps</i>	invg	0.500	Inf	17.018	1.9628	13.8019	20.0930
<i>taumi_eps</i>	invg	0.500	Inf	7.782	1.1042	5.9777	9.5538
<i>taumx_eps</i>	invg	0.500	Inf	100.664	11.8311	82.3122	119.4386

Table 4: Results from posterior maximization (parameters)

	Dist.	Prior		Posterior	
		Mean	Stdev	Mode	Stdev
<i>rho_a</i>	beta	0.500	0.2000	0.9943	0.0091
<i>rho_b</i>	beta	0.500	0.2000	0.9998	0.0001
<i>rho_g</i>	beta	0.500	0.2000	0.8479	0.0335
<i>rho_l</i>	beta	0.500	0.2000	0.0700	0.0924
<i>rho_i</i>	beta	0.500	0.2000	0.9412	0.0005
<i>rho_a_D</i>	beta	0.500	0.2000	0.7362	0.0626
<i>rho_H</i>	beta	0.500	0.1750	0.9973	0.0015
<i>rho_R_L</i>	beta	0.500	0.2000	0.5809	0.0750
<i>rho_R_L_E</i>	beta	0.500	0.2000	0.5038	0.0799
<i>rho_R_D</i>	beta	0.500	0.2000	0.3388	0.1160
<i>rho_Bankcap</i>	beta	0.500	0.2000	0.0831	0.0834
<i>rho_sig</i>	beta	0.500	0.2000	0.9695	0.0189
<i>rho_sig_HH</i>	beta	0.500	0.2000	0.7570	0.0553
<i>phi_i_h</i>	gamm	1.000	0.5000	0.2809	0.0167
<i>phi_i</i>	norm	4.000	1.5000	9.5241	0.7740
<i>czcapbis</i>	beta	0.500	0.1500	0.9768	0.0027
<i>sig_l_C</i>	gamm	1.500	0.1000	1.5536	0.0545
<i>xi_w_C</i>	beta	0.850	0.0500	0.5930	0.0189
<i>xi_w_D</i>	beta	0.850	0.0500	0.9201	0.0073
<i>gamma_w_C</i>	beta	0.500	0.1500	0.4808	0.0630
<i>xi_p</i>	beta	0.750	0.0500	0.8753	0.0056
<i>gamma_p</i>	beta	0.500	0.1500	0.0702	0.0223
<i>xi_R_L</i>	beta	0.500	0.2000	0.7123	0.0015
<i>xi_R_D</i>	beta	0.500	0.2000	0.6700	0.0227
<i>xi_R_L_E</i>	beta	0.500	0.2000	0.4705	0.0038
<i>xi_p_D</i>	beta	0.200	0.1000	0.0688	0.0277
<i>rho</i>	beta	0.750	0.1000	0.8721	0.0020
<i>r_PI</i>	gamm	2.500	0.2500	2.5032	0.0254
<i>r_dpi</i>	gamm	0.300	0.1000	0.2690	0.0066
<i>r_y</i>	gamm	0.200	0.1000	0.0276	0.0021
<i>r_dy</i>	gamm	0.120	0.0500	0.1669	0.0106
<i>kappa_b</i>	gamm	20.000	2.5000	14.8140	1.9715
<i>xix</i>	beta	0.750	0.0750	0.9497	0.0028
<i>ximc</i>	beta	0.750	0.0750	0.9072	0.0019
<i>ximi</i>	beta	0.750	0.0750	0.9134	0.0051
<i>ximx</i>	beta	0.660	0.1000	0.9236	0.0016
<i>kappax</i>	beta	0.500	0.1500	0.3472	0.0033
<i>kappamc</i>	beta	0.500	0.1500	0.8230	0.0393
<i>kappami</i>	beta	0.500	0.1500	0.7498	0.0323
<i>kappamx</i>	beta	0.500	0.1500	0.8471	0.0156

(Continued on next page)

Table 4: (continued)

	Prior			Posterior	
	Dist.	Mean	Stdev	Mode	Stdev
<i>etaf</i>	gamm	1.500	0.2500	2.1409	0.1658
<i>phitildes</i>	gamm	1.250	0.1000	1.1123	0.0186
<i>rhophitilde</i>	beta	0.850	0.0750	0.9928	0.0091
<i>a11</i>	norm	0.500	0.5000	0.9827	0.0045
<i>a22</i>	norm	0.000	0.5000	0.1366	0.0008
<i>a33</i>	norm	0.500	0.5000	1.0001	0.0027
<i>a12</i>	norm	0.000	0.5000	-0.2270	0.1082
<i>a13</i>	norm	0.000	0.5000	0.3723	0.1634
<i>a21</i>	norm	0.000	0.5000	-0.0232	0.0023
<i>a23</i>	norm	0.000	0.5000	-0.1467	0.1091
<i>a31</i>	norm	0.000	0.5000	-0.0008	0.0004
<i>a32</i>	norm	0.000	0.5000	-0.0135	0.0027
<i>c21</i>	norm	0.000	0.5000	0.0929	0.0763
<i>c31</i>	norm	0.000	0.5000	0.0211	0.0049
<i>c32</i>	norm	0.000	0.5000	0.0199	0.0148

Table 5: Results from posterior maximization (standard deviation of structural shocks)

	Prior			Posterior	
	Dist.	Mean	Stdev	Mode	Stdev
<i>E_A</i>	unif	5.000	2.8868	0.4730	0.0525
<i>E_B</i>	invg	2.000	Inf	23.7701	2.5216
<i>E_G</i>	unif	5.000	2.8868	3.5200	0.4228
<i>E_W</i>	unif	5.000	2.8868	10.0000	0.0000
<i>E_I</i>	invg	0.250	Inf	0.3293	0.0435
<i>E_R</i>	unif	5.000	2.8868	0.4351	0.0517
<i>E_R_L</i>	invg	0.250	2.0000	0.1272	0.0181
<i>E_R_L_E</i>	invg	0.250	2.0000	0.3214	0.0452
<i>E_R_D</i>	invg	0.100	2.0000	0.0302	0.0041
<i>E_P</i>	unif	5.000	2.8868	1.4611	0.1809
<i>E_A_D</i>	unif	5.000	2.8868	3.7540	0.4680
<i>E_H</i>	invg	2.000	Inf	2.9494	0.5051
<i>E_Bankcap</i>	invg	2.000	Inf	6.1300	0.5631
<i>E_SIG</i>	invg	0.250	Inf	0.0744	0.0102
<i>E_SIG_HH</i>	unif	1.000	0.5774	0.1288	0.0128
<i>Rstar_eps</i>	invg	1.500	Inf	0.7898	0.0850
<i>phitilde_eps</i>	invg	0.150	Inf	0.0862	0.0120
<i>ystar_eps</i>	invg	0.500	Inf	2.4084	0.4179
<i>pistar_eps</i>	invg	0.500	Inf	0.8023	0.1005
<i>taux_eps</i>	invg	0.500	Inf	62.0921	17.1925
<i>taumc_eps</i>	invg	0.500	Inf	16.1526	4.6986
<i>taumi_eps</i>	invg	0.500	Inf	7.2174	2.7553
<i>taumx_eps</i>	invg	0.500	Inf	94.3152	25.5931

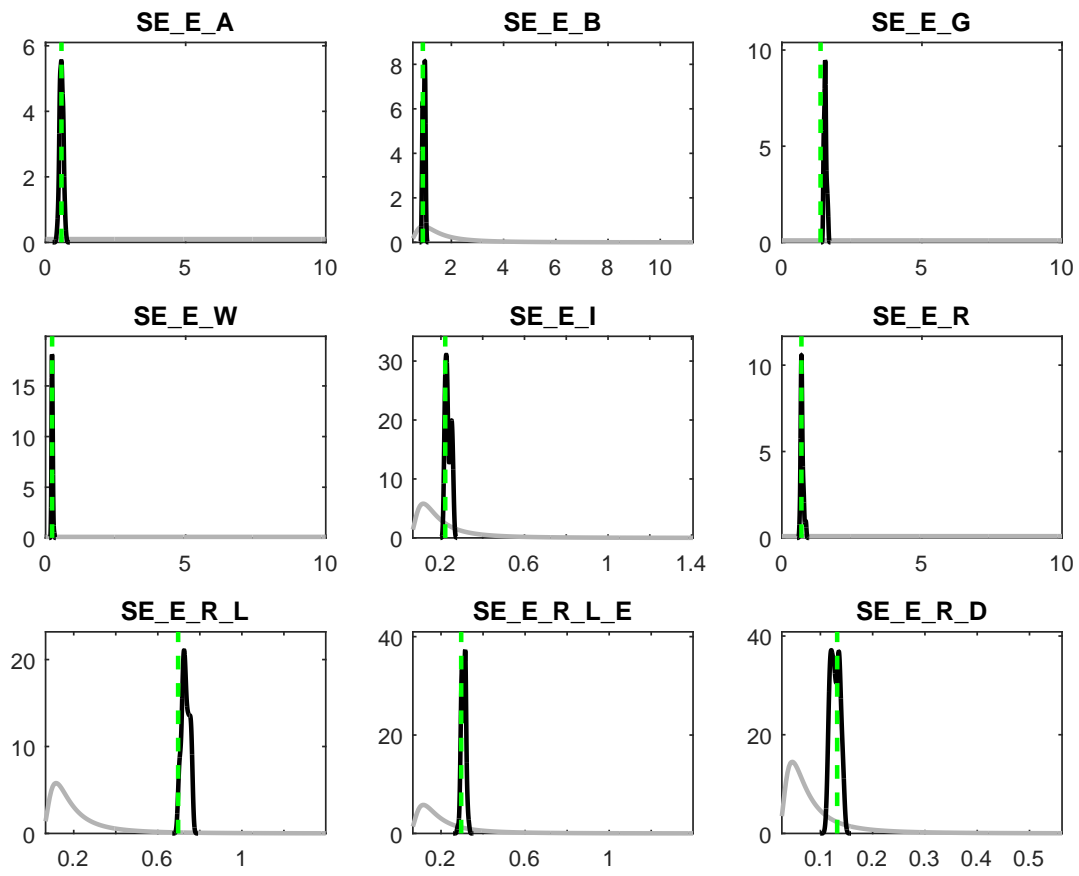


Figure 120: Priors and posteriors.

