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Instructions for replication codes for “*The interaction between capital requirements and monetary policy*” by Paolo Angelini, Stefano Neri and Fabio Panetta.

The codes must be run with Dynare. They were written for Dynare version 4.1.2 and some routines were modified to reduce the amount of information displayed on screen during optimisation. There are two folders: *financial\_shock*, which contains the codes for replicating the results of paper for the financial shock, and the folder *supply\_shock* for the exercises under technology shocks.

The .mod files contain the Dynare codes. Once run they generate .m files that are used in the optimization. Some specific rows of the latter codes must be adjusted so that they can used within the fminsearch algorithm. Instructions on how and which lines to change are included at the top of the .mod files.

Only the .mod files for the case with technology shocks are commented and include the references to the equations in the appendix of the paper. The codes for the case with the financial shock are identical, except for the fact that a shock to bank capital is used in the simulations.

The codes code\_equilibria\_%.m are the main ones and perform the optimization of the policy rules by minimising the loss functions.

The Dynare codes used in the paper are available upon request. The most updated version can be found on the Dynare webpage.

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