Online Appendix to Monetary Policy and Defaults in the United States*

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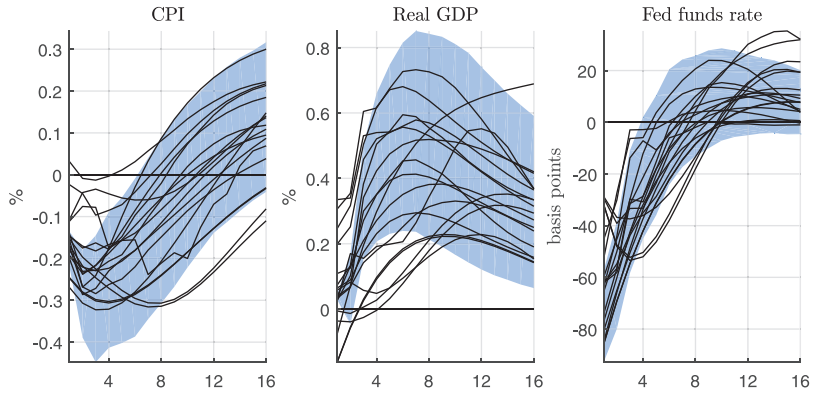
Table A1. Dickey-Fuller Tests on Non-stationarity

	DF Test 1 No Constant, No Trend	DF Test 2 Constant, No Trend	DF Test 3 Constant, Trend
Log(CPI)	12.80	−6.99	−7.80
Log(Real GDP)	9.79	−0.90	−0.54
Federal Funds	−1.50	−1.37	−2.61
Δ Log(CPI)	−3.31	−4.7	−5.68
Δ Log(Real GDP)	−4.49	−6.56	−6.60
Δ Federal Funds	−9.59	−9.70	−9.70
Critical Value, 5%	−1.95	−2.89	−3.45
Critical Value, 1%	−2.6	−3.51	−4.04

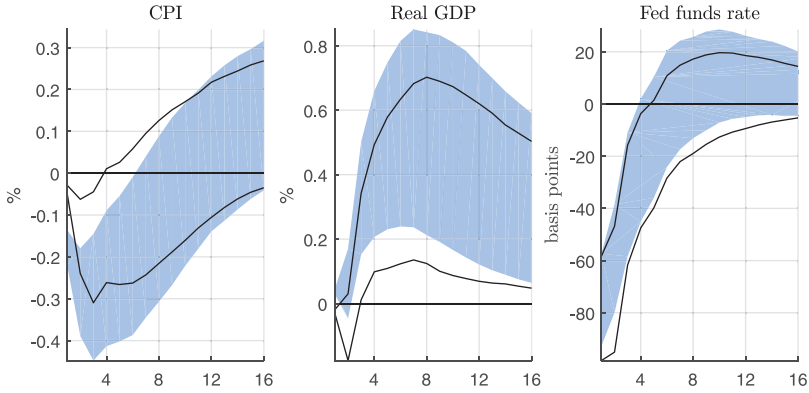
Notes: The table shows the Dickey-Fuller statistics for the test on the non-stationarity of the variables in the initial VAR. The first three rows of the table consider the variables as they enter the main specification of the VAR, while rows 4–6 show the specification in first differences discussed in section 2.5. The tests reported indicate tests when no constant or trend is included in the regression, when a constant but no trend is included in the regression, and when a constant and a trend are included in the regression. The table indicates critical values valid for a smple of size $T = 100$, which is the tabulated sample size closest to the sample size in the analysis.

Figure A1. Impulse Responses of the Variables in the Initial VAR (robustness check, adding the marginal variables)



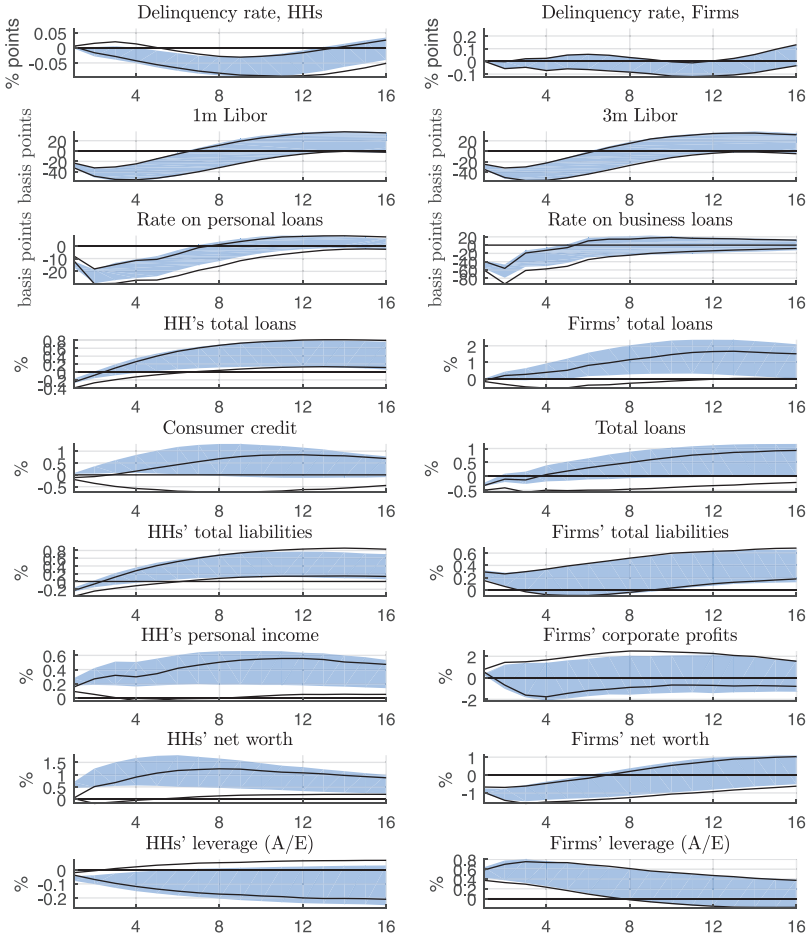
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and point estimates under each of the additional VARs (thin lines).

