

Disagreement, Speculation, and Aggregate Investment: Errata

Steven D. Baker

Burton Hollifield

Emilio Osambela

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Simulation code used to approximate the PDF in the bottom panel of Figure 2 contained an error. The file `simDistJumps.m`, available [here](#), contains corrected code, beginning at line 86. Instead of:

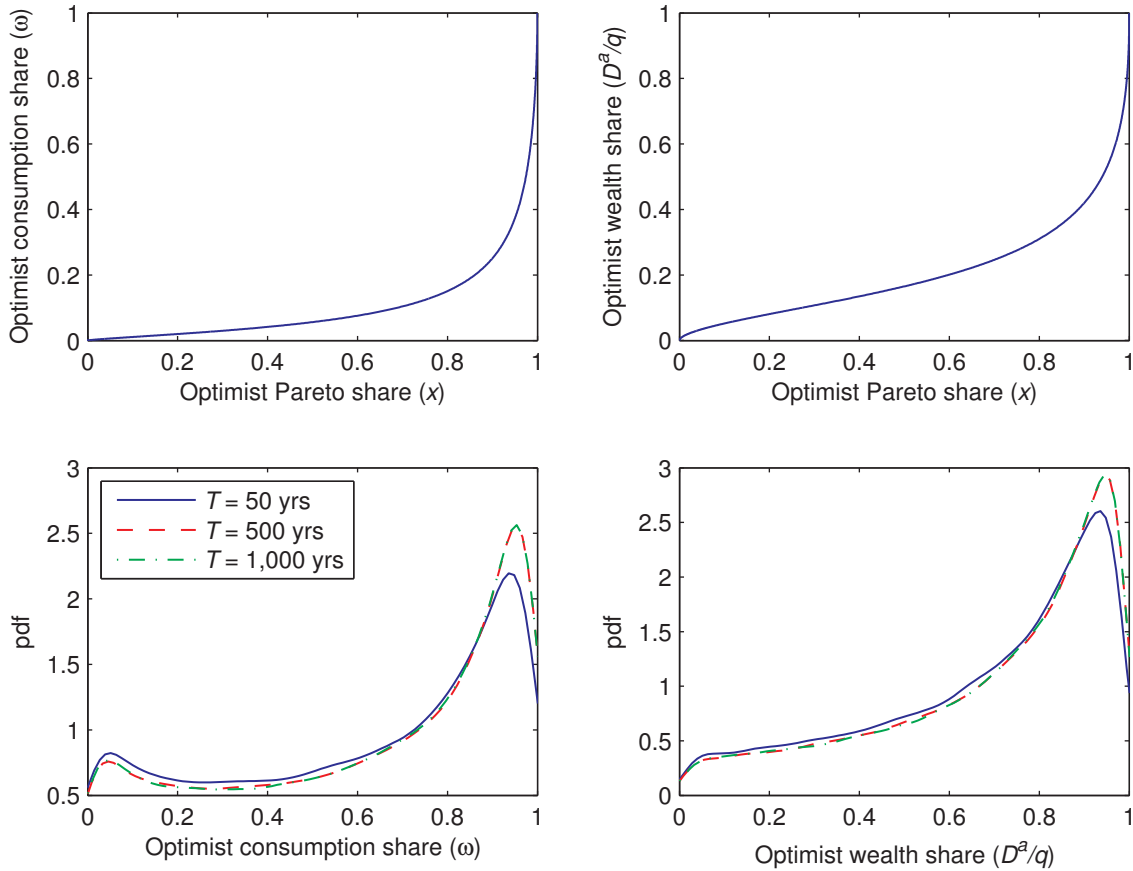
```
detaa = (-nua + p.lambdac - p.lambdaa - 0.5*mubara^2)*dt ...  
        + mubara.*dW + (p.lambdaa/p.lambdac - 1).*dJ;  
detab = (-nub + p.lambdac - p.lambdab - 0.5*mubarb^2)*dt ...  
        + mubarb.*dW + (p.lambdab/p.lambdac - 1).*dJ;
```

the corrected code reads:

```
detaa = (-nua + p.lambdac - p.lambdaa - 0.5*mubara^2)*dt ...  
        + mubara.*dW + log(p.lambdaa/p.lambdac)*dJ;  
detab = (-nub + p.lambdac - p.lambdab - 0.5*mubarb^2)*dt ...  
        + mubarb.*dW + log(p.lambdab/p.lambdac)*dJ;
```

The error does not affect the numerical solution of model equilibrium presented in other figures, or any qualitative results discussed in the paper. However it does affect the shape of the wealth and consumption distributions under the objective measure in Figure 2. There is negligible impact on the sample path in Figure 6.

Correction of the error makes wealth and consumption shares better behaved for objective jump intensities between those of the optimist (a) and the pessimist (b). When the objective jump intensity λ_c is half way between λ_a and λ_b , i.e., $\lambda_c = 0.489$ with other numerical example parameters per Table 1 of the manuscript, the resulting PDF is similar to that of the published manuscript, as shown below.



The manuscript incorrectly stated that the bottom plots of published Figure 2 required an objective measure with $\lambda_c = \lambda_b = 0.734$. We apologize for the error.