Panel A of Figure 3 in the text presents the model-estimated probability of a new economy. In this appendix, we provide figures that reflect different parameter choices.

![Probability of New Economy](image)

**Figure IA.1. Model-estimated probability \( Q \) of a new economy with different \( \sigma_{p,n} \).** The figure traces the evolution of a representative investor’s belief regarding a new economy as captured by the probability \( Q \). The solid line is a replication of Panel A of Figure 3 in the text, where we set \( \sigma_{p,n}=0.0025 \). For the dashed line, we set \( \sigma_{p,n}=0.002 \). For the dotted line, we set \( \sigma_{p,n}=0.003 \).

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Figure IA.2. Model-estimated probability ($Q$) of a new economy with different $\phi_n$. The figure traces the evolution of a representative investor’s belief regarding a new economy as captured by the probability $Q$. The solid line is a replication of Panel A of Figure 3 in the text, where we set $\phi_n=0.04$. For the dashed line, we set $\phi_n=0.25$, the value we use for $\phi_o$, and set $\sigma_{\rho,n}=0.002$. 