Figure A2. Impulse Responses of the Variables in the Initial VAR (robustness check, aggregating the monetary shocks as in Gertler and Karadi 2015)



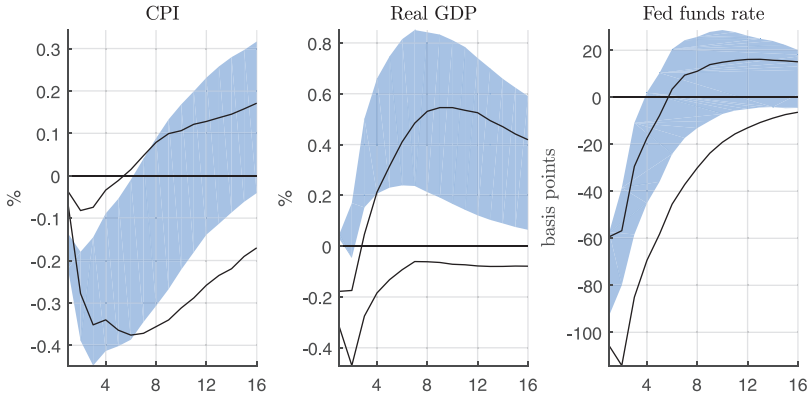
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and point estimates under each of the additional VARs (thin lines).

Figure A3. Impulse Responses of the Additional Variables (robustness check, aggregating the monetary shocks as in Gertler and Karadi 2015)



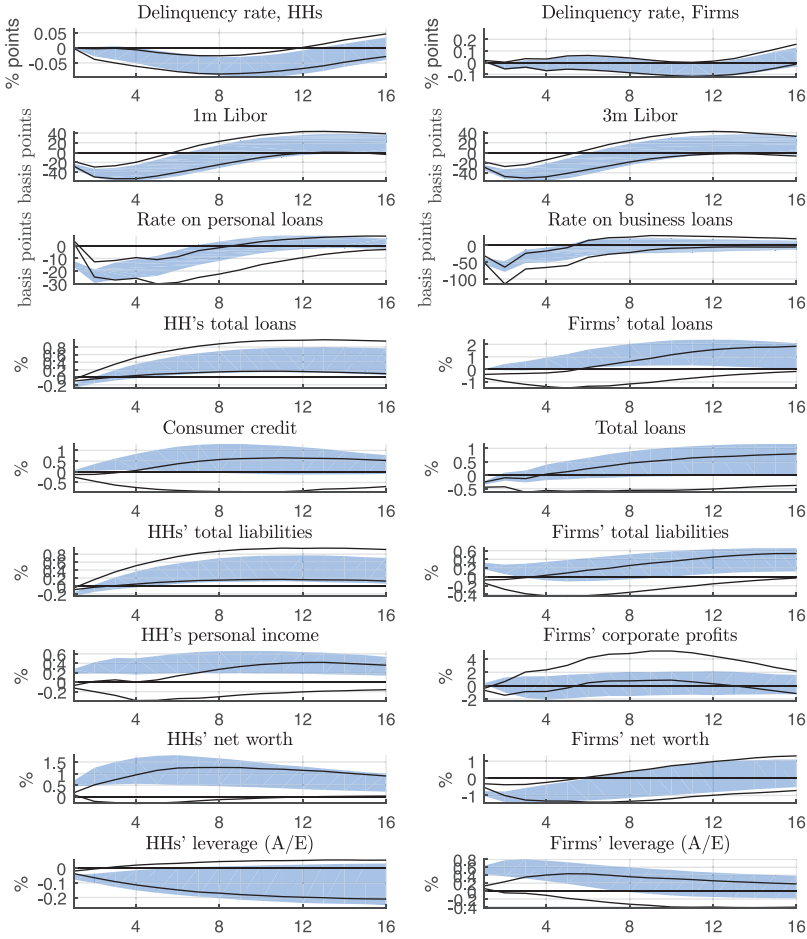
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and point estimates under each of the additional VARs (thin lines).

Figure A4. Impulse Responses of the Variables in the Initial VAR (robustness check, using only the Romer shocks by Romer and Romer 2004)



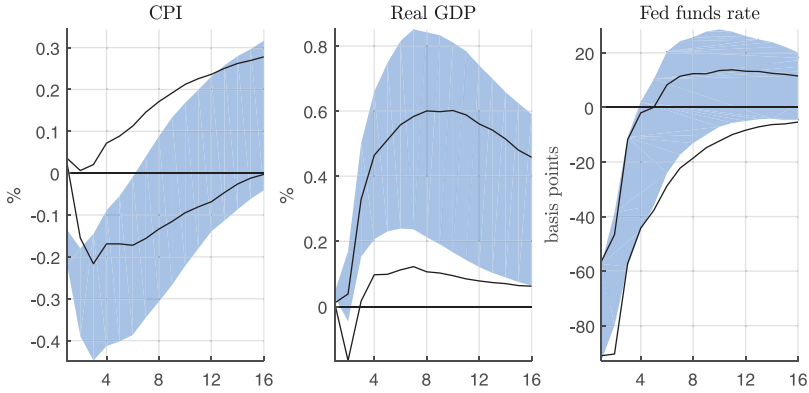
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A5. Impulse Responses of the Additional Variables (robustness check, using only the Romer shocks by Romer and Romer 2004)



