

Homework - 7
UCLA - 2016
ECON 221C MONETARY ECON III
OTC Markets
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This homework corresponds to the notes on class notes on OTC markets.

[1] **Typo Police.** Please spot typos in the lecture notes corresponding to the class on financial intermediaries.

[2] **HJB 1.** Derive the HJB corresponding to a model with Poisson shocks as we did in class.

[3] **HJB 2.** Derive the HJB corresponding to the model of Duffie Garleanu and Pedersen presented by Professor P.O. Weill, which is also covered in the class notes.