Authors' reply to Referee 2

We are deeply grateful to the referee for the comments. We hope that our answers will help clarify the issues raised.

Section 2.2

1&2) Equations (3) *and* (5) together concur to determine four possible mutually exclusive cases (increase price, increase quantity, decrease price and decrease quantity).

3) The referee is right, there is a typo. We will correct it.

Section 3

Usually, as the first periods are used to let the model adjust, the model dynamics is initially different from subsequent behavior. As a consequence, the first 100 periods were neglected in order to analyze data as homogeneous as possible.

Section 4.3

1) The sampling strategy is very simple and pragmatic: we just restricted the parameter space to a manageable and reasonable range (for instance, the interest rate takes on values from 0.5% to 5%, which are typically realistic values). Then, the very sampling from the restricted parameter space is random, without privileging any portion of the space.

2) In our opinion the R2s are not bad, if compared with what is usually obtained in econometrics using real data. Besides, the R2s for wealth (which are not reported in the paper) are quite higher (from 0.6 on).

3) The values in parentheses are OLS standard errors. We also tried robust s.e. but without any notable difference.