

The journal's typesetter made two errors when typesetting our equations (48) and (49), misplacing “-1” at the end of both equations. The two equations should read as follows:

$$R^0(S_\tau) = \frac{\sum_{n=0}^N p_\tau^n e^{-\gamma(T-\tau)(\tilde{\mu}^n - \tilde{\mu}^0) + \frac{\gamma}{2}(T-\tau)^2(\sigma_{g,n}^2 - \widehat{\sigma}_\tau^2)}}{\sum_{n=0}^N p_\tau^n e^{(1-\gamma)(T-\tau)(\tilde{\mu}^n - \tilde{\mu}^0)}} - 1 . \quad (48)$$

$$R^n(S_\tau) = \left[1 + R^0(S_\tau) \right] e^{(\tilde{\mu}^n - \tilde{\mu}^0)(T-\tau) - \frac{\gamma}{2}(T-\tau)^2(\sigma_{g,n}^2 - \widehat{\sigma}_\tau^2)} - 1 . \quad (49)$$

Both equations are displayed properly in the NBER working paper version of our paper, dated September 2011 (<http://www.nber.org/papers/w17464.pdf>).