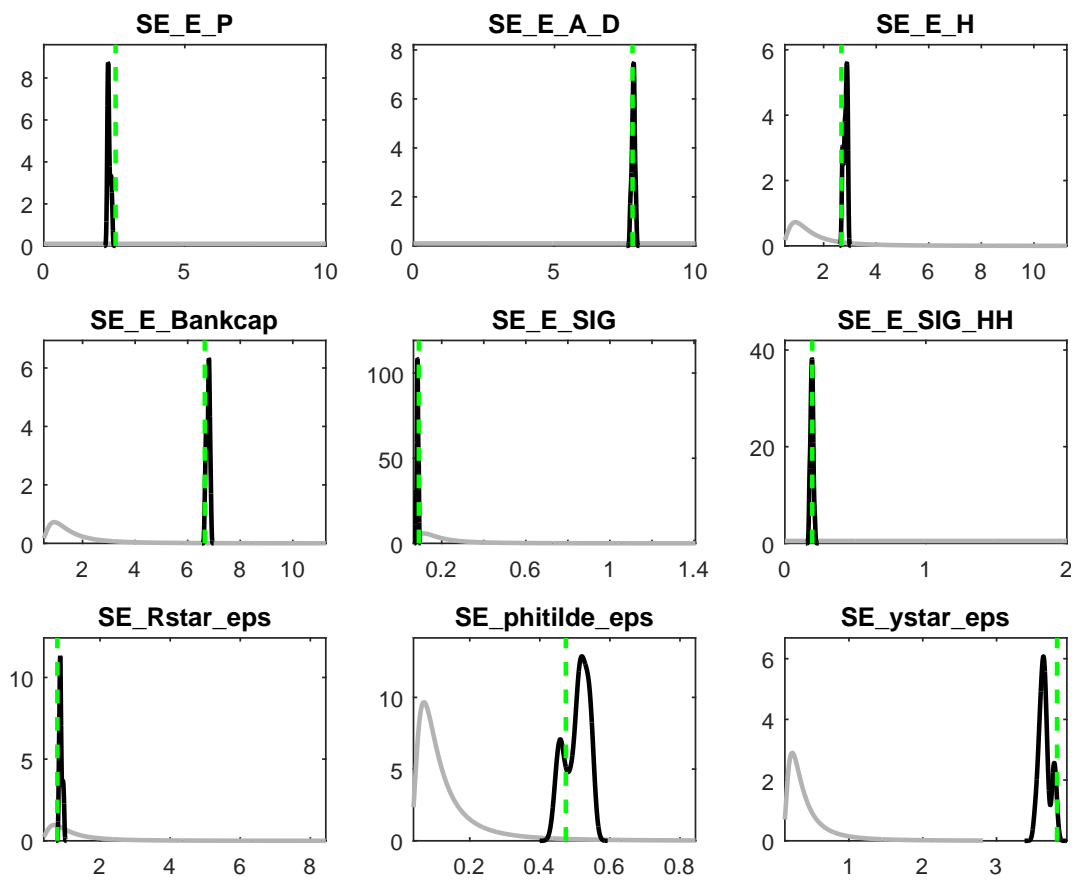


Figure 121: Priors and posteriors.

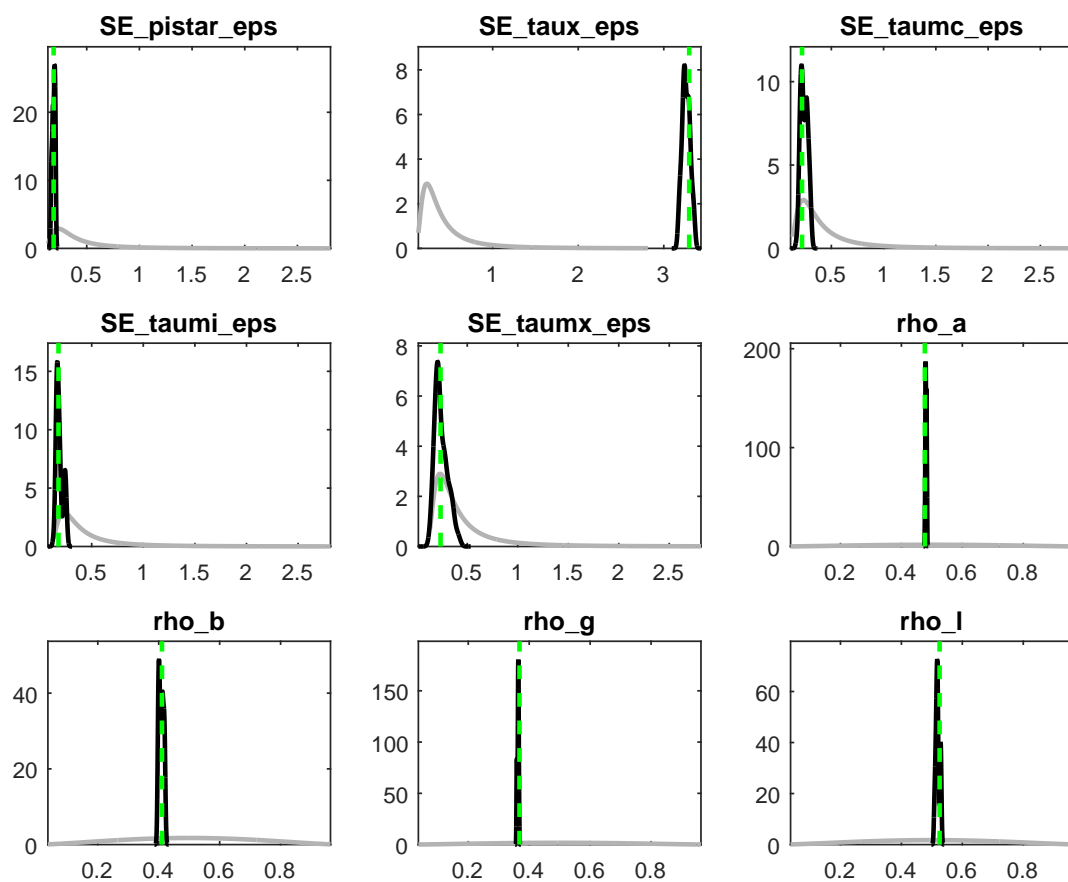


Figure 122: Priors and posteriors.

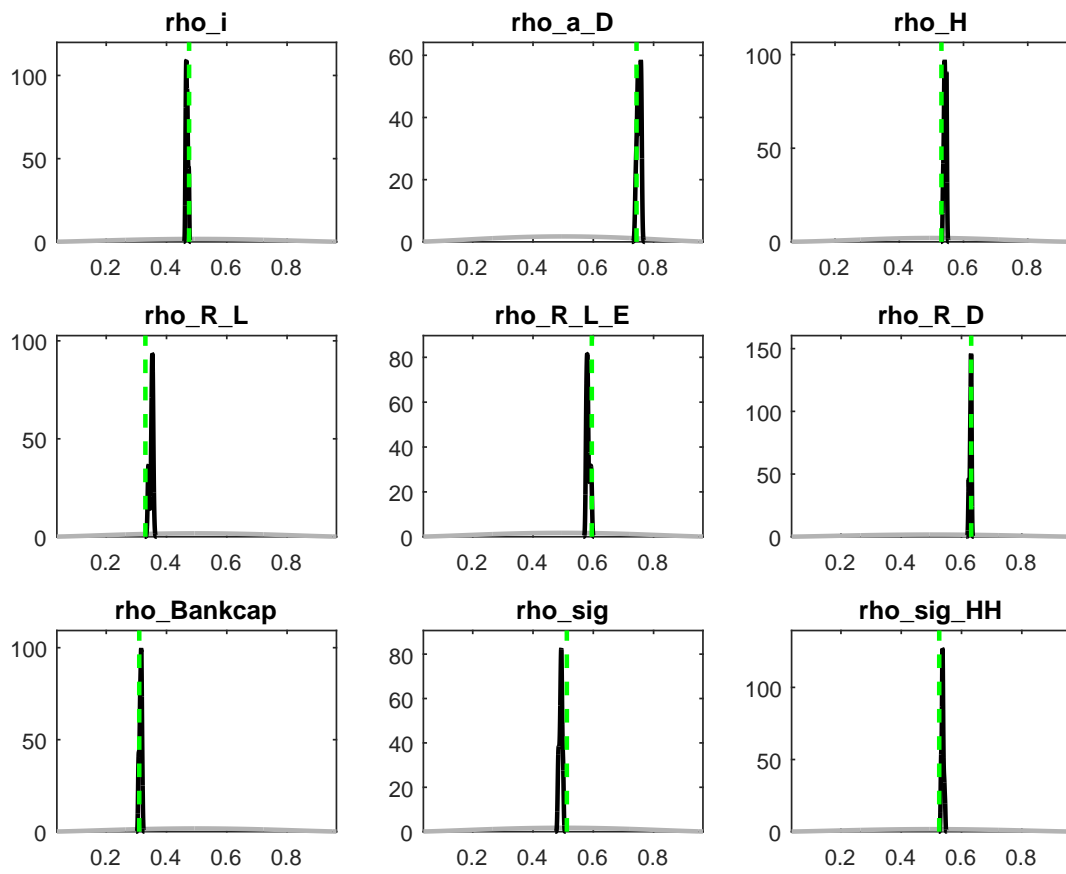


Figure 123: Priors and posteriors.

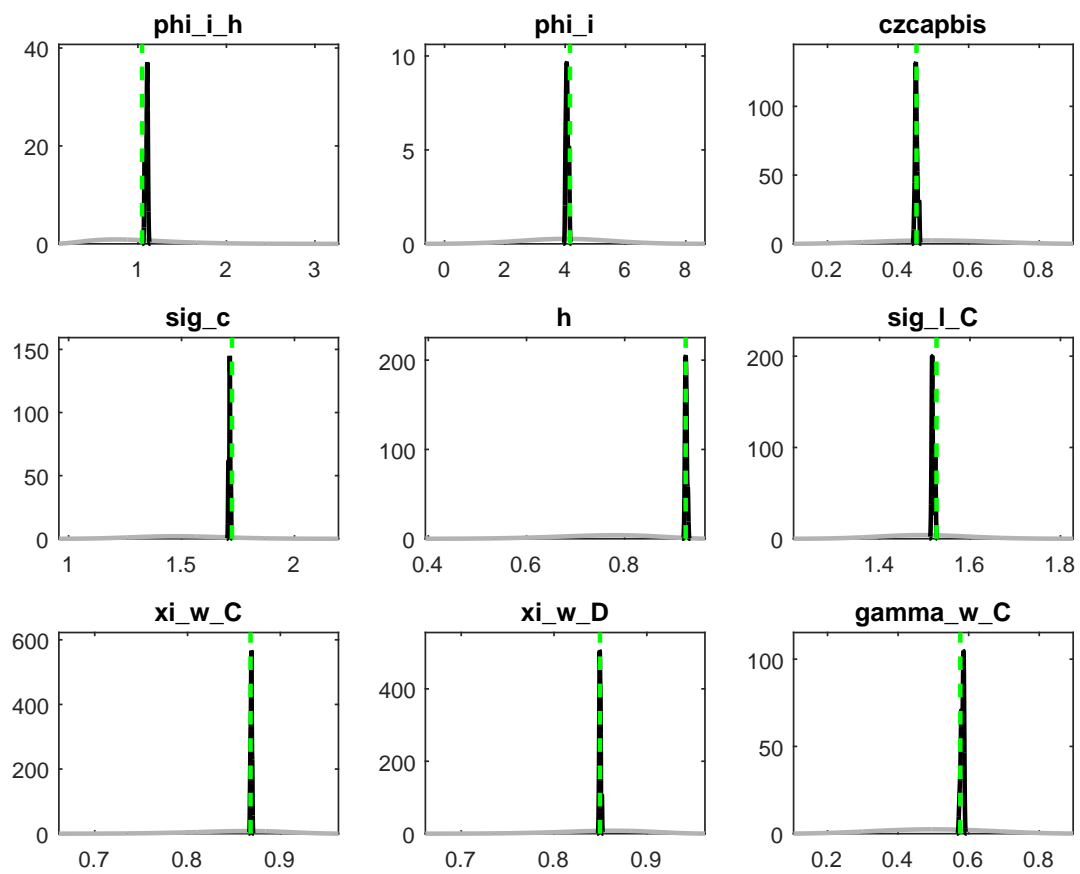


Figure 124: Priors and posteriors.