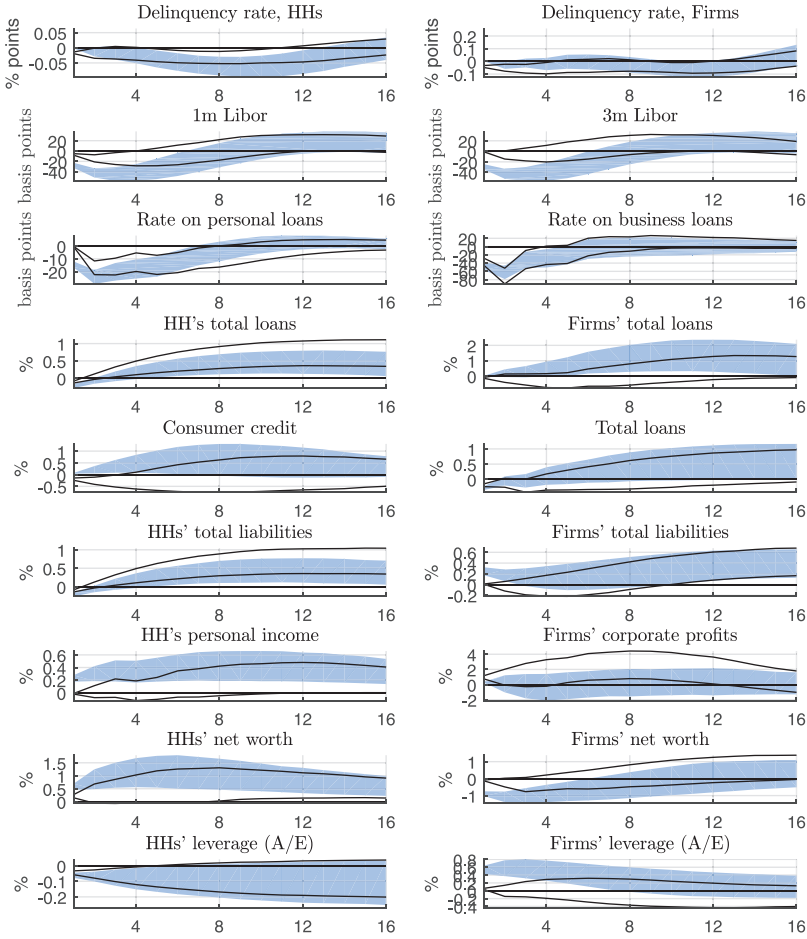
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A6. Impulse Responses of the Variables in the Initial VAR (robustness check, using only the shocks from the large VAR by Bańbura, Giannone, and Reichlin 2010)



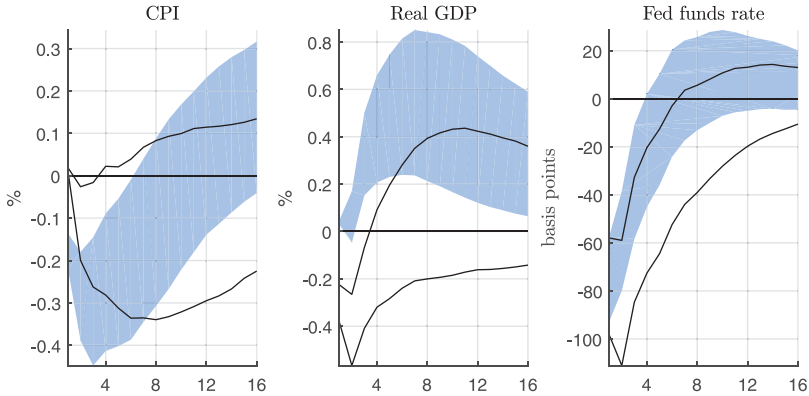
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A7. Impulse Responses of the Additional Variables (robustness check, using only the shocks from the large VAR by Bańbura, Gainnone, and Reichlin 2010)



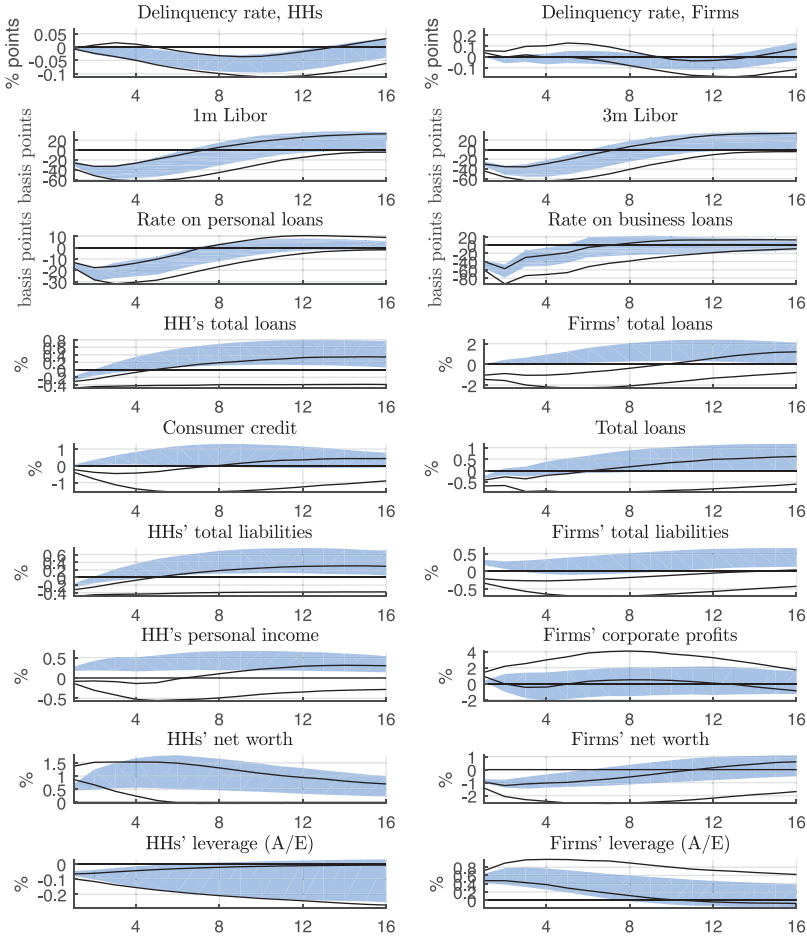
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A8. Impulse Responses of the Variables in the Initial VAR (robustness check, using only the shocks from the federal funds futures by Gertler and Karadi 2015)



