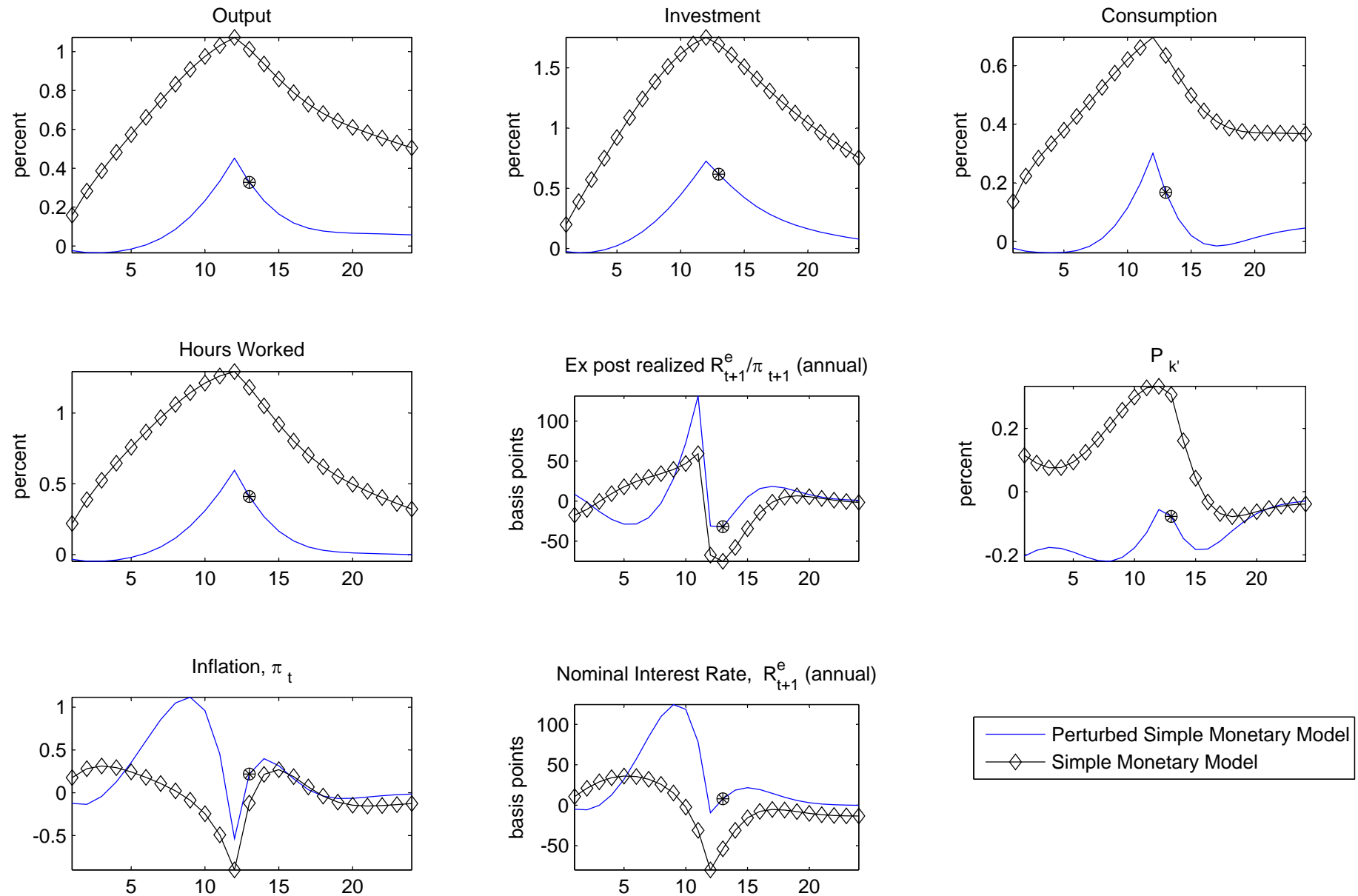


Figure 12: Response of Simple Monetary Model and Perturbed Model to Signal Shock
 Perturbation - $\xi_w = 0.01$



Note: subscript on nominal rate of interest indicates date of payoff. R_{t+1}^e is graphed at date t . π_t indicates gross change in price level from $t-1$ to t .