Beliefs, Doubts and Learning:
Valuing Macroeconomic Risk

Errata

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June 18, 2007

There are typographical errors in some of the formulas in the version published in the AER.

- Throughout the paper the one period risk price should be:

\[ \sigma_c + (\gamma - 1) \left[ \sigma_c + \beta \alpha' (I - \beta A)^{-1} \sigma_z \right] \]

In some places a \( \sigma_c \) is missing and in others a transpose is missing from \( \alpha \).

- On page 5 the formula for the wealth consumption ratio should be:

\[ w_t - c_t \approx -\log(1 - \beta) + (1 - \rho) \left( E \left[ \sum_{j=1}^{\infty} \beta^j (c_{t+j} - c_{t+j-1} - \mu_c) \mid H_t \right] + \mu_v \right) \]

- In the equation for the Chernoff rate \( \rho \) for i.i.d. data an inf should replace the sup.