Summary of replication material (empirics)

DATABASES

All codes are in the folder "create_db".

Note:

- Except for the moment #6 of Table 2 (pricing regimes), all codes are in Stata
- The codes under "Main databases" below should be run before any of the analysis code is used. The additional databases can be created depending on the results to be reproduced.

Main databases

The following codes should be run sequentially. The csv files obtained from IRI should be located in the folder called "IRI_dbases_input". The resulting Stata databases are saved in "IRI_dbases_output" or "data" folders.

1. maindb_STEP1convert_into_stata_2001_2011.do
2. maindb_STEP2_merge_store_info.do
3. maindb_STEP3_create_price_db.do
4. maindb_STEP4_create_weights_MTK_CAT_april2020.do

Additional databases (to be created as needed)

- Database for z-score regressions: create_dbase_zscores_april2020.do
- Database for pricing regimes: create_dbase_pricing_regimes_april2020.do

TABLES

Table 2: Targeted moments – Data vs Model (empirical part in first column)

- First five moments: main_moments_april2020.do
- Sixth moment: pricing_regimes_april2020.m (Matlab code)
    - First run: create_dbase_pricing_regimes_april2020.do

Table 3:

- Panel A: main_moments_april2020.do
- Panel B, first moment: main_moments_april2020.do
- Panel B, second moment: uni_moment_april2020.do
- Panel C: avg_hazard_slope_april2020.do
- Panel D, first moment (kurtosis): main_moments_april2020.do
- Panel D, second moment: price_plan_Tab3PanelD_moment2_april2020.do
- Panel D, third moment: price_plan_Tab3PanelD_moment3_april2020.do
- Panel D, fourth moment: price_plan_Tab3PanelD_moment4_april2020.do

Table 4: Results from the z-score regressions

- zscore_regressions_april2020.do

FIGURES

Figure 3: Distribution of the absolute size of price changes (data)

- dp_distribution_data_vs_sim_april2020.dp

Figure A.1: 3-year rolling regressions

- cpi_rolling_regressions_april2020.do

Figure A.3: Distributions of the cell-based hazard slopes

- analysis_young_old_empirics_simul_april2020.do