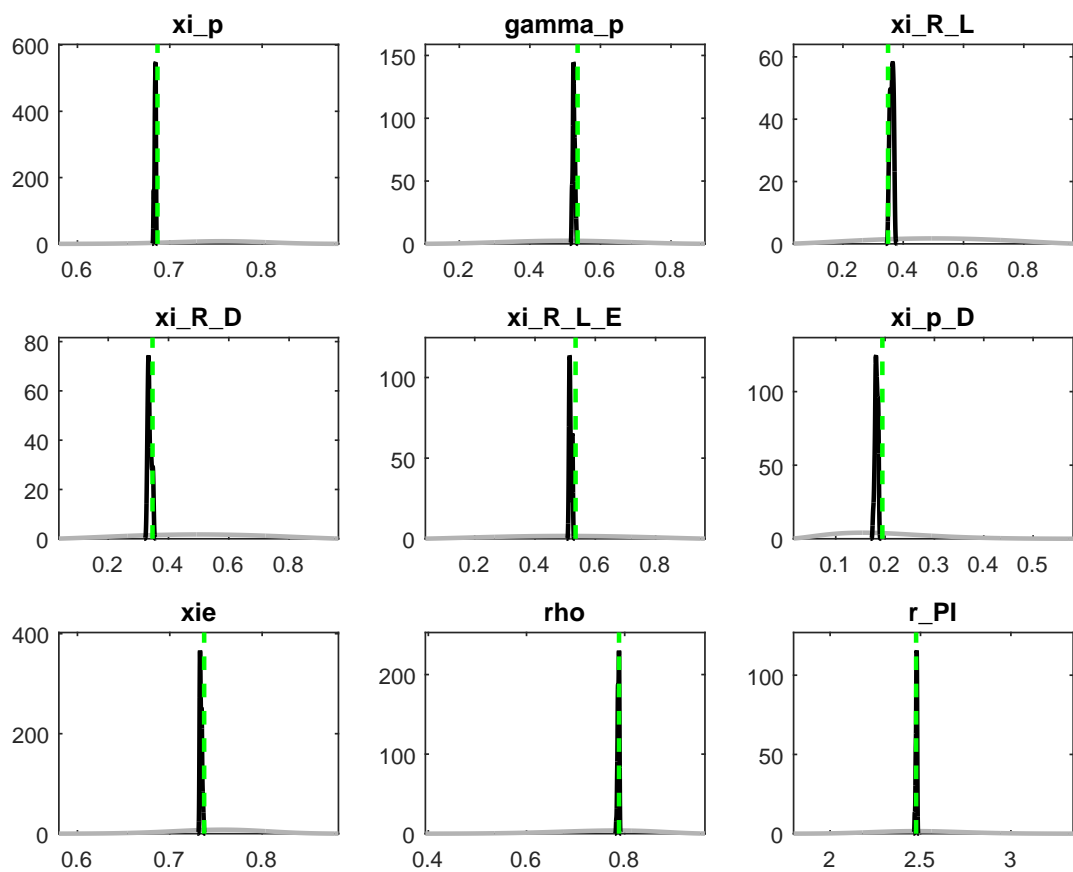


Figure 125: Priors and posteriors.

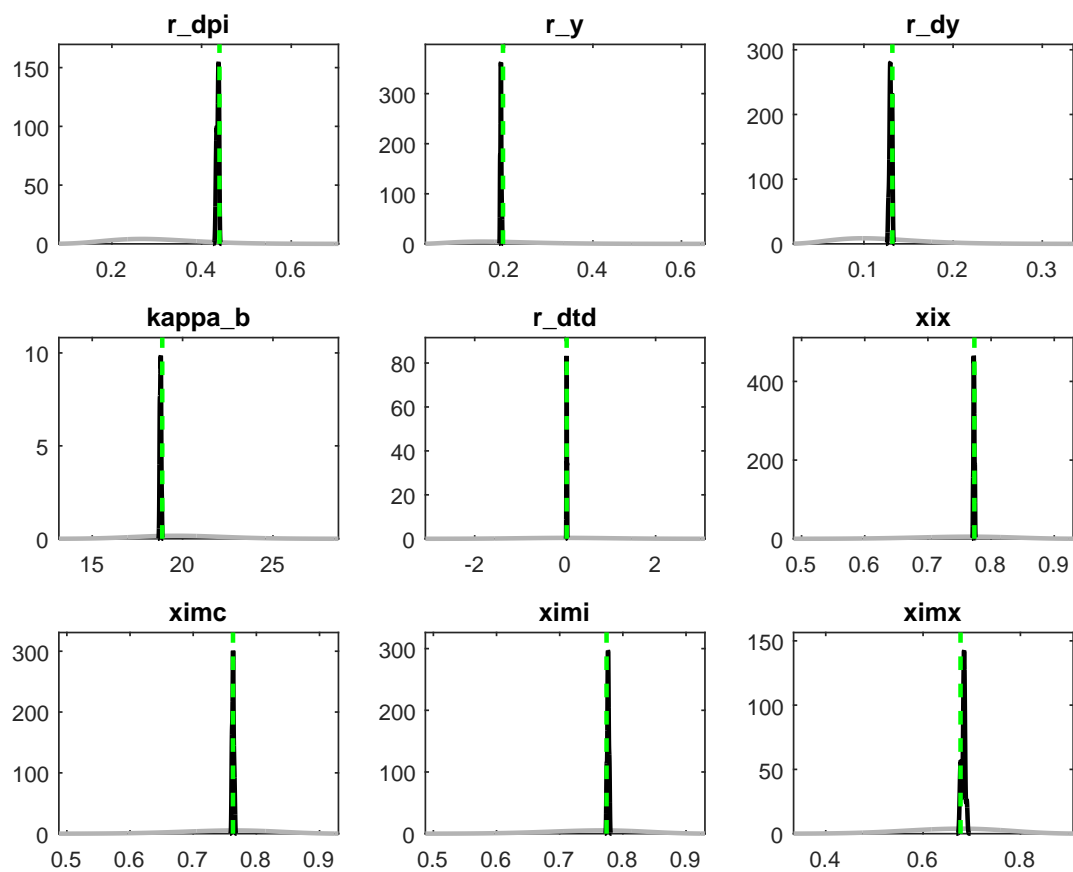


Figure 126: Priors and posteriors.

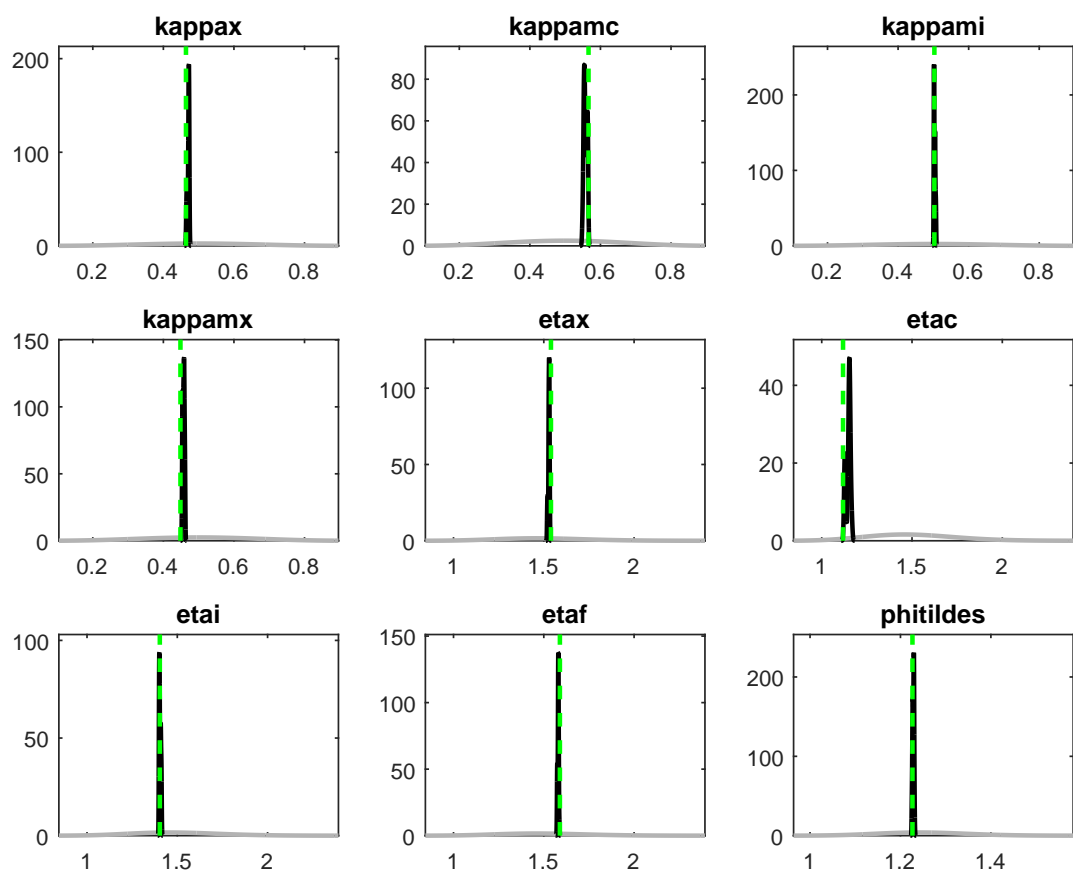


Figure 127: Priors and posteriors.

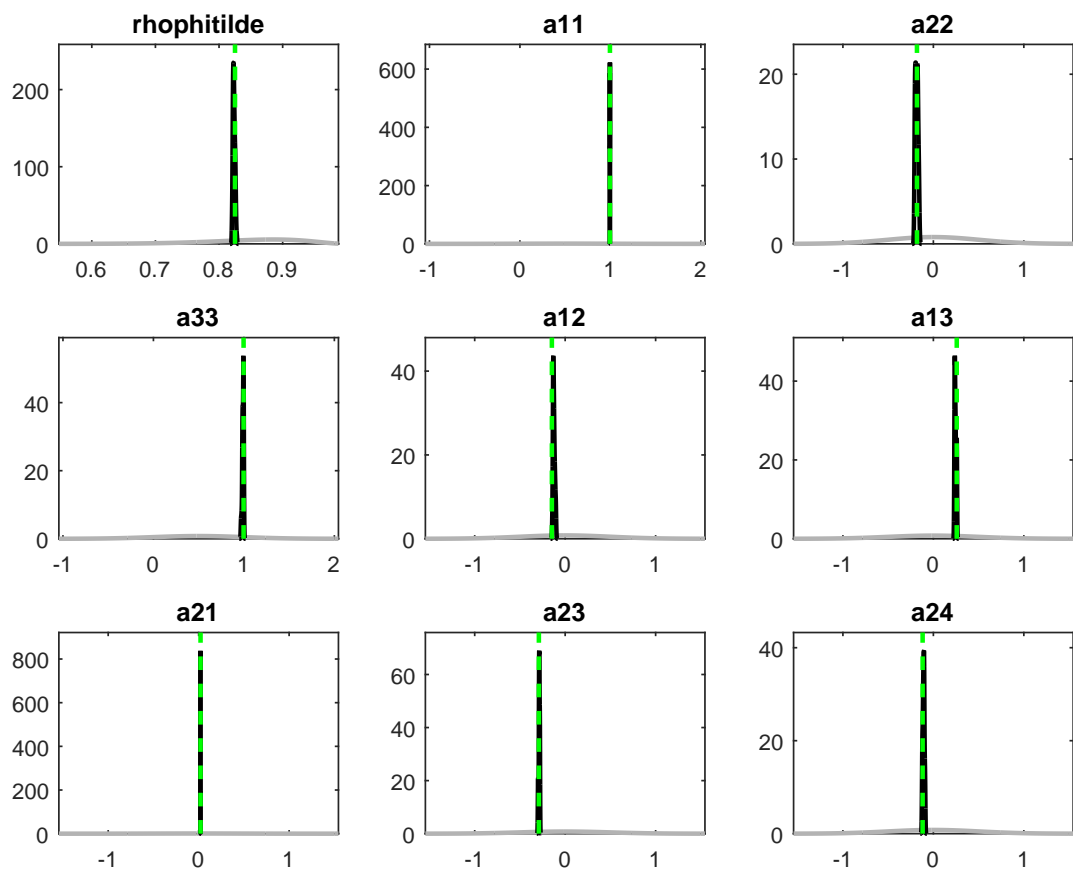


Figure 128: Priors and posteriors.

