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"Microdata Analysis and Macroeconomic Implications"**  
Eltville, 27-28 April 2007

**Per Krusell**

(Princeton University)

**Discussion of „Monetary Policy and Stock Market Boom-Bust Cycles“  
by Lawrence J Christiano, Cosmin Ilut, Roberto Motto and  
Massimo Rostagno**

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Impossible to do the paper justice in a 15-minute discussion.

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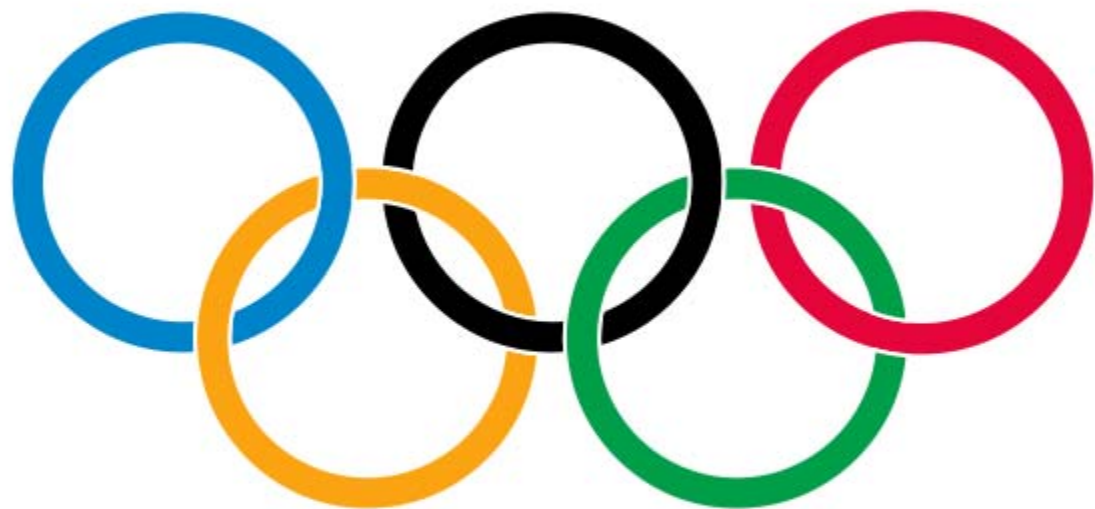
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- ▶ **Hours** behave strange IF the good news materialize.

