**Replication code and data for Chang, Liu, Spiegel, and Zhang (2018), “Reserve Requirements and Optimal Chinese Stabilization Policy”**

* The data used in the paper are pre-loaded in the file “clsz\_data\_in.mat”, with variable entries explained in the matlab file “msstart\_setup.m.”
* To generate impulse responses from the BVAR, run “msprob.m.” You need to download and install the Matlab library files from Tao Zha’s website: <http://www.tzha.net/code/ZhaMatlabLibrary.zip>, and set your local paths appropriately.
* The BVAR code is adapted from the original code written by Tao Zha. The Bayesian priors are taken from Sims and Zha (1998).

**References:**

Chang, Chun, Zheng Liu, Mark M. Spiegel, and Jingyi Zhang (2018), “Reserve Requirements and Optimal Chinese Stabilization Policy.” *Journal of Monetary Economics* (forthcoming).

Sims, Christopher and Tao Zha (1998), ““Bayesian Methods for Dynamic Multivariate Models.” *International Economic Review* 39(4), pp. 949-968.