

## Online appendix to: An analysis of the interaction between monetary and fiscal policies in Brazil

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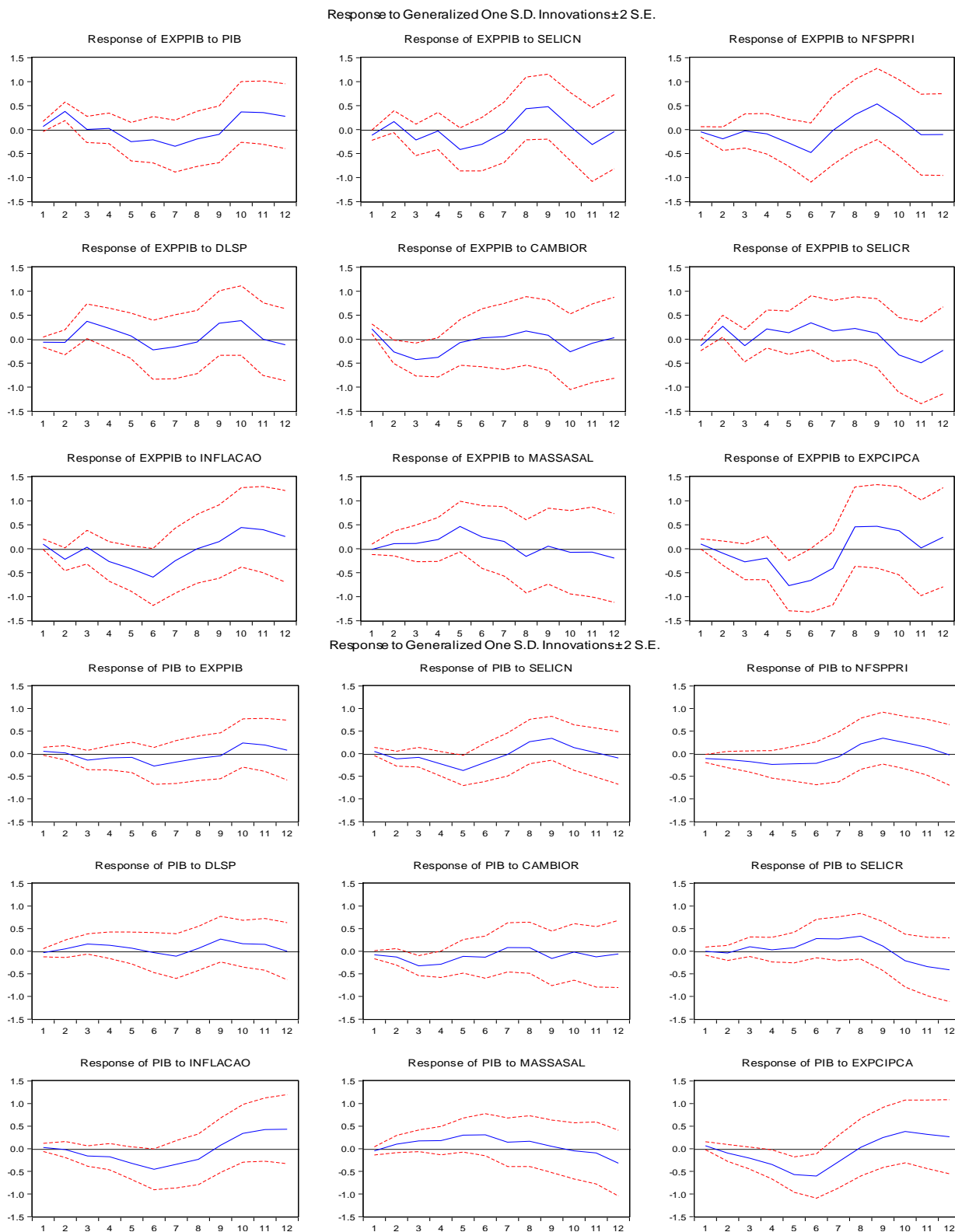
Table A1 – *Set of instruments used*

Instruments	System 1			System 2			System 3			System 4		