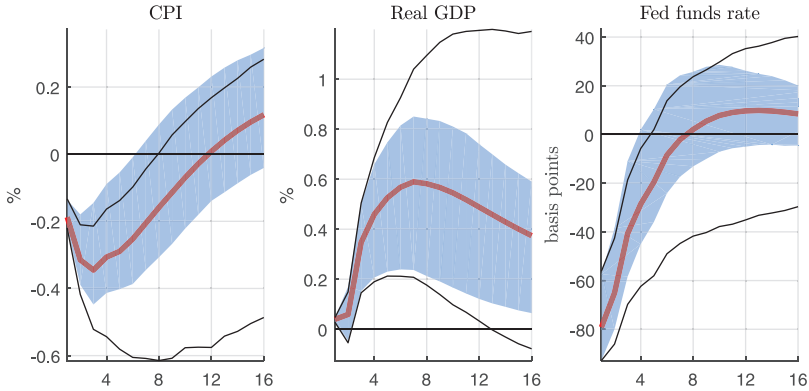
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A9. Impulse Responses of the Additional Variables (robustness check, using only the shocks from the federal funds futures by Gertler and Karadi 2015)



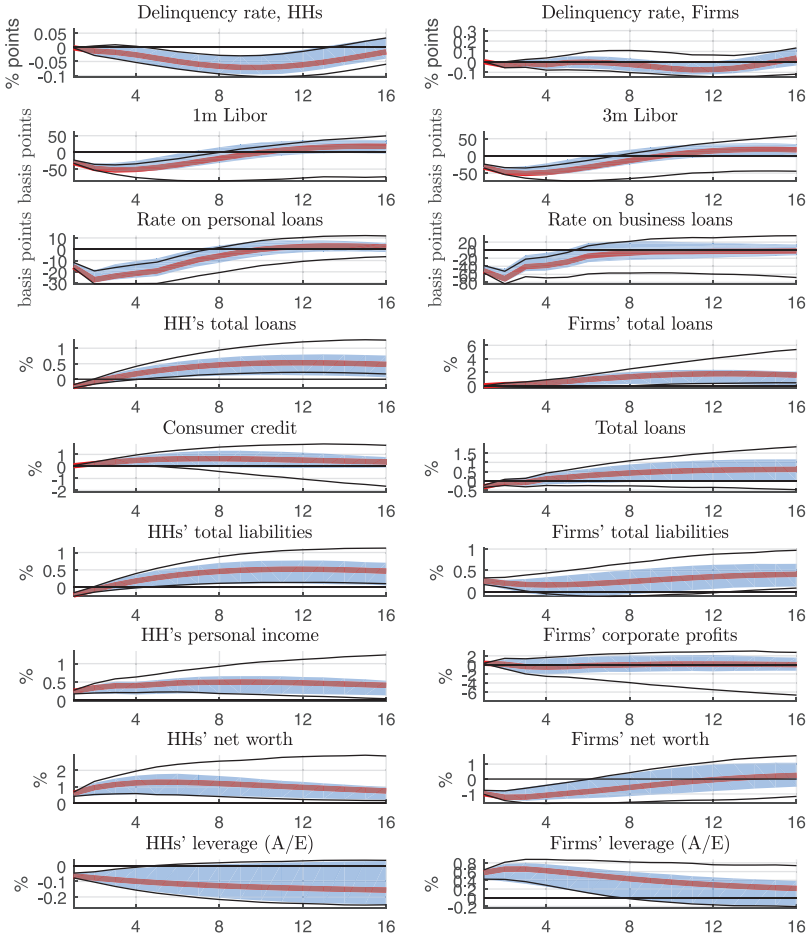
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A10. Impulse Responses of the Variables in the Initial VAR (robustness check, bootstrap procedure by Kilian 1998)



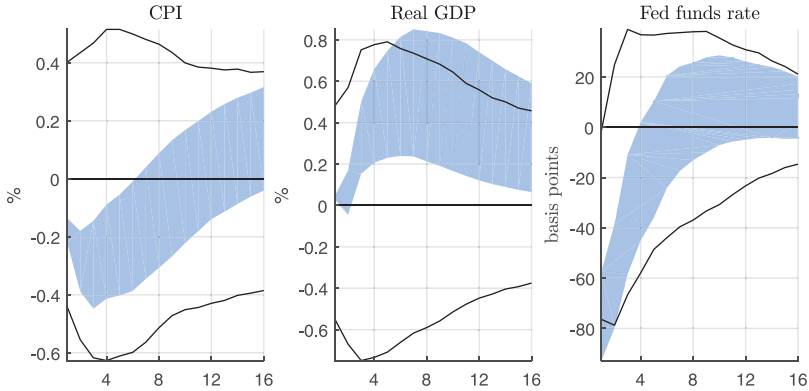
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A11. Impulse Responses of the Additional Variables (robustness check, bootstrap procedure by Kilian 1998)



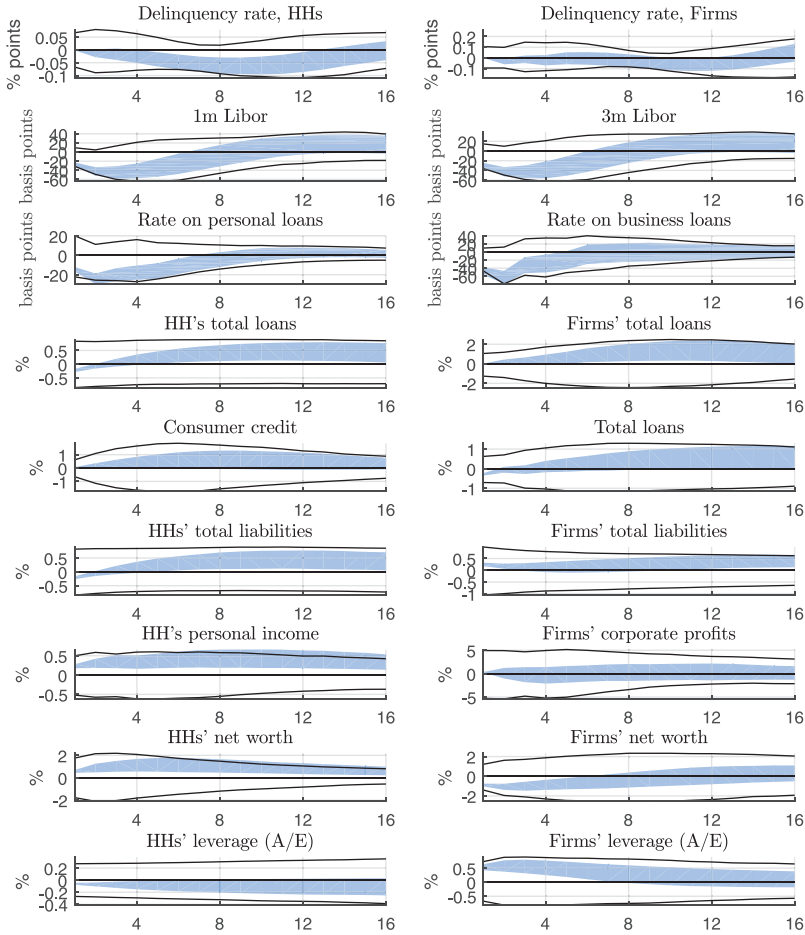
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A12. Impulse Responses of the Variables in the Initial VAR (robustness check, bootstrap procedure by Mertens and Ravn 2013)



