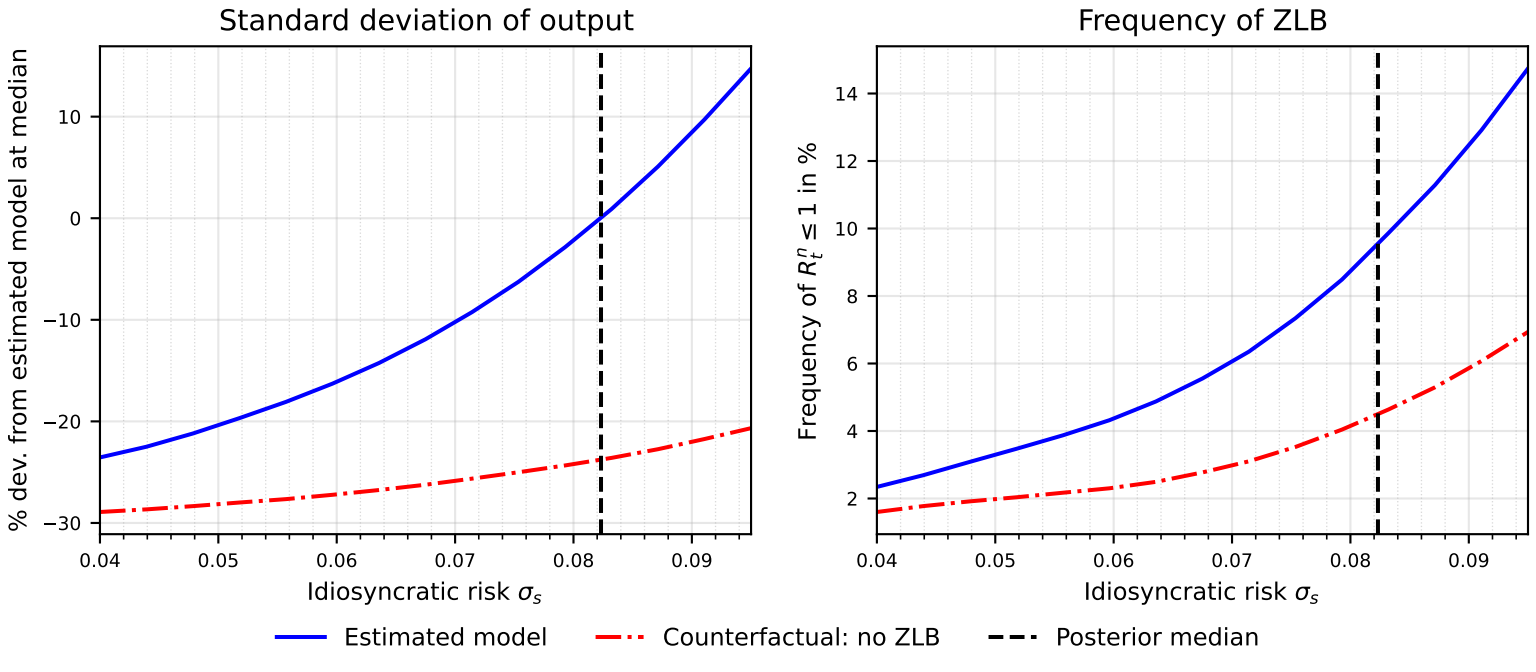

Standard deviation of output
% dev. from estimated model at median
10
0
−10
−20
−30
0.04
0.05
0.06
0.07
0.08
0.09
Idiosyncratic risk σ_s
Frequency of ZLB
Frequency of $R_t^n \leq 1$ in %
14
12
10
8
6
4
2
0.04
0.05
0.06
0.07
0.08
0.09
Idiosyncratic risk σ_s
Estimated model
Counterfactual: no ZLB
Posterior median