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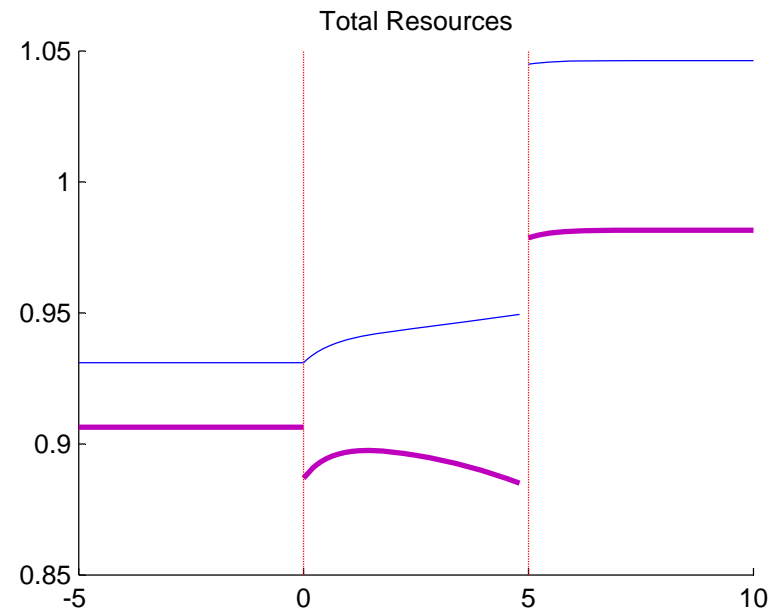
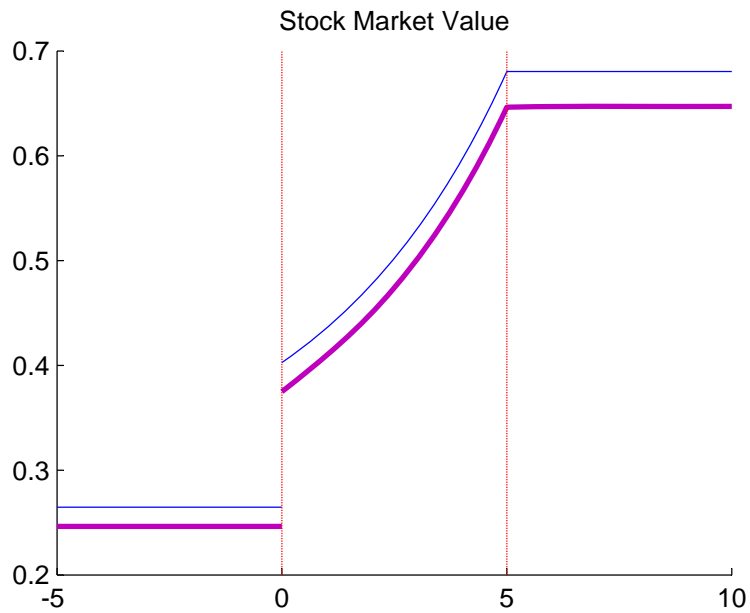
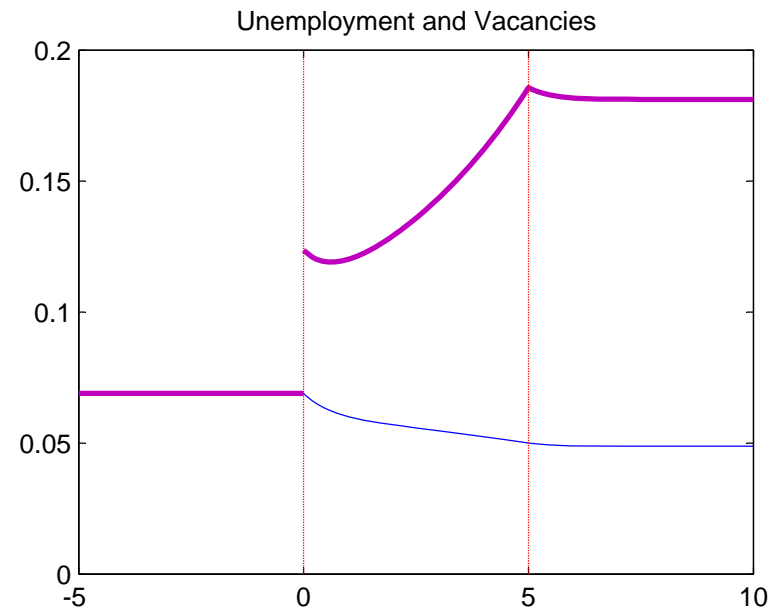
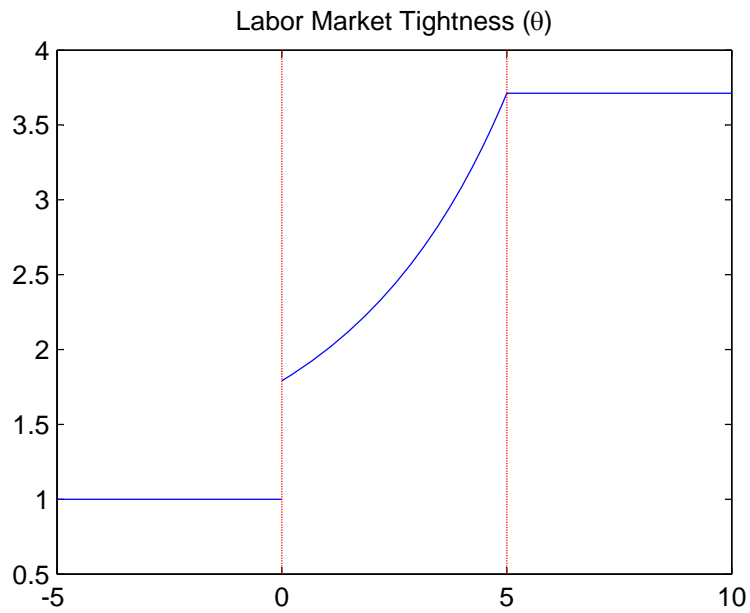
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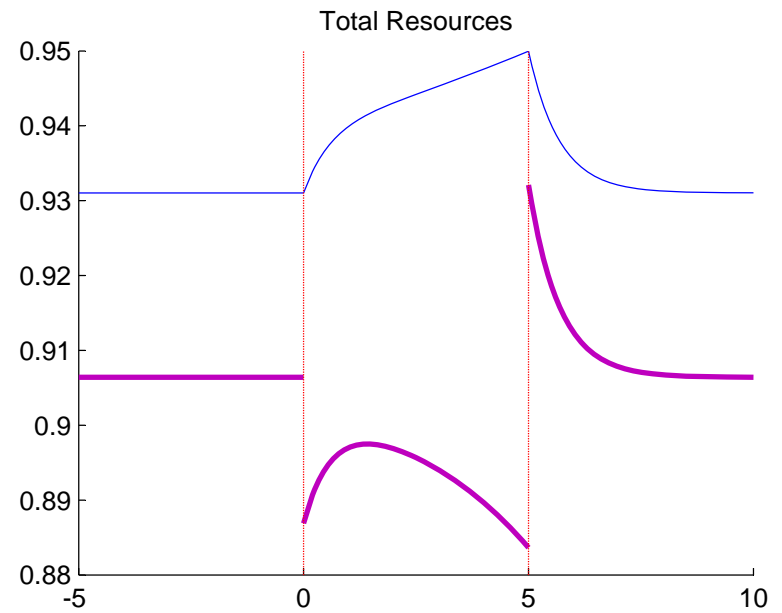