	<i>t</i> -1	<i>t</i> -2	<i>t</i> -3	<i>t</i> -1	<i>t</i> -2	<i>t</i> -3	<i>t</i> -1	<i>t</i> -2	<i>t</i> -3	<i>t</i> -1	<i>t</i> -2	<i>t</i> -3
Real interest rate		x			x	x		x			x	x
Net public sector debt		x			x	x		x			x	x
Inflation expectations	x	x		x	x	x	x	x		x	x	x
GDP expectation	x	x		x	x	x	x	x		x	x	x
Inflation		x			x	x		x			x	x
Wages	x	x		x	x	x	x	x		x	x	x
Primary PSBR		x			x	x		x			x	x
GDP		x			x	x		x			x	x
Nominal interest rate		x			x	x		x			x	x
Real interest rate	x	x		x	x	x	x	x		x	x	x

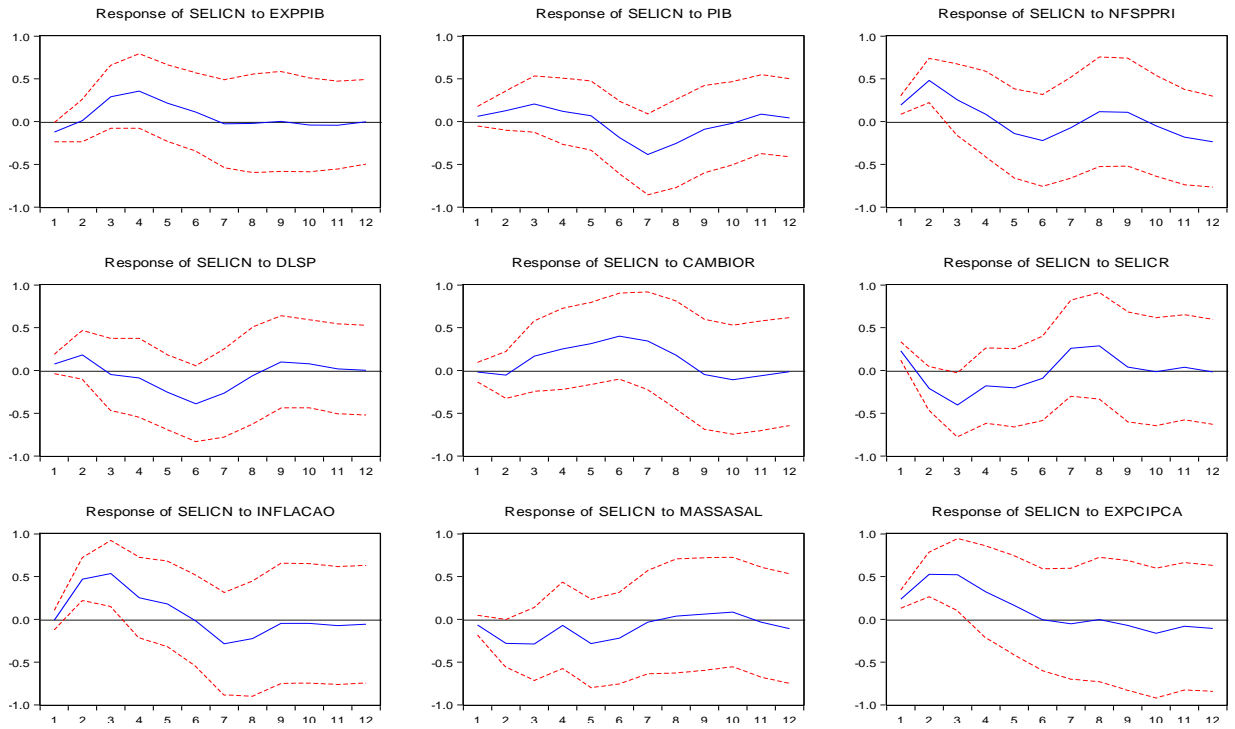
Table A2 – *VAR estimation – information criteria*