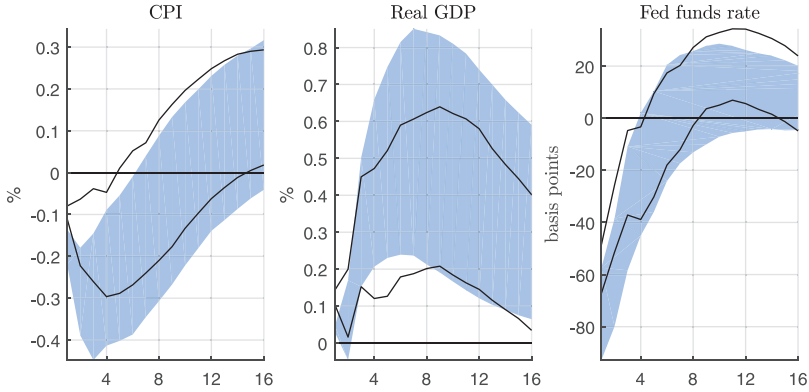
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A13. Impulse Responses of the Additional Variables (robustness check, bootstrap procedure by Mertens and Ravn 2013)



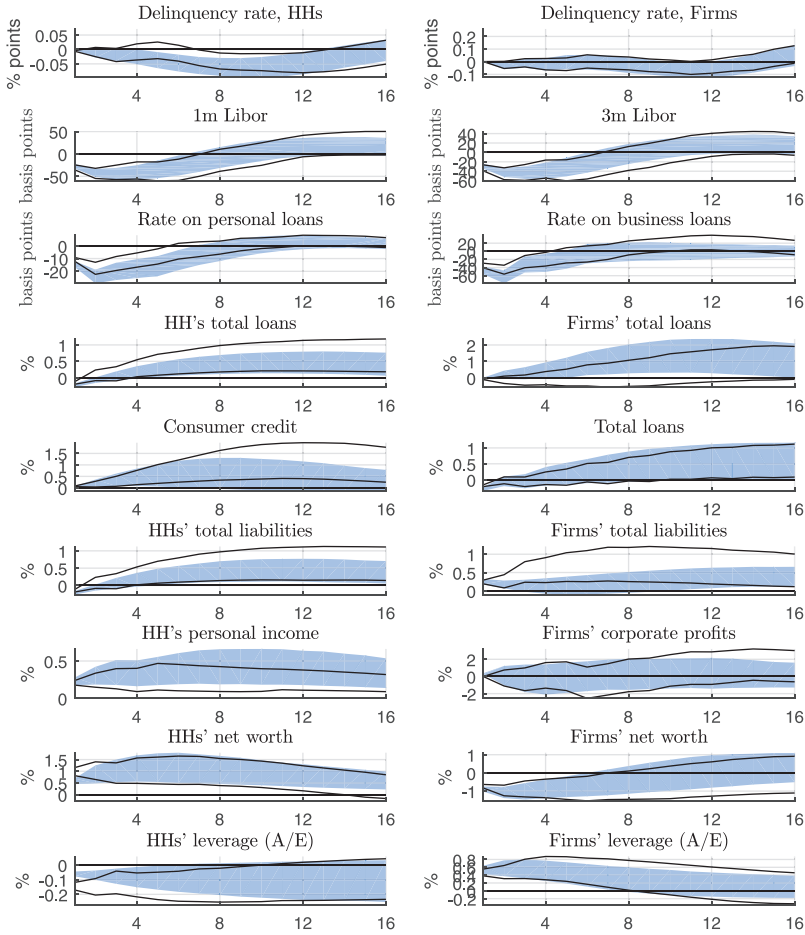
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A14. Impulse Responses of the Variables in the Initial VAR (robustness check, increasing p by 2)



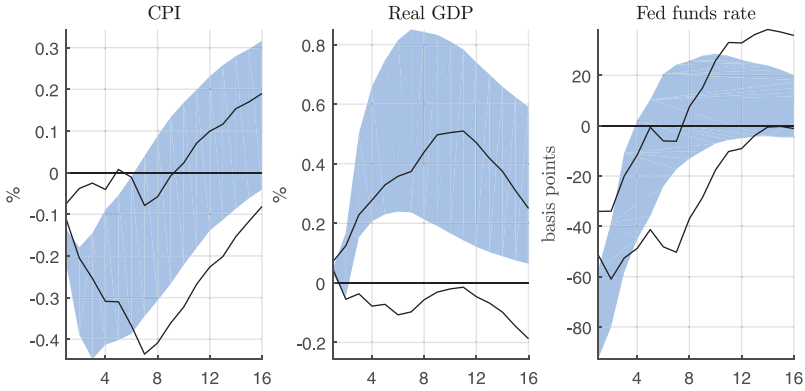
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A15. Impulse Responses of the Additional Variables (robustness check, increasing p by 2)



