Reply to the referee report on the paper "Information Stickiness in General Equilibrium and Endogenous Cycles", submitted to *E-conomics, the Open-Access, Open-Assessment E-Journal*.

I thank the referee for her/his careful reading of the manuscript and for the comments that are made. The report offers a brief global evaluation of the paper and gives three minor suggestions. The three suggestions are helpful and will certainly be introduced in a revised version of the paper, namely the clarification of the concept of stability (it is, in fact, the notion of global asymptotic stability that is used), the introduction of the correct designations on the graph's axes, and the graphical representation of the largest Lyapunov exponent.

In what concerns the global assessment, two points are highlighted: the model's main assumptions and the analytical treatment of the model.

The assumptions that are introduced intend to reflect two obstacles that agents face when processing information and generating forecasts about the future. The idea is that such assumptions put us closer to what reality shows.

First, expectations about the present are formed, by different agents, in many possible past dates; it seems reasonable to consider that expectations generated many periods in the past will be more likely to fail to give an accurate prediction of the current state of the economy. As a result, as we go back in time the probability of having an expectation that corresponds to perfect foresight falls. What is the alternative? To think of the future as the state in which the economy remains when it is not disturbed by any external shock, and this is the steady-state where the system will end up by resting in.

The second assumption respects the relation of opposite sign between the phase of the business cycle and the degree of agents' attentiveness. This relation has been empirically demonstrated in the paper by Doms and Morin (2004) that is cited in the manuscript.

Relatively to the analytical treatment of the model, the referee is right when she/he refers the complexity of the dynamic relations. As presented, the dynamic system does not allow for a much deeper general analysis, namely in what concerns the identification of the presence of chaotic motion. This can only be illustrated through a numerical example, as the developed one.