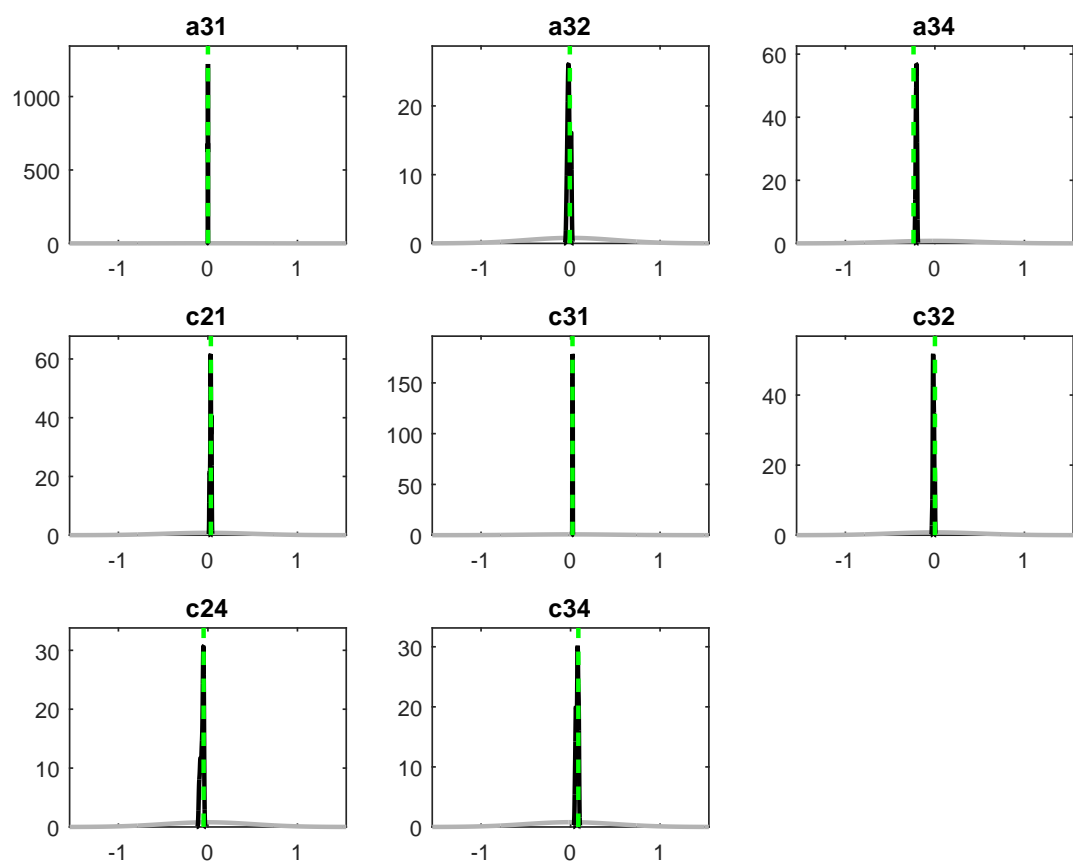


Figure 129: Priors and posteriors.

Table 6: Geweke (1992) Convergence Tests, based on means of draws 3330 to 4664 vs 6665 to 10000. p-values are for χ^2 -test for equality of means.

<i>Parameter</i>	Posterior		p-values			
	<i>Mean</i>	<i>Std</i>	<i>No Taper</i>	<i>4% Taper</i>	<i>8% Taper</i>	<i>15% Taper</i>
<i>SE_{E.A}</i>	0.4926	0.0492	0.0000	0.0011	0.0080	0.0206
<i>SE_{E.B}</i>	23.2939	2.2255	0.0852	0.8173	0.8619	0.8907
<i>SE_{E.G}</i>	3.8316	0.4062	0.0000	0.0034	0.0223	0.0410
<i>SE_{E.W}</i>	10.0000	0.0000	0.0000	0.0016	0.0227	0.0847
<i>SE_{E.I}</i>	0.3488	0.0443	0.0000	0.0166	0.0656	0.1321
<i>SE_{E.R}</i>	0.4388	0.0398	0.0000	0.1995	0.2900	0.3277
<i>SE_{E.R.L}</i>	0.1286	0.0133	0.0000	0.1499	0.2298	0.2709
<i>SE_{E.R.L.E}</i>	0.3347	0.0388	0.0000	0.0000	0.0000	0.0000
<i>SE_{E.R.D}</i>	0.0305	0.0036	0.0000	0.0002	0.0019	0.0030
<i>SE_{E.P}</i>	1.4606	0.1450	0.0000	0.5422	0.6328	0.6808
<i>SE_{E.A.D}</i>	3.8832	0.4405	0.0000	0.0113	0.0489	0.0934
<i>SE_{E.H}</i>	3.1612	0.4026	0.0000	0.0000	0.0000	0.0003
<i>SE_{E.Bankcap}</i>	6.0639	0.4737	0.0000	0.0222	0.0615	0.1059
<i>SE_{E.SIG}</i>	0.0787	0.0088	0.0000	0.2199	0.3561	0.4603
<i>SE_{E.SIG.HH}</i>	0.1310	0.0162	0.0000	0.0256	0.0925	0.1784
<i>SE_{Rstar.eps}</i>	0.8092	0.0786	0.0000	0.0100	0.0385	0.0557
<i>SE_{phitilde.eps}</i>	0.0972	0.0132	0.0000	0.0000	0.0000	0.0000
<i>SE_{ystar.eps}</i>	2.5042	0.2310	0.0000	0.3728	0.4834	0.5507
<i>SE_{pistar.eps}</i>	0.7925	0.0675	0.0000	0.0191	0.0614	0.1064
<i>SE_{taux.eps}</i>	57.9770	8.4881	0.0000	0.1259	0.2011	0.2661
<i>SE_{taumc.eps}</i>	16.9487	1.9535	0.0000	0.0000	0.0003	0.0005
<i>SE_{taumi.eps}</i>	7.8018	1.1893	0.0000	0.0052	0.0121	0.0152
<i>SE_{taumx.eps}</i>	101.2309	12.1336	0.0000	0.0105	0.0337	0.0790
<i>rho_a</i>	0.9899	0.0069	0.0000	0.0000	0.0007	0.0019
<i>rho_b</i>	0.9998	0.0001	0.0000	0.0039	0.0180	0.0291
<i>rho_g</i>	0.8439	0.0276	0.0000	0.4194	0.5245	0.6036
<i>rho_l</i>	0.0890	0.0467	0.0000	0.0524	0.1102	0.1526
<i>rho_i</i>	0.9432	0.0014	0.0000	0.5160	0.6238	0.6860
<i>rho_{a.D}</i>	0.7263	0.0679	0.0000	0.0001	0.0034	0.0193
<i>rho_H</i>	0.9973	0.0013	0.0000	0.0153	0.0542	0.1071
<i>rho_{R.L}</i>	0.5909	0.0702	0.0000	0.5355	0.6228	0.6710
<i>rho_{R.L.E}</i>	0.5054	0.0895	0.0000	0.0000	0.0000	0.0000
<i>rho_{R.D}</i>	0.3658	0.1051	0.0000	0.0000	0.0009	0.0062
<i>rho_{Bankcap}</i>	0.0937	0.0482	0.0000	0.0268	0.0451	0.0436
<i>rho_{sig}</i>	0.9633	0.0143	0.0000	0.2682	0.3929	0.4744
<i>rho_{sig.HH}</i>	0.7544	0.0517	0.0000	0.3983	0.5231	0.6023
<i>phi_{i.h}</i>	0.3019	0.0261	0.0974	0.8392	0.8817	0.9081
<i>phi_i</i>	10.1787	0.9541	0.0000	0.0004	0.0072	0.0284

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Table 6: (continued)

<i>Parameter</i>	Posterior		p-values			
	<i>Mean</i>	<i>Std</i>	<i>No Taper</i>	<i>4% Taper</i>	<i>8% Taper</i>	<i>15% Taper</i>
<i>czcapbis</i>	0.9776	0.0090	0.0000	0.0000	0.0000	0.0000
<i>sig_l_C</i>	1.6439	0.0650	0.0000	0.0027	0.0230	0.0621
<i>xi_w_C</i>	0.6162	0.0230	0.0000	0.0000	0.0003	0.0053
<i>xi_w_D</i>	0.9300	0.0150	0.0000	0.0000	0.0004	0.0068
<i>gamma_w_C</i>	0.4398	0.1920	0.0000	0.0000	0.0000	0.0000
<i>xi_p</i>	0.8819	0.0082	0.0000	0.1209	0.2445	0.3521
<i>gamma_p</i>	0.0725	0.0281	0.0000	0.3044	0.4497	0.5518
<i>xi_R_L</i>	0.7102	0.0025	0.0000	0.0000	0.0000	0.0000
<i>xi_R_D</i>	0.6577	0.0234	0.0000	0.0000	0.0000	0.0000
<i>xi_R_L_E</i>	0.4677	0.0073	0.0000	0.0000	0.0000	0.0000
<i>xi_p_D</i>	0.0851	0.0403	0.0000	0.0000	0.0000	0.0000
<i>rho</i>	0.8676	0.0028	0.0000	0.3031	0.4442	0.5479
<i>r_PI</i>	2.4251	0.0395	0.0000	0.0012	0.0162	0.0570
<i>r_dpi</i>	0.2742	0.0138	0.0000	0.0000	0.0000	0.0000
<i>r_y</i>	0.0255	0.0030	0.0000	0.0000	0.0001	0.0014
<i>r_dy</i>	0.1743	0.0120	0.0000	0.5227	0.6214	0.6847
<i>kappa_b</i>	14.4799	1.7172	0.0000	0.0005	0.0040	0.0072
<i>xix</i>	0.9468	0.0026	0.0000	0.0000	0.0001	0.0014
<i>ximc</i>	0.9072	0.0021	0.0000	0.0000	0.0000	0.0000
<i>ximi</i>	0.9140	0.0027	0.0000	0.0000	0.0000	0.0000
<i>ximx</i>	0.9251	0.0014	0.0000	0.0000	0.0000	0.0000
<i>kappax</i>	0.3556	0.0074	0.0000	0.0022	0.0262	0.0878
<i>kappamc</i>	0.8210	0.0571	0.0000	0.0000	0.0000	0.0000
<i>kappami</i>	0.7888	0.0345	0.0000	0.0000	0.0014	0.0127
<i>kappamx</i>	0.7745	0.0277	0.0000	0.0000	0.0000	0.0000
<i>etaf</i>	2.2343	0.1554	0.6779	0.9607	0.9682	0.9717
<i>phitildes</i>	1.0967	0.0698	0.0000	0.0000	0.0000	0.0000
<i>rhophitilde</i>	0.9908	0.0043	0.0000	0.0072	0.0197	0.0369
<i>a11</i>	0.9705	0.0067	0.0000	0.0001	0.0036	0.0246
<i>a22</i>	0.1400	0.0032	0.0000	0.1043	0.2312	0.3479
<i>a33</i>	1.0089	0.0072	0.0000	0.0000	0.0002	0.0040
<i>a12</i>	-0.3624	0.1236	0.0000	0.0003	0.0043	0.0127
<i>a13</i>	0.5985	0.1746	0.0696	0.8279	0.8689	0.8943
<i>a21</i>	-0.0219	0.0043	0.0000	0.0000	0.0000	0.0000
<i>a23</i>	-0.0399	0.1132	0.0000	0.0001	0.0026	0.0087
<i>a31</i>	-0.0014	0.0004	0.0000	0.0000	0.0000	0.0000
<i>a32</i>	-0.0253	0.0092	0.0000	0.0000	0.0000	0.0000
<i>c21</i>	0.0868	0.0423	0.0000	0.0047	0.0238	0.0526
<i>c31</i>	0.0207	0.0051	0.0000	0.0063	0.0349	0.0800