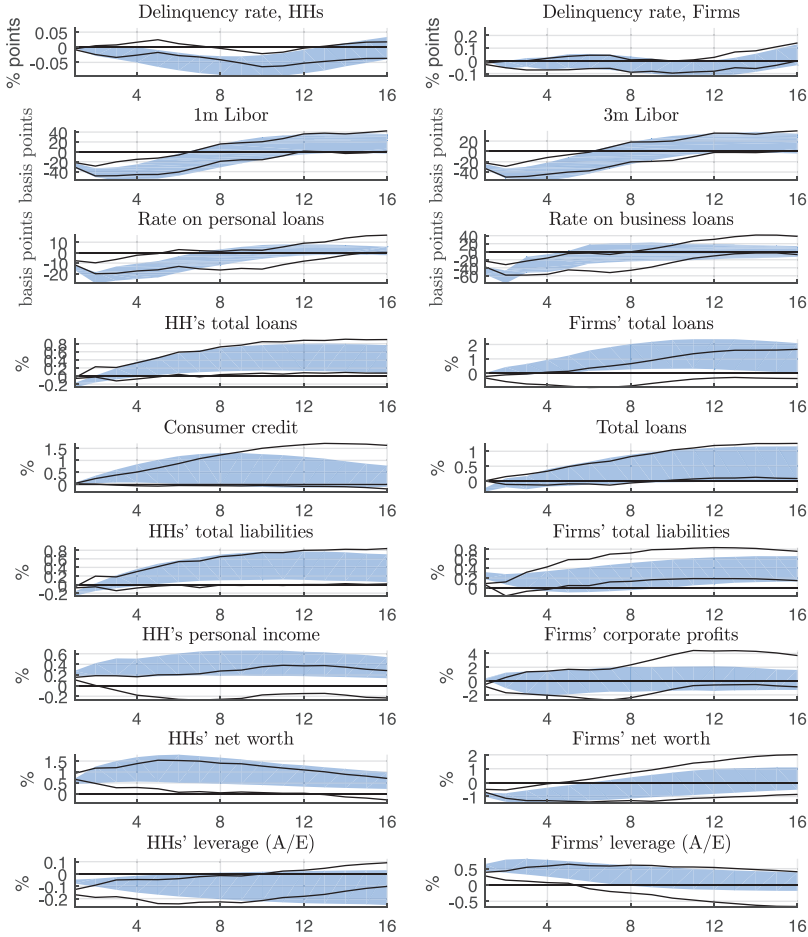
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A16. Impulse Responses of the Variables in the Initial VAR (robustness check, increasing p by 4)



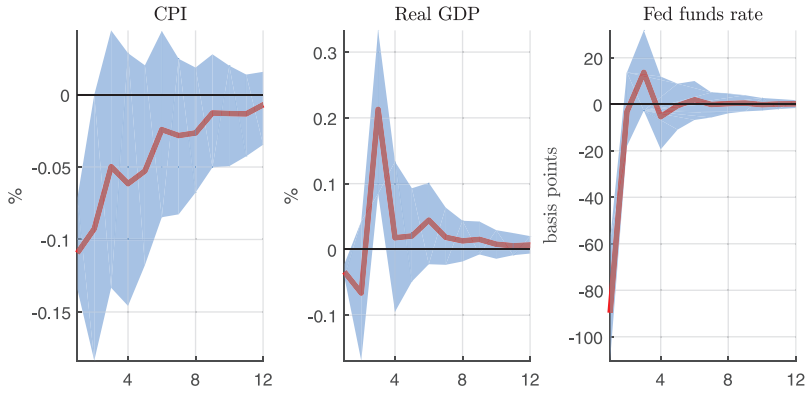
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A17. Impulse Responses of the Additional Variables (robustness check, increasing p by 4)



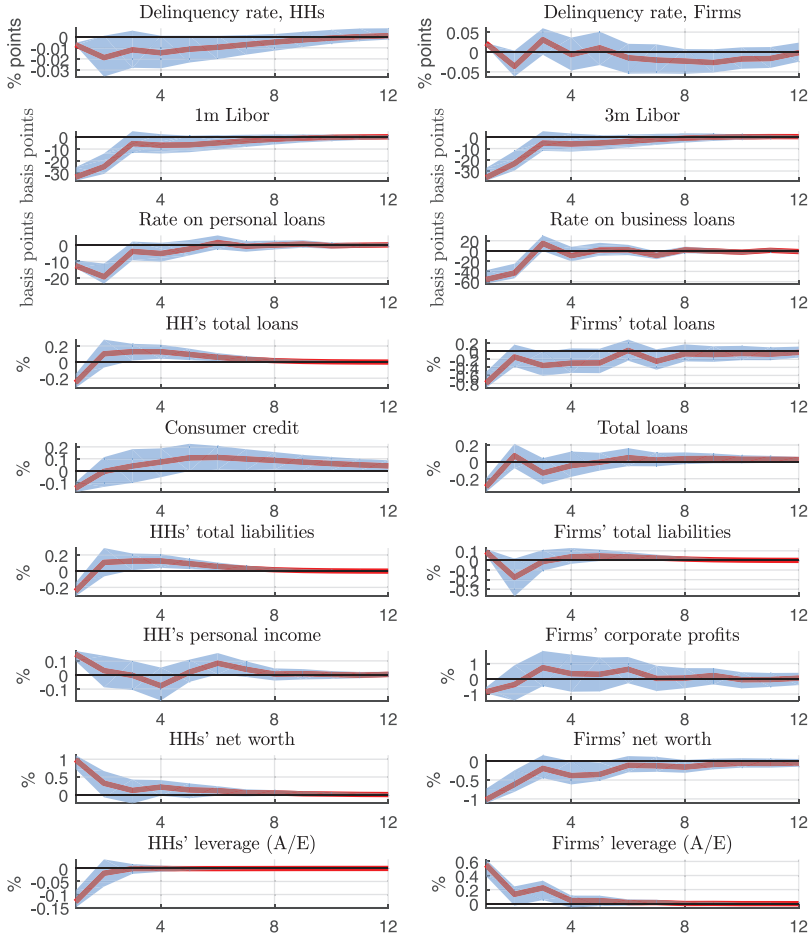
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A18. Impulse Responses of the Variables in the Initial VAR (robustness check, all variables in first difference)