Lags	Log-Likelihood	Schwarz information criterion	Hannan-Quinn information criterion	Akaike information criterion
4	324.001	18.090	8.913	3.127
3	55.239	20.578	13.639	9.264
2	-84.298	18.366	12.665	10.701
1	-201.464	15.340	12.878	11.325

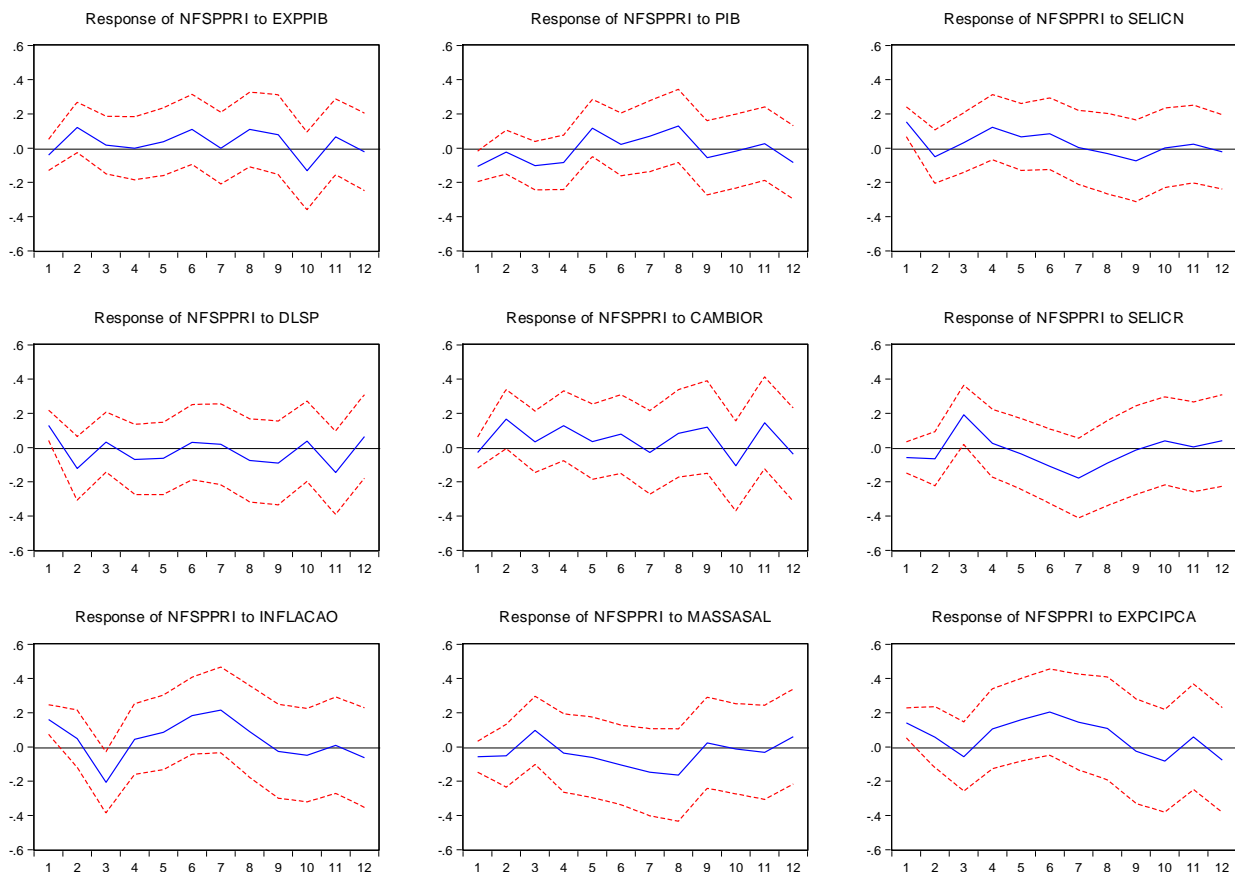
Figure A1 – Impulse response functions