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Table 6: (continued)

<i>Parameter</i>	Posterior		p-values			
	<i>Mean</i>	<i>Std</i>	<i>No Taper</i>	<i>4% Taper</i>	<i>8% Taper</i>	<i>15% Taper</i>
<i>c32</i>	0.0204	0.0121	0.0000	0.1444	0.2609	0.3634

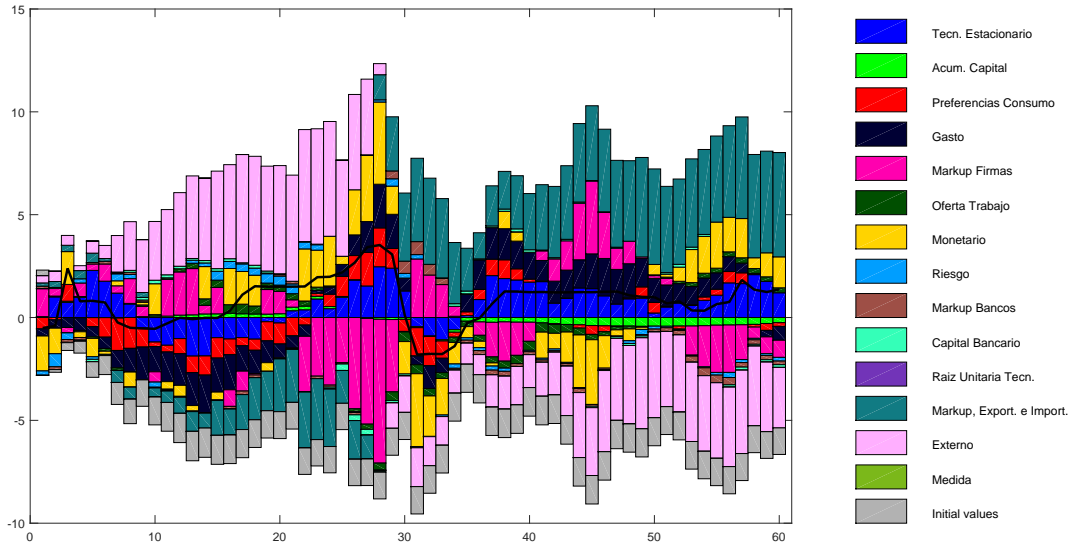


Figure 130: Historical shock decomposition group group1: *data_RU*.

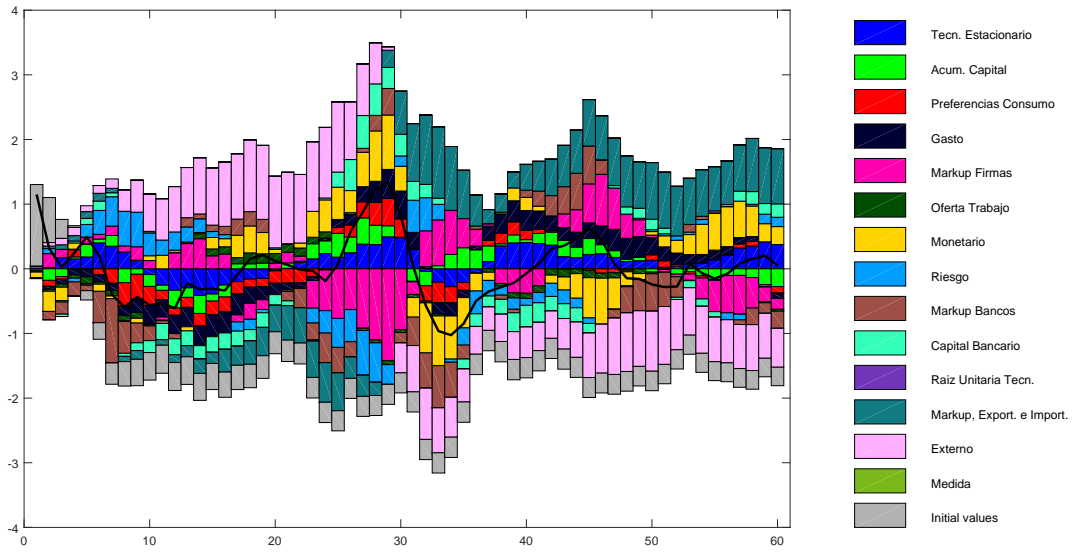


Figure 131: Historical shock decomposition group group1: *R_LL_Eobs*.

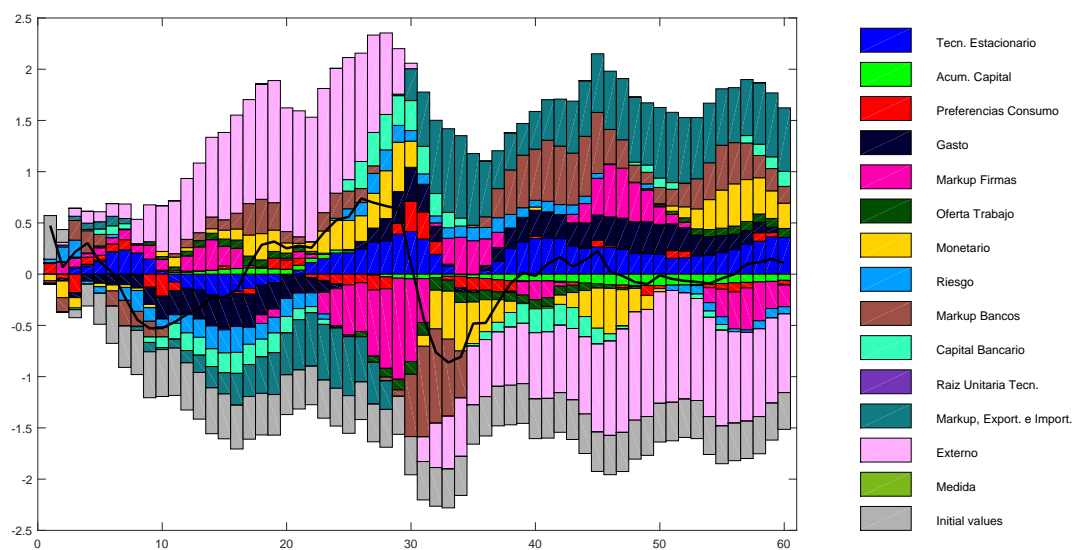


Figure 132: Historical shock decomposition group group1: R_{LLObs} .

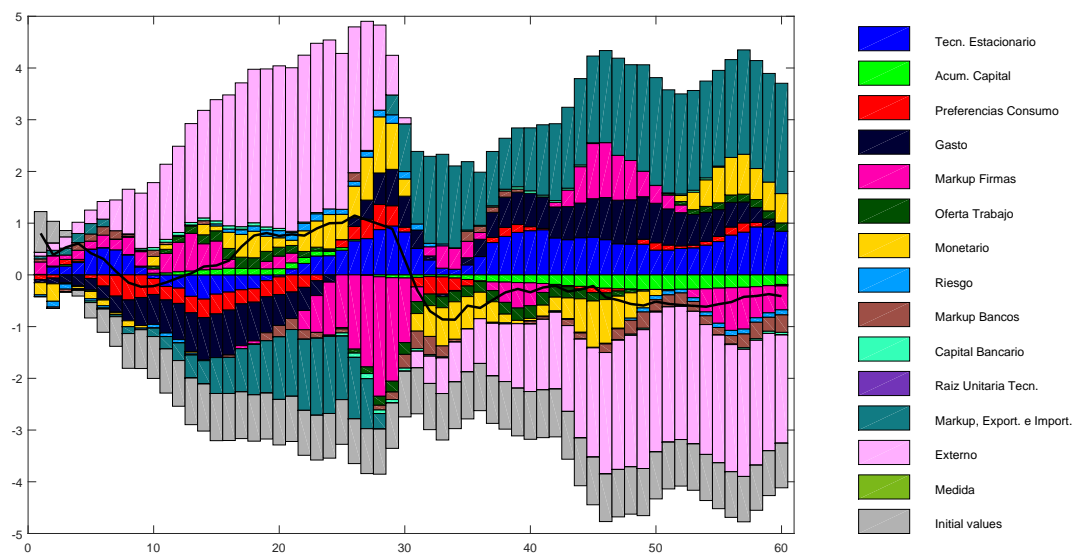


Figure 133: Historical shock decomposition group group1: R_{Dobs} .

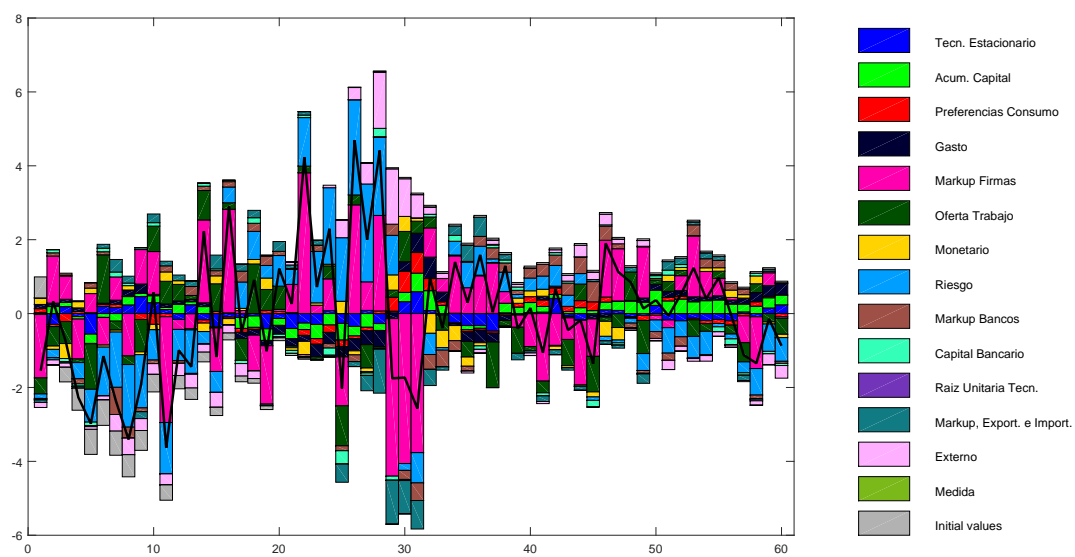


Figure 134: Historical shock decomposition group group1: $dDebt_Eobs$.