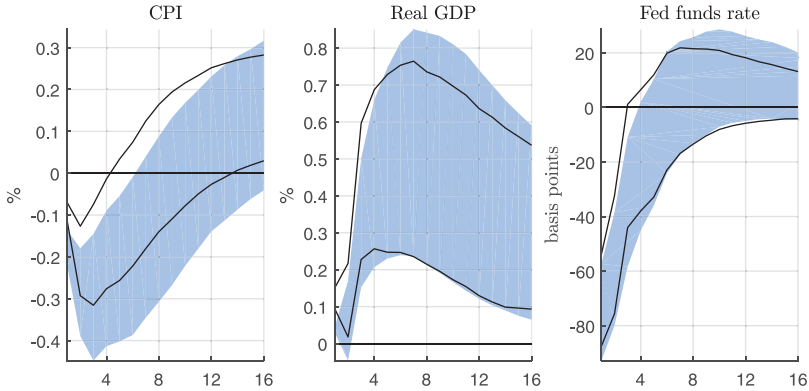
Notes: Pointwise 95 percent confidence band (shaded area) and point estimate (thick line) under the robustness check.

Figure A19. Impulse Responses of the Additional Variables (robustness check, all variables in first difference)



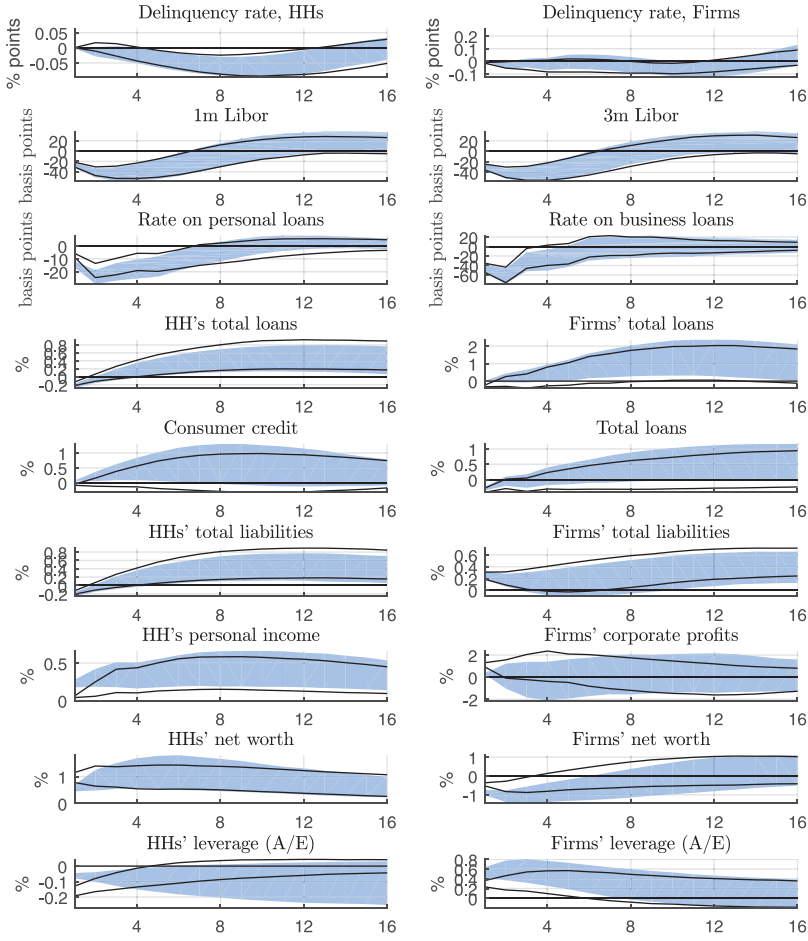
Notes: Pointwise 95 percent confidence band (shaded area) and point estimate (thick line) under the robustness check.

Figure A20. Impulse Responses of the Variables in the Initial VAR (robustness check, reduced-form model estimated in the period 1979:Q3–2006:Q4)



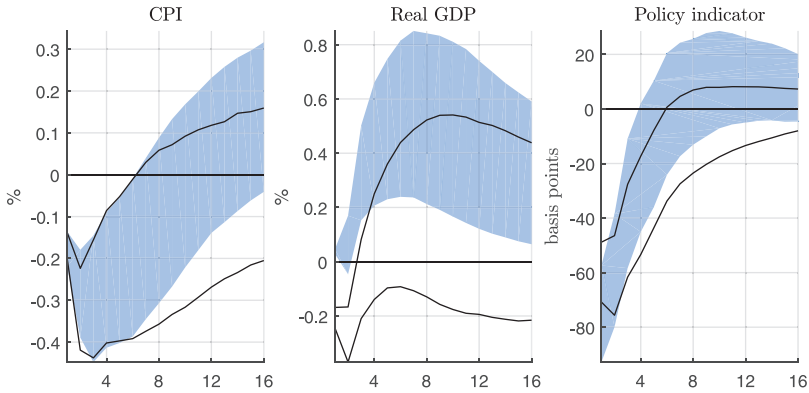
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A21. Impulse Responses of the Additional Variables (robustness check, reduced-form model estimated in the period 1979:Q3–2006:Q4)



