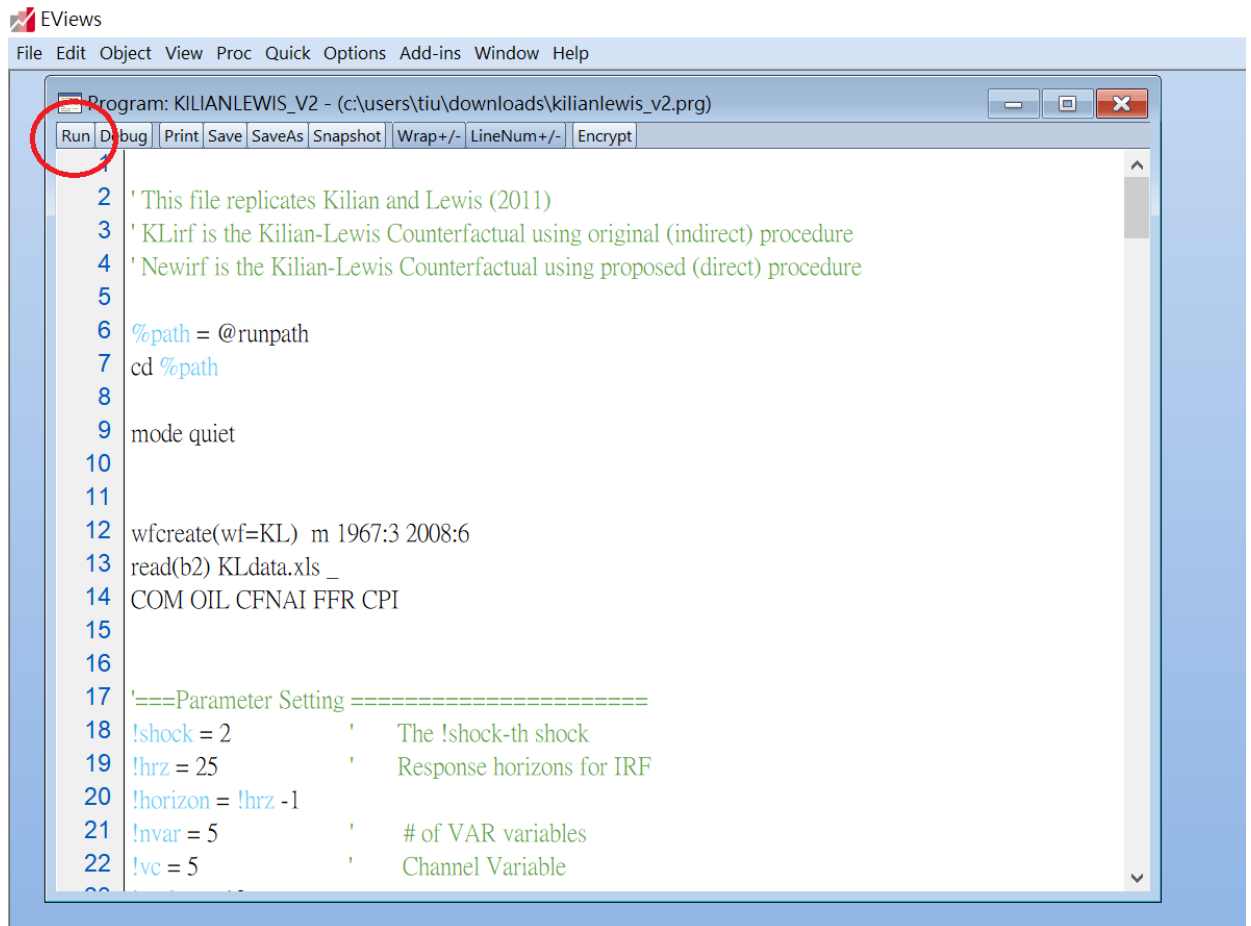


- (1) kilianlewis\_v2.PRG is an EViews program.
- (2) Put the PRG file along with the KLdata.XLS in the same folder.
- (3) Use EViews to open kilianlewis\_v2.PRG, and then click Run:



```
1  
2 ' This file replicates Kilian and Lewis (2011)  
3 ' KLirf is the Kilian-Lewis Counterfactual using original (indirect) procedure  
4 ' Newirf is the Kilian-Lewis Counterfactual using proposed (direct) procedure  
5  
6 %path = @runpath  
7 cd %path  
8  
9 mode quiet  
10  
11  
12 wfcreate(wf=KL) m 1967:3 2008:6  
13 read(b2) KLdata.xls _  
14 COM OIL CFNAI FFR CPI  
15  
16  
17 '===Parameter Setting =====  
18 !shock = 2           ' The !shock-th shock  
19 !hrz = 25           ' Response horizons for IRF  
20 !horizon = !hrz -1  
21 !nvar = 5           ' # of VAR variables  
22 !vc = 5             ' Channel Variable
```