

Instructions:

The included Stata and Matlab code was run on Stata 10 and Matlab 7.1 on a Windows XP platform.

- 1) Unzip the data and code zip file into a new directory
- 2) In Stata log on to the directory where you copied the data and code
- 3) If not already installed, install eret2
- 4) Type "final_run" at the Stata prompt. The results for table 1a and 1b are contained in the log file final_run.log
- 5) In Matlab log on to the same directory as under (2).
- 6) At the Matlab prompt type "Matlab_Final_Run". The code will run for a couple hours...
- 7) Results for Tables 3 are contained in .txt files starting with "Test3_Results...". Each model a)-j) has its own result file, with the Matlab model name appearing in the file name (see table for conversion below). The p-values reported in the tables are contained in column 5 of the file, starting on line 37. Results for Table 4 are similarly contained in files starting with "Test1_Results...". Results for Table 5 are contained in files starting with "Test13_Results...". Results for Tables 2 are contained in files starting in "PSTest_Summary....txt". p-values reported in the tables are contained in the second but last column of the files.

Model name conversion between Tables 1-5 and Matlab Code

Tables	Code
a)	oct_nopcip_full
b)	romer_9var
c)	romer_9var_ff2
d)	oct_nopcip_full_Bin
e)	romer_9var_Bin
f)	romer_9var_ff2_Bin
g)	Taylor_nsa
h)	Taylor_nsa_sq
i)	Taylor_nsa_Bin
j)	Taylor_nsa_sq_Bin