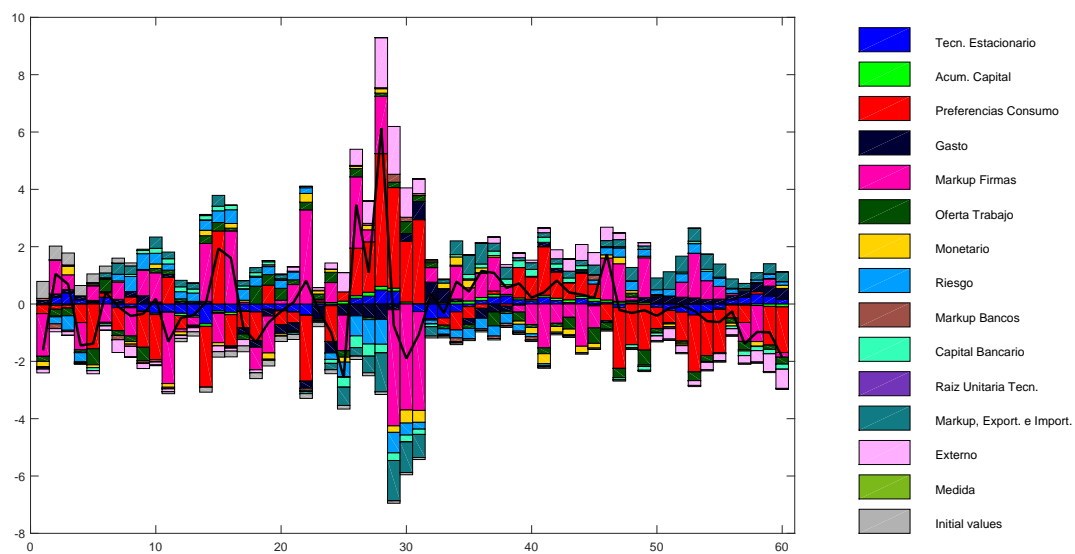


Figure 135: Historical shock decomposition group group1: $dDebtobs$.

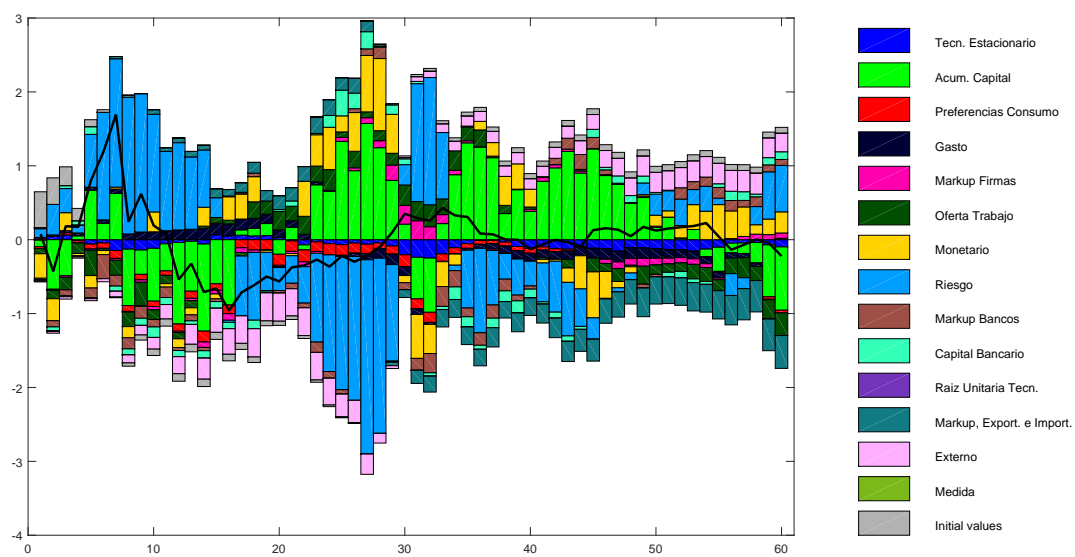


Figure 136: Historical shock decomposition group1: PD_Eobs .

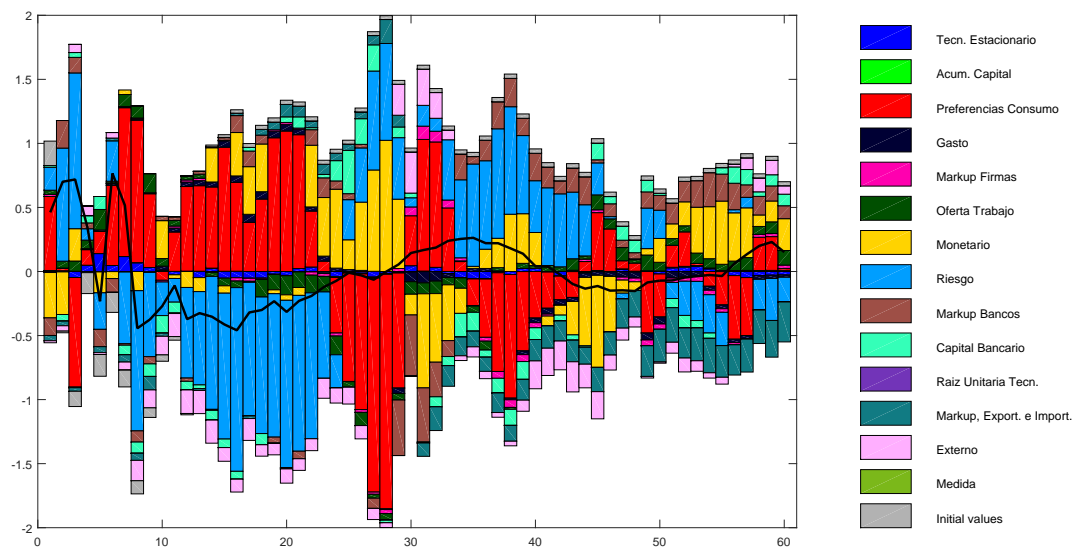


Figure 137: Historical shock decomposition group1: PD_HHobs .

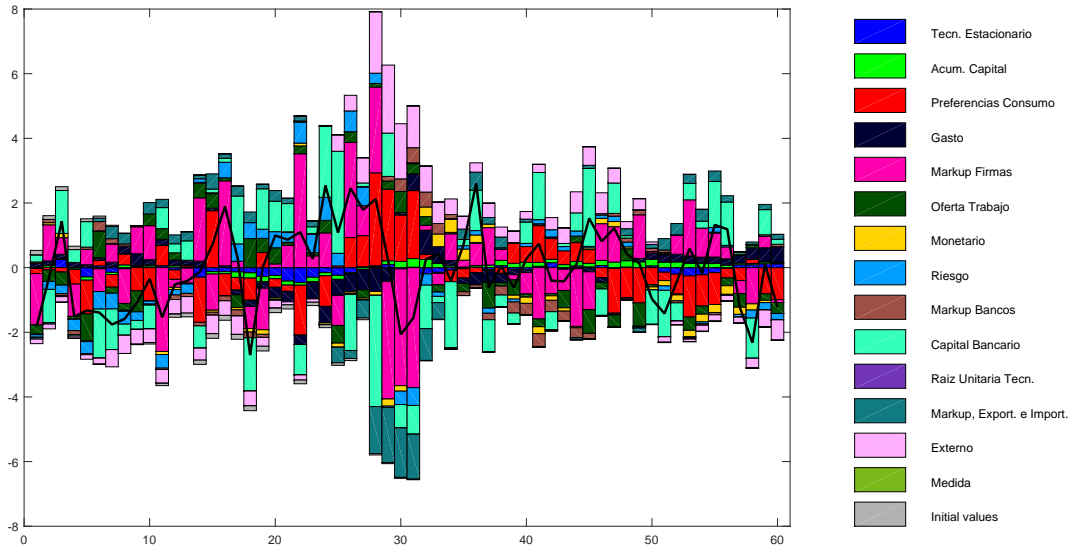


Figure 138: Historical shock decomposition group1: $dDepoobs$.

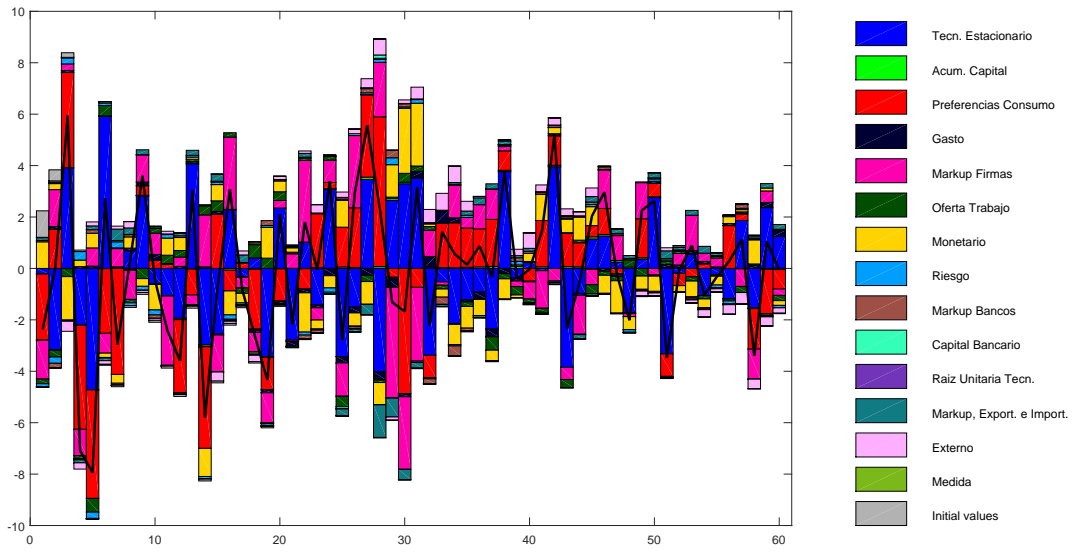


Figure 139: Historical shock decomposition group1: T_DdiffU .

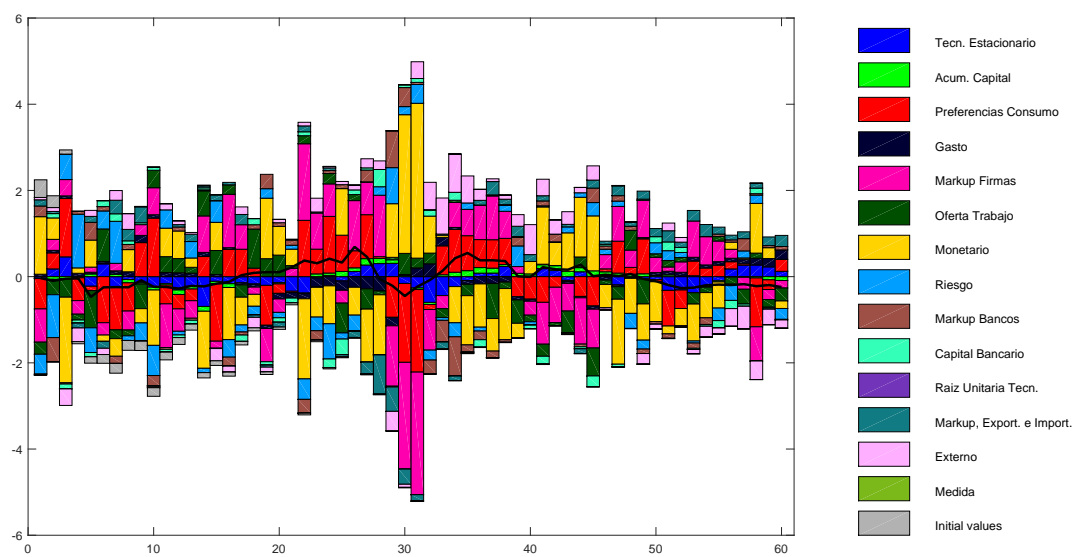


Figure 140: Historical shock decomposition group group1: $data_cdiffU$.