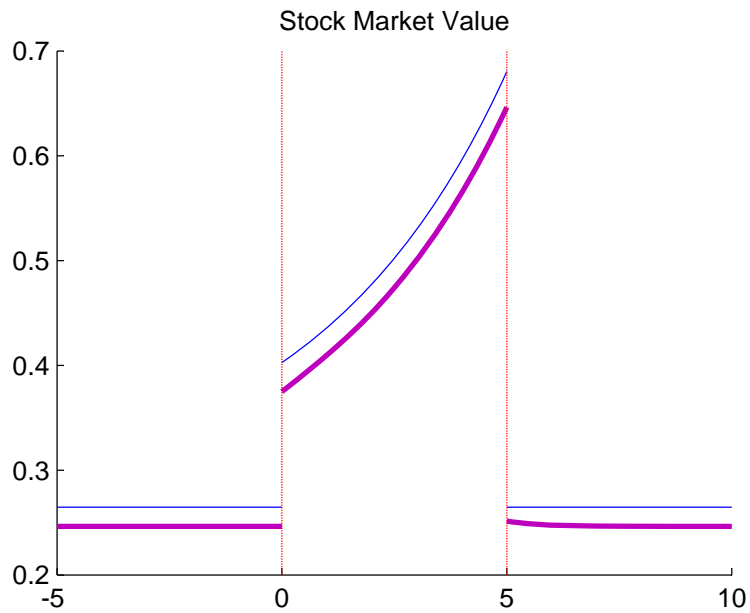
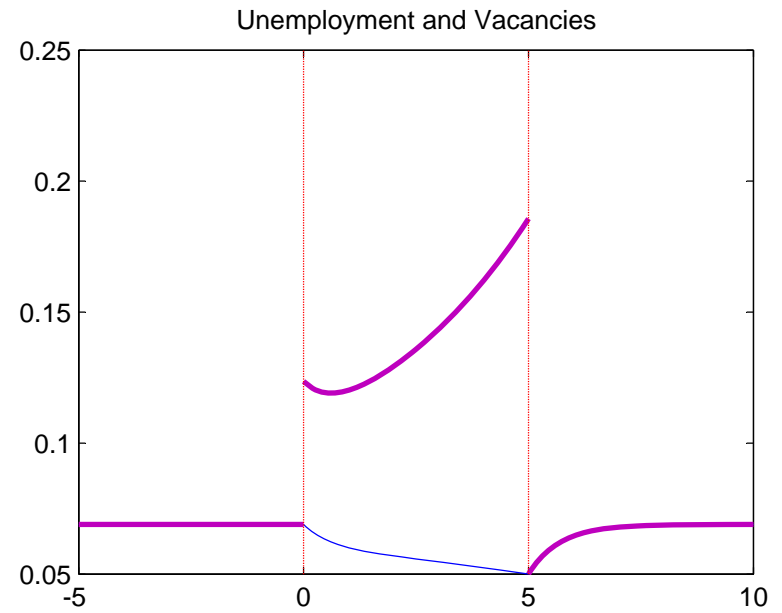
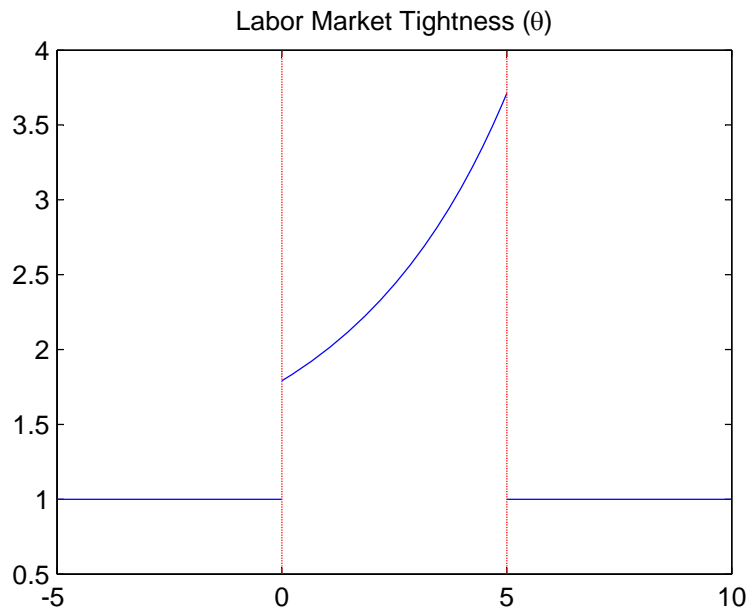
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- ▶ With concave utility and an open economy, consumption would increase: you borrow from abroad to consume now.

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