This document provides a detailed overview about the computer codes required to regenerate results in the paper 'News and Financial Intermediation in Aggregate Fluctuations', Review of Economics and Statistics, by Christoph Görtz and John Tsoukalas. All codes have been written for Matlab version R2014a and used with Dynare 4.3.1.

The folder 'Estimated Models' contains files and estimation results for all estimated model versions that have been used in the paper. In particular, we provide Dynare .mod files that execute the estimation and call the respective steady state and data files. We further provide the Dynare output resulting from the estimation in form of _results.mat and _mode.mat files. The folder contains subfolders with files for

- The baseline model
- The baseline model without financial intermediation
- The baseline model without news shocks
- The baseline model with capital quality news shocks only
- The extended baseline model (with news components in all exogenous processes apart from the monetary policy shock)
- The nested one sector model
- The baseline model with TFP as observable
- The real model
- The real model with nominal rigidities

The folder further contains an excel file 'twosector_us' that shows the construction of our set of observables. Details about variable mnemonics are provided in the sheet 'readme', the sheet 'spreads' shows the construction of the corporate bond spreads and the sheet 'quarterly' shows the construction of the whole set of observables. The observables used for the estimation can be found in columns DK to DW of this sheet and are saved for the estimation in the file USdata_10.m. For estimations with TFP as observable the time series are saved in USdata_10_rev.m.

The folders 'Figure 1' to 'Figure 4' contain .m files that reproduce the respective figures in the paper. For each figure we provide the Dynare files required to generate the impulse response functions. We further provide .mat files which contain exactly these impulse response functions resulting from running the Dynare files. These .mat files can be used in conjunction with an .m file to generate the figures shown in the model. In the following we describe the files in detail

- Figure 1 can be reproduced using Detrend_and_Plot_multiple_IRFs_h.m. This file loads IRFs saved in
  (i) Output_twosb_v10b_mobileKNoFItfpNoMe_v3.mat which are IRFs from the real model without nominal rigidities and financial frictions

(twosb_v10b_mobileKNoFItfpNoMe.mod)
(ii) Output_twosb_v10b_mobileKNoFItfpNoMeNR_v3.mat which are IRFs from the real model with nominal rigidities and without financial frictions
(twosb_v10b_mobileKNoFItfpNoMeNR.mod)
(iii) Output_twosb_v12b_B_aggTFP48_rev2noFIdataNoMe_v3.mat which are IRFs from the baseline model with TFP as observable (with nominal rigidities and financial frictions) (twosb_v12b_B_aggTFP48_rev2noFIdataNoMe.mod).

- Figure 2 can be reproduced using Detrend_and_Plot_BayesianIRFs_b.m which loads IRFs saved in Output_BayesianIRF_new2.mat. These IRFs can be regenerated by using the baseline model at posterior estimates provided in the folder 'Estimated Models'.

- Figure 3 can be reproduced using Detrend_and_Plot_multiple_IRFs_j.m. This file loads IRFs saved in
(i) Output_Baseline3.mat which containts IRFs from the baseline model provided in the folder 'Estimated Models'.
(ii) Output_noFIestimated_sameStd_2.mat which contains IRFs from the estimated model without financial sector, but with the same shock standard deviation as for the baseline (twosb_v12a_NoFI.mod).

- Figure 4 can be reproduced using Detrend_and_Plot_multiple_IRFs_b.m. This file loads IRFs saved in
(i) Output_Baseline1.mat for the baseline impulse response functions that can be generated using the baseline model in the folder 'Estimated Models'.
(ii) Output_Baseline_noWandPRigidity.mat that can be generated from the baseline model in the folder 'Estimated Models' without wage and price rigidities.

The results for the variance decompositions in Tables 3, 4 and 5 can be generated using the files in folder 'Variance Decompositions'. This folder contains subfolders to execute the decompositions of the following models

- The baseline model
- The baseline model with TFP as observable
- The baseline model without financial intermediation
- The real model
- The extended baseline model (with news components in all exogenous processes apart from the monetary policy shock)

In each of these five subfolders the spectral variance decompositions at business cycle frequencies can performed by running the file initialise_spectral_decomposition.m. This file includes detailed documentation on the utilization of Dynare files and Matlab functions in the folder. Parts of the called functions have kindly been provided by Giorgio Primiceri.

The results for the unconditional variance decompositions for each model in Table 5 can be generated by executing the Dynare .mod files in the relevant subfolders called 'unconditional decomp'.