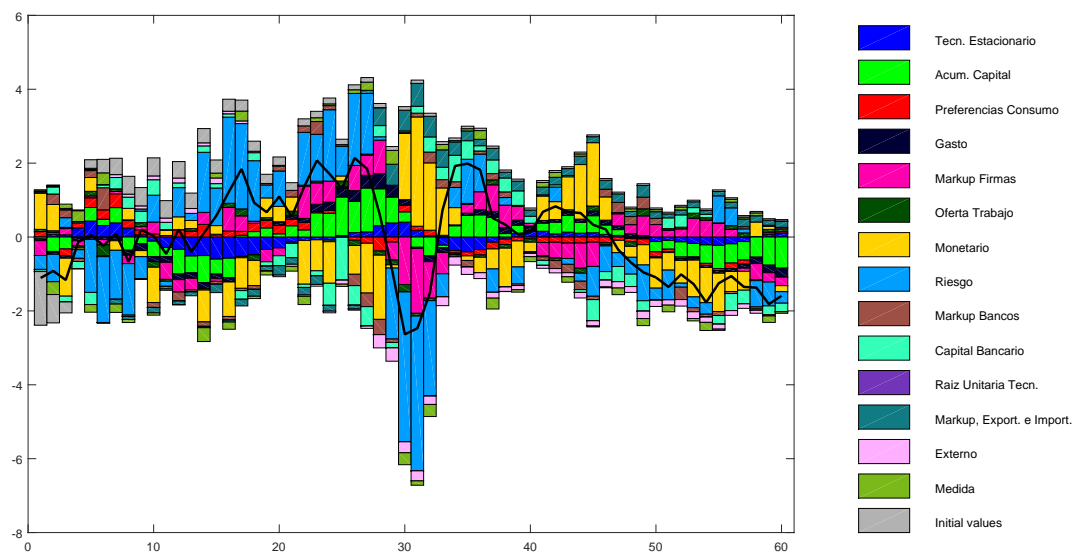


Figure 141: Historical shock decomposition group group1: $data_idiffU$.

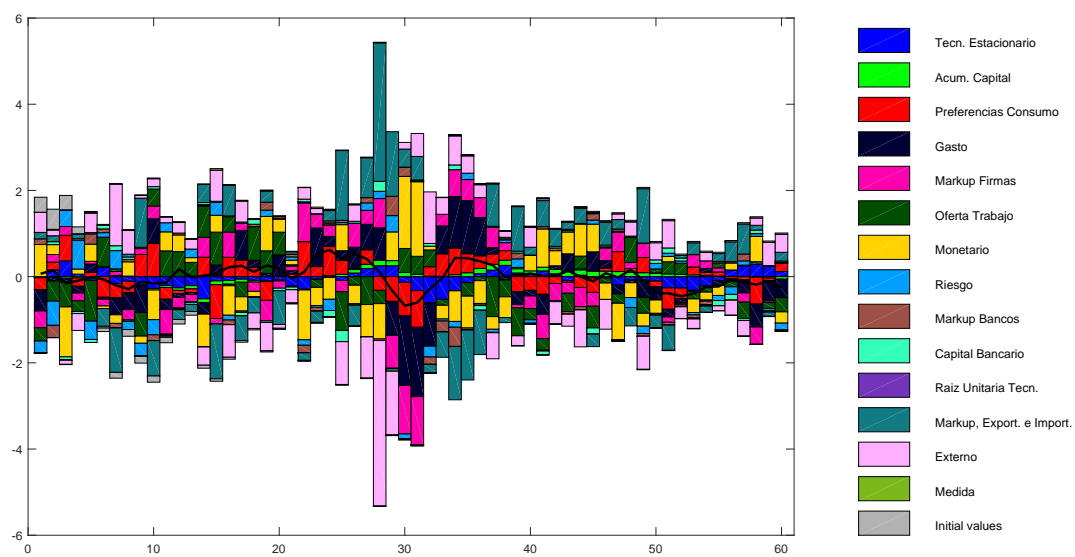


Figure 142: Historical shock decomposition group group1: $data_ydiffU$.

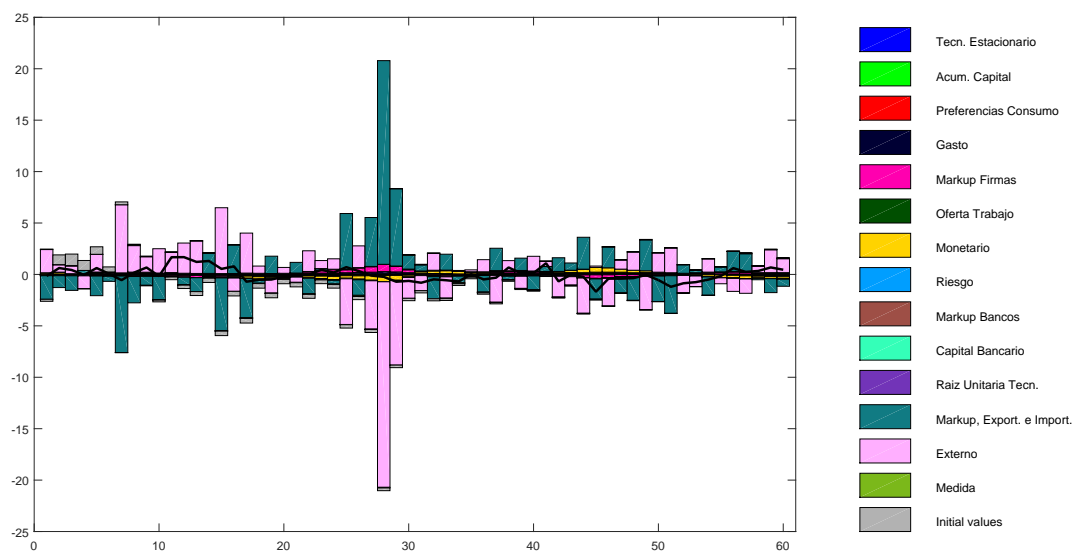


Figure 143: Historical shock decomposition group group1: $data_xdiffU$.

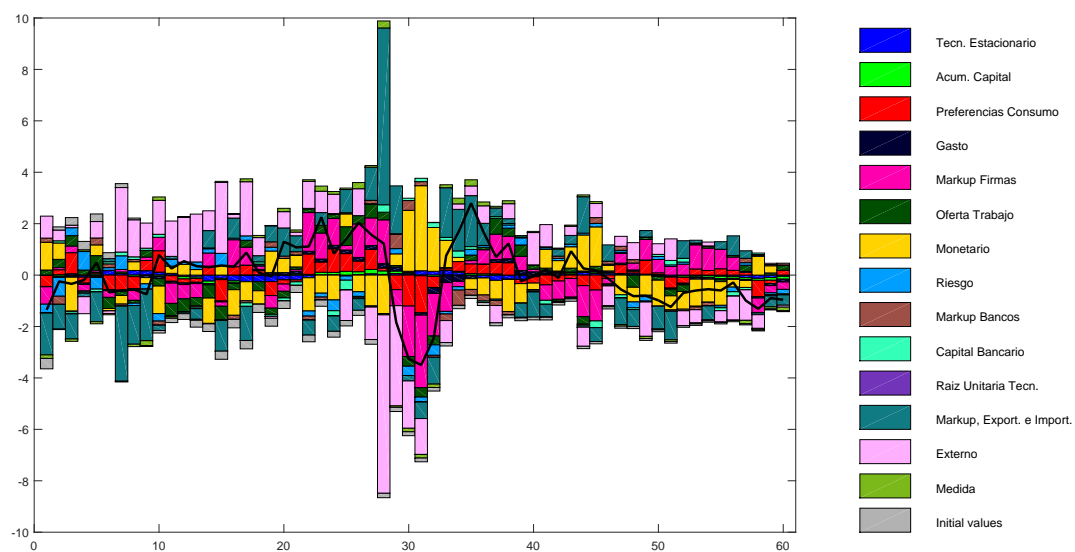


Figure 144: Historical shock decomposition group group1: *data_impdiffU*.

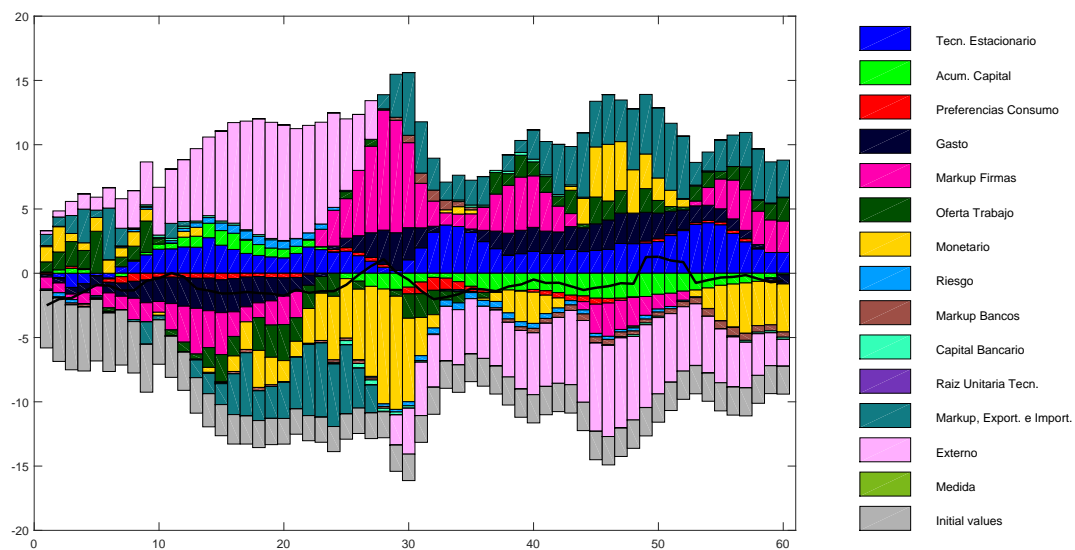


Figure 145: Historical shock decomposition group group1: *data_piiU*.

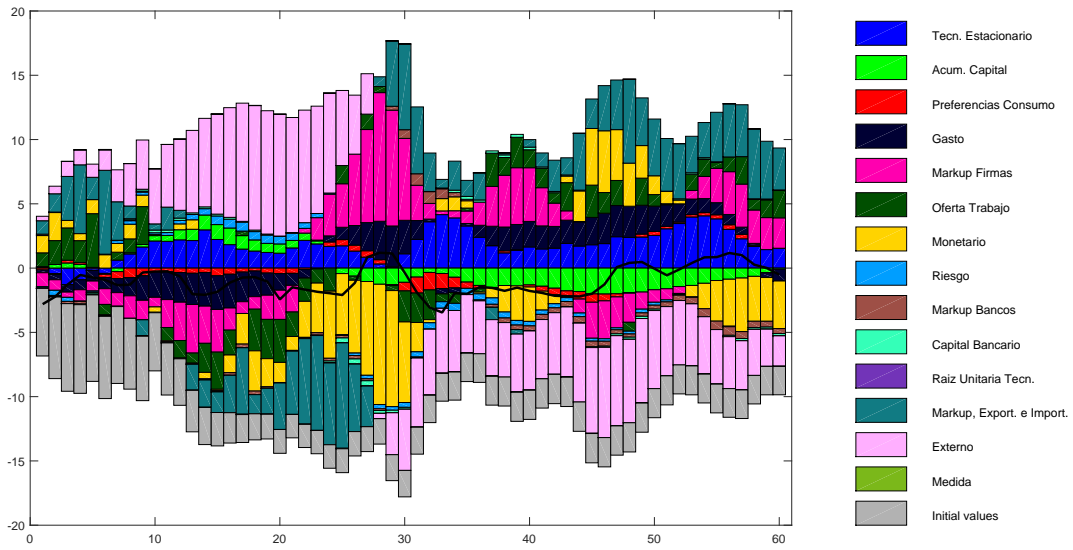


Figure 146: Historical shock decomposition group group1: *data_picU*.