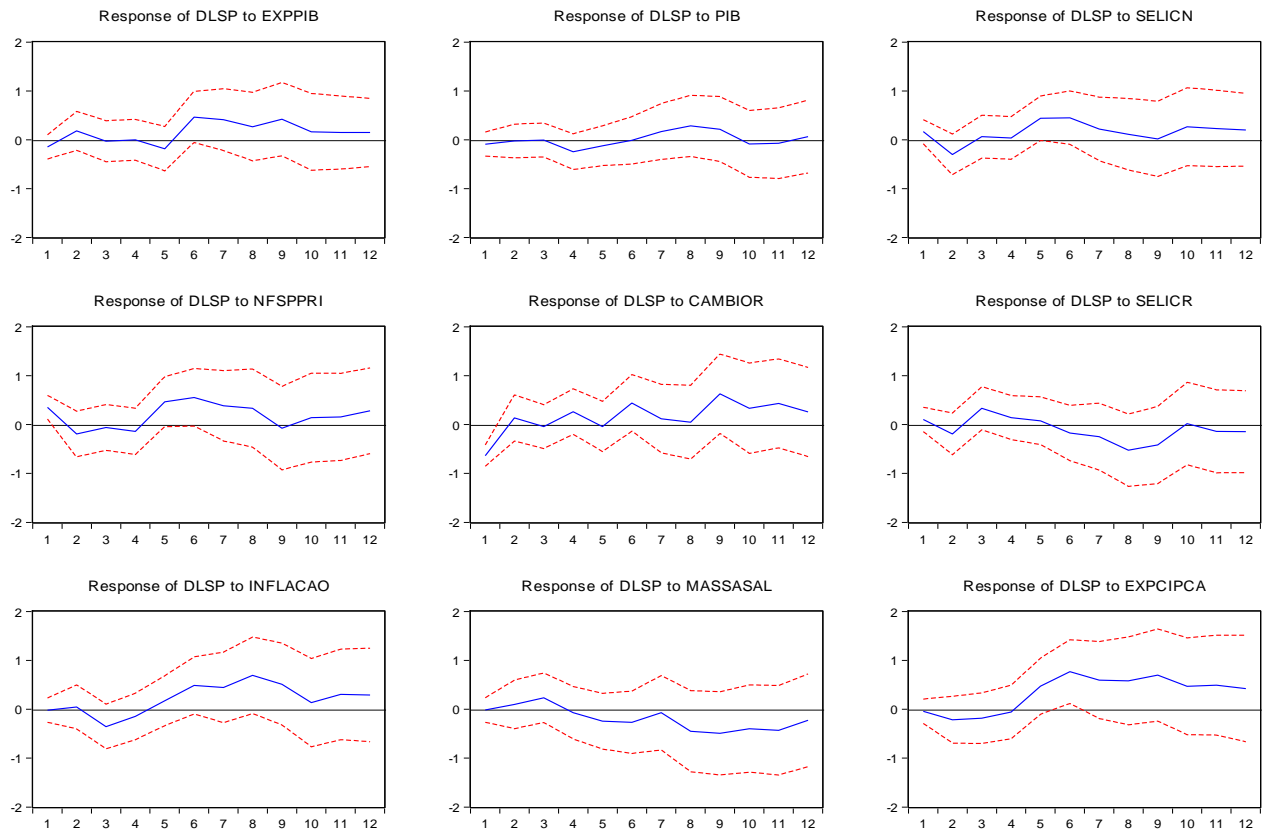
Response to Generalized One S.D. Innovations  $\pm 2$  S.E.



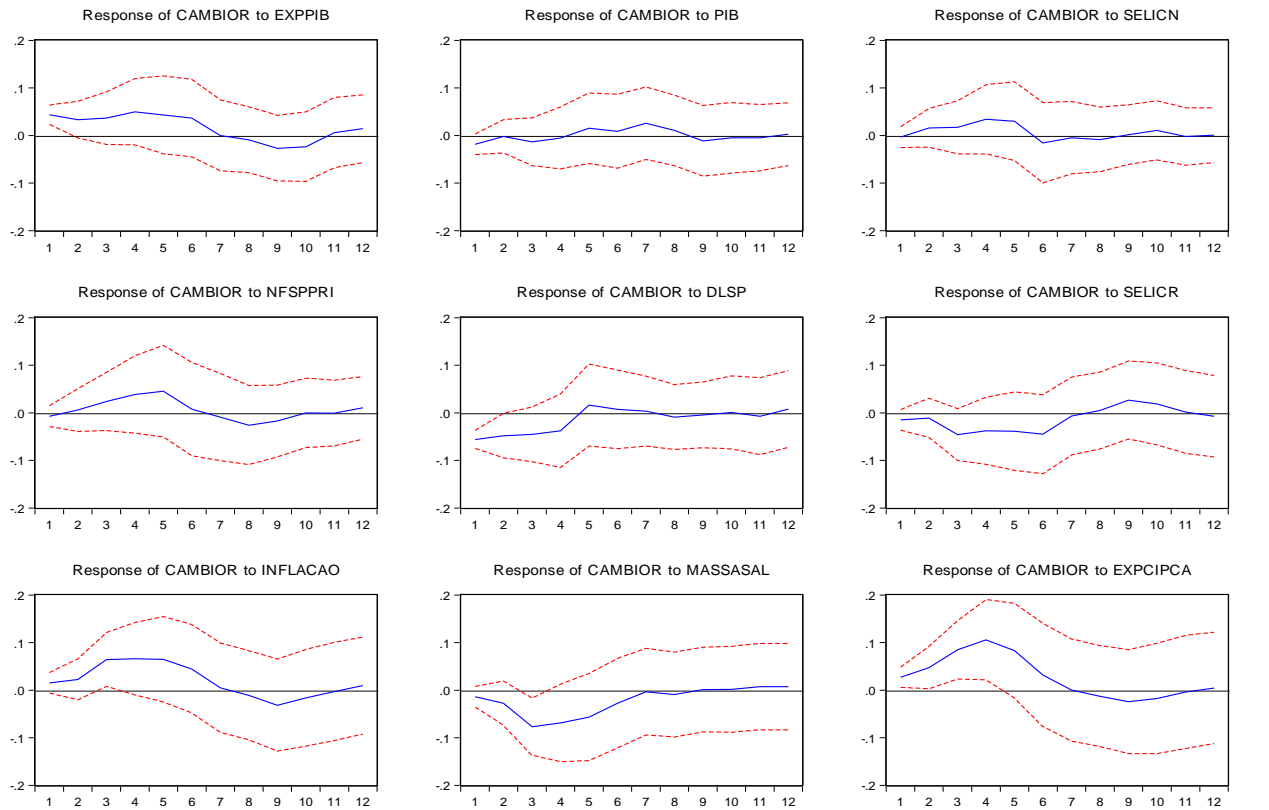
Response to Generalized One S.D. Innovations  $\pm 2$  S.E.



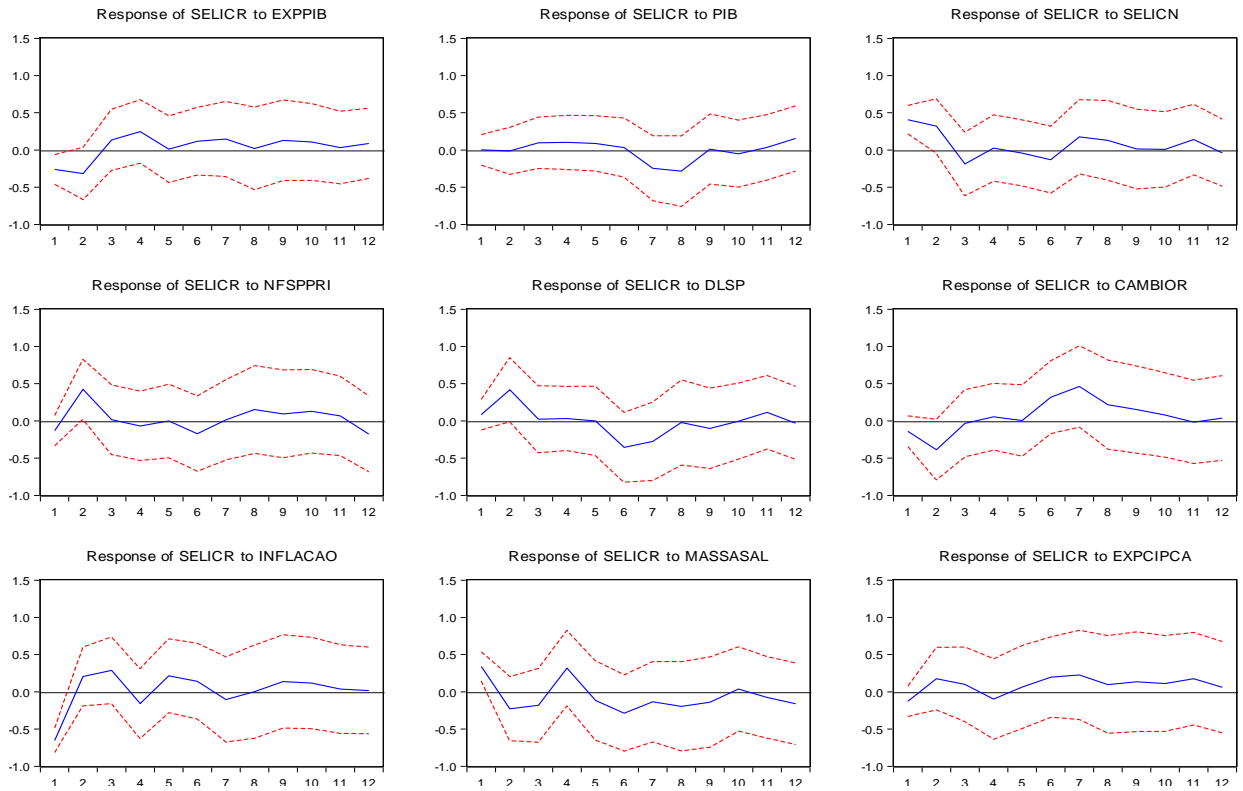
Response to Generalized One S.D. Innovations  $\pm 2$  S.E.



