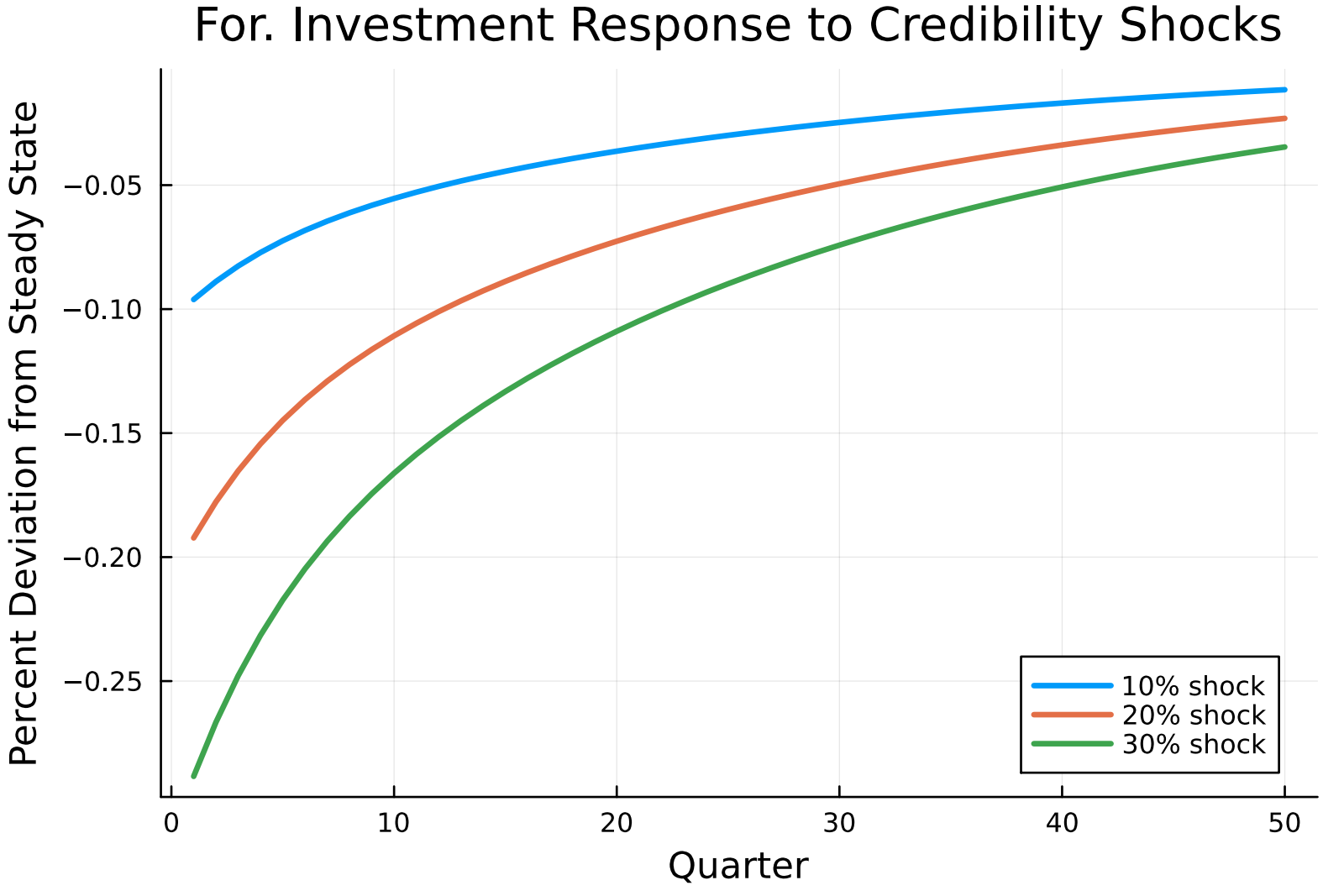
For. Investment Response to Credibility Shocks
Percent Deviation from Steady State
−0.05
−0.10
−0.15
−0.20
−0.25
0
10
20
30
40
50
Quarter
10% shock
20% shock
30% shock