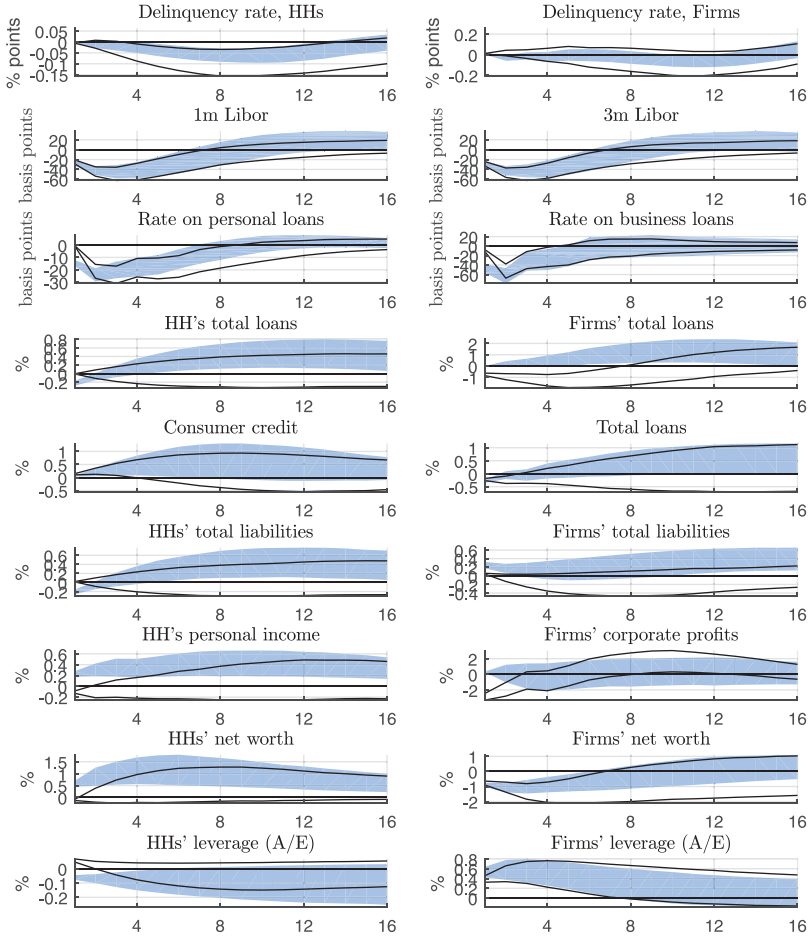
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A22. Impulse Responses of the Variables in the Initial VAR (robustness check, reduced-form model estimated in the period 1979:Q3–2016:Q3, using the baseline shocks)



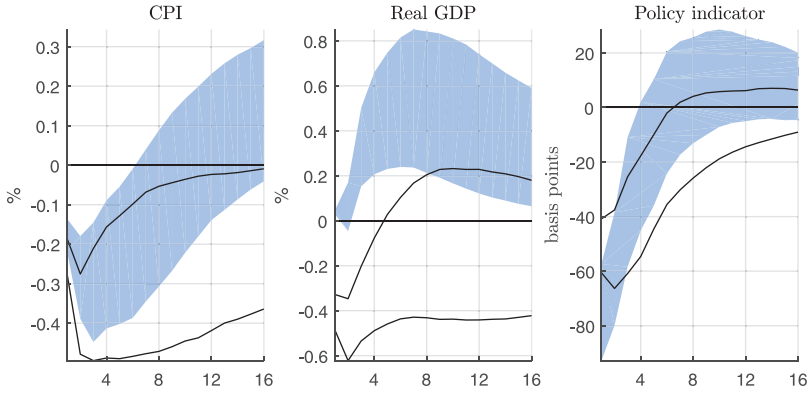
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines). The policy indicator is either the federal funds rate (shaded area) or the two-year Treasury rate (thin lines).

Figure A23. Impulse Responses of the Additional Variables (robustness check, reduced-form model estimated in the period 1979:Q3–2016:Q3, using the baseline shocks)



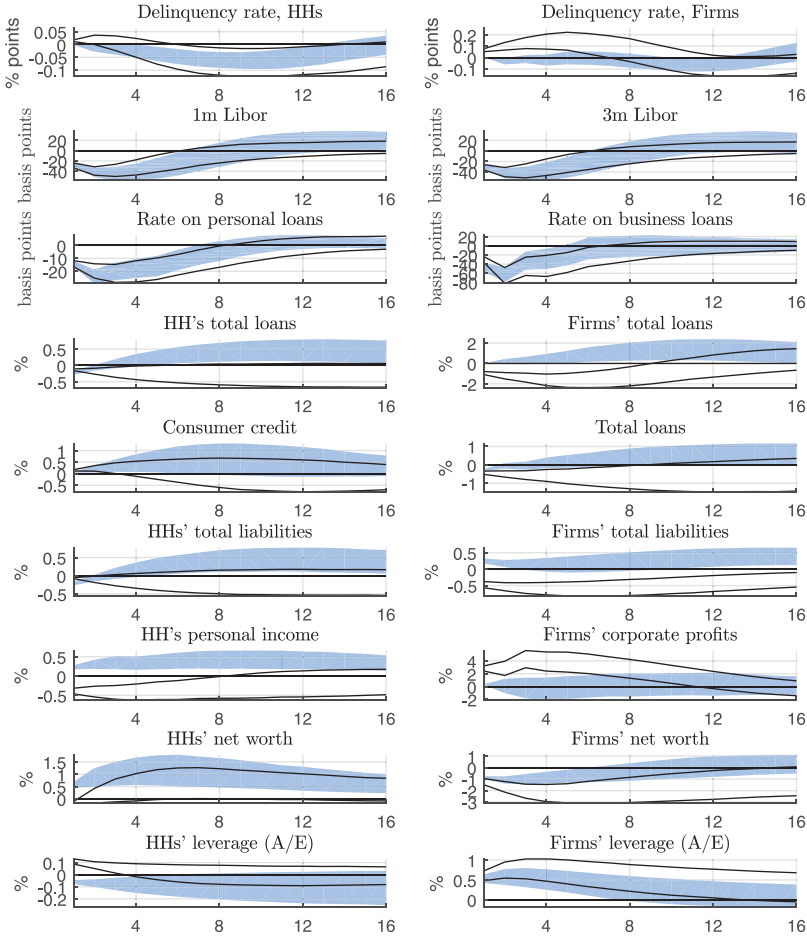
Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

Figure A24. Impulse Responses of the Variables in the Initial VAR (robustness check, reduced-form model estimated in the period 1979:Q3–2016:Q3, using the shocks by Gertler and Karadi 2015 and Nakamura and Steinsson, forthcoming)



Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines). The policy indicator is either the federal funds rate (shaded area) or the two-year Treasury rate (thin lines).

Figure A25. Impulse Responses of the Variables (robustness check, reduced-form model estimated in the period 1979:Q3–2016:Q3, using the shocks by Gertler and Karadi 2015 and Nakamura and Steinsson, forthcoming)



Notes: Pointwise 95 percent confidence band under the baseline specification (shaded area) and under the robustness check (thin lines).

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