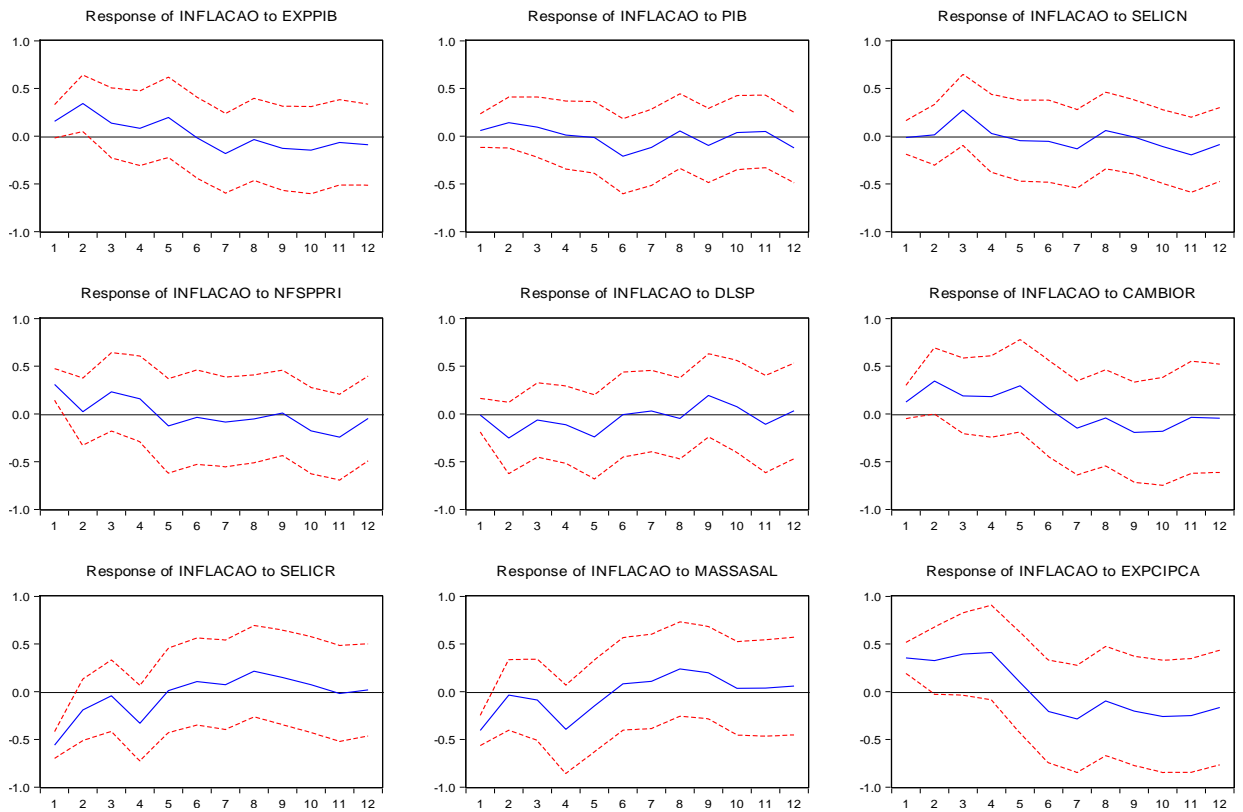
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