

Homework 8. November 13—due November 20.

1. Exercise 13.3 (page 314 in my version). It is called “growth slowdowns and stock market crashes” and is in the asset pricing chapter in LS.
2. Derive the formula for the debt ((10.2.7) in my version of LS)) in example 4 of the section that Huseyn covered (before the government). (I think LS has a typo, but your job is to verify this.)