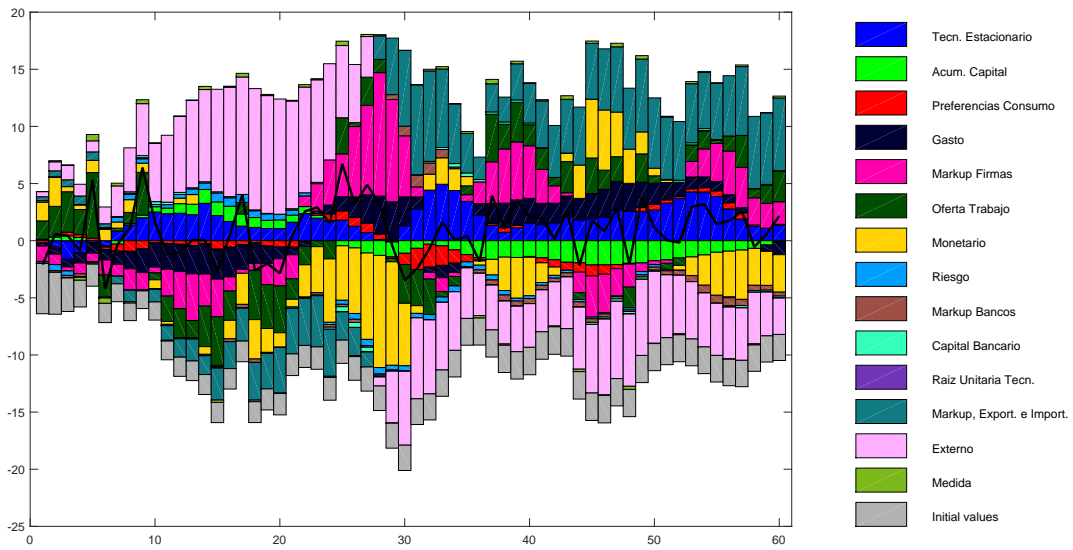


Figure 147: Historical shock decomposition group group1: *data_pidU*.

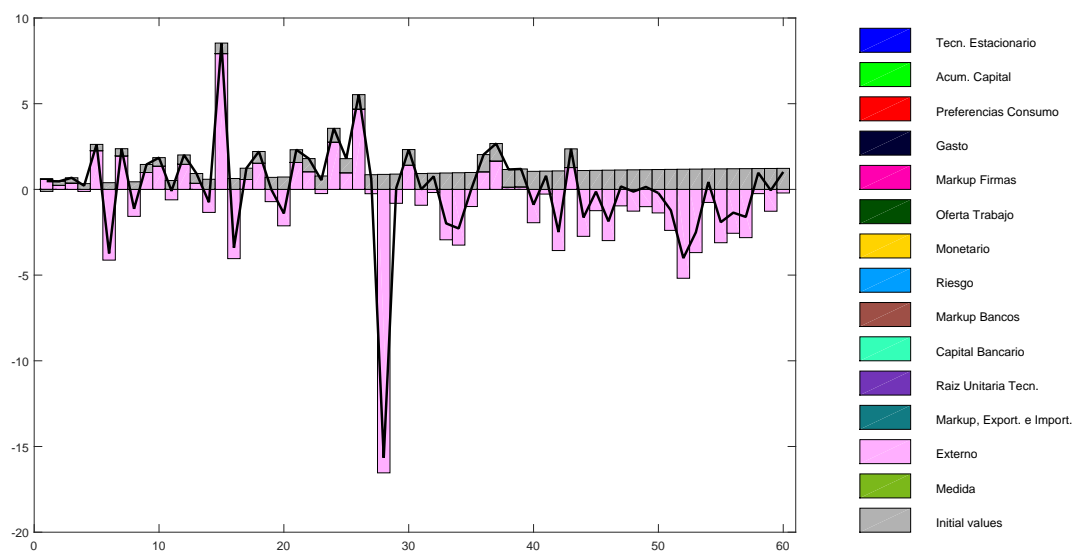


Figure 148: Historical shock decomposition group group1: *data_pistarU*.

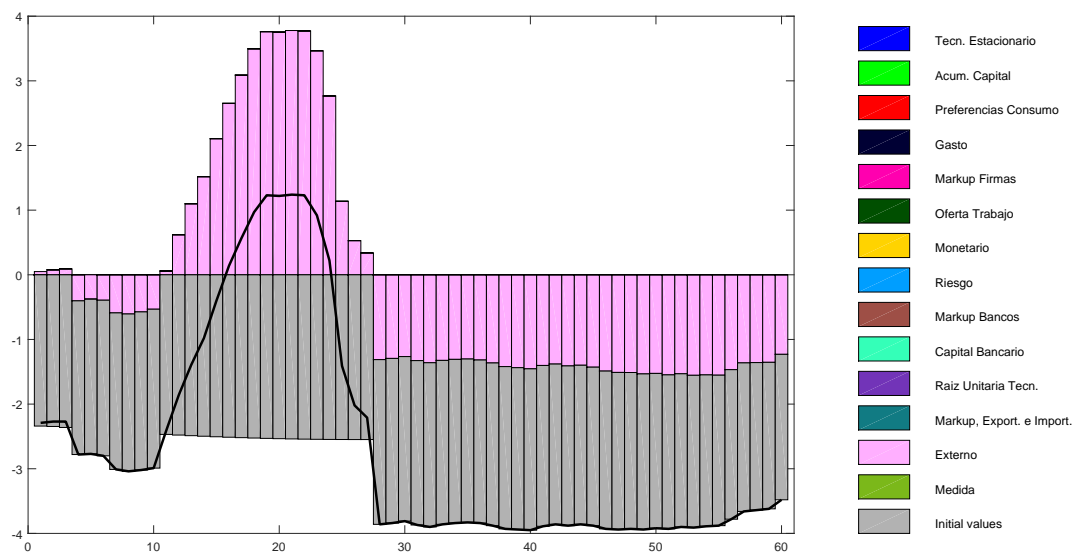


Figure 149: Historical shock decomposition group group1: *data_RstarU*.

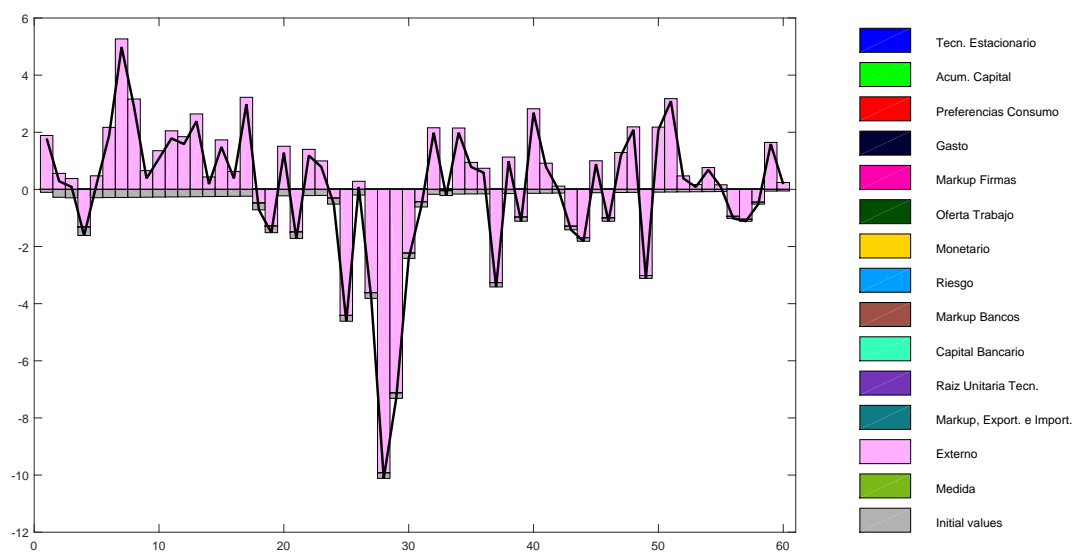


Figure 150: Historical shock decomposition group group1: $data_ystardiffU$.

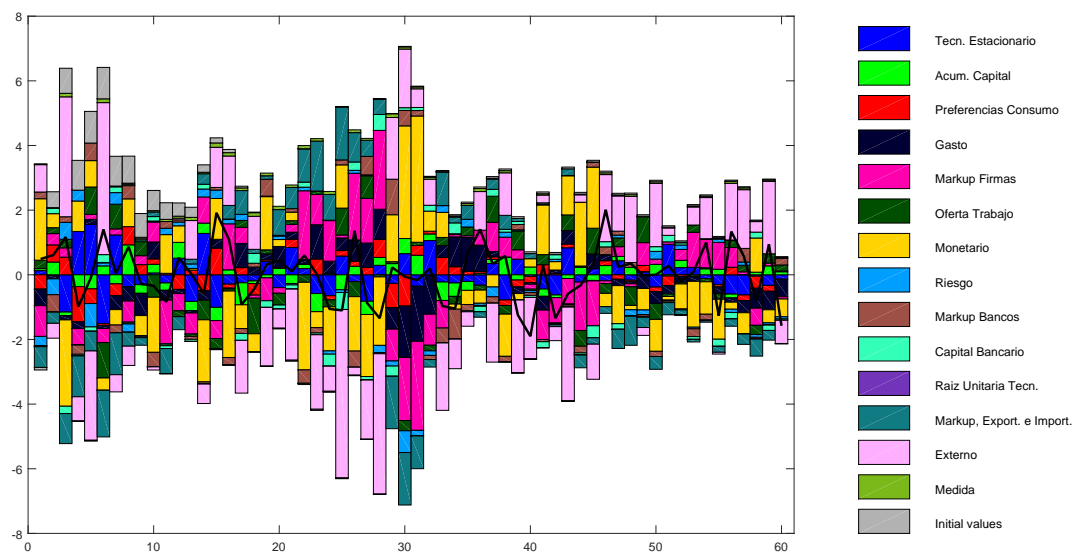


Figure 151: Historical shock decomposition group group1: $data_qdiffU$.

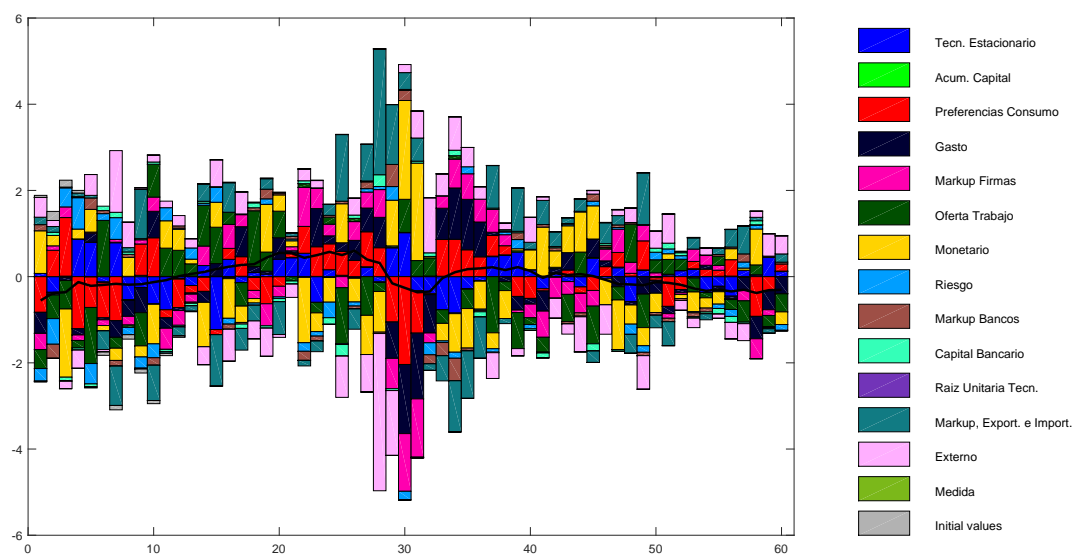


Figure 152: Historical shock decomposition group1: *data_ldiffU*.