

Table 1 Equilibrium Statistics

	PE/SOE Economy		DSGE Economy	
	Frictionless	Sticky	Frictionless	Sticky
Means				
A	6.650	6.648	49.382	49.371
C	2.684	2.684	3.290	3.289
Standard Deviations				
Aggregate Time Series ('Macro')				
$\log \mathbf{A}$	0.089	0.091	0.085	0.085
$\Delta \log \mathbf{C}$	0.005	0.002	0.003	0.001
$\Delta \log \mathbf{Y}$	0.008	0.003	0.005	0.002
Individual Cross Sectional ('Micro')				
$\log \mathbf{a}$	1.273	1.273		
$\log \mathbf{c}$	1.207	1.207		
$\log \mathbf{p}$	1.221	1.221		
$\log \mathbf{y} \mathbf{y} > 0$	0.846	0.846		
$\Delta \log \mathbf{c}$	0.151	0.149		
Cost Of Stickiness	0.31×10^{-4}		0.53×10^{-5}	

Notes: The cost of stickiness is calculated as the proportion by which the permanent income of a frictionless consumer would need to be reduced in order to achieve the same reduction of expected value associated with forcing them to become a sticky expectations consumer.