Corrigendum
New Corrections as of 10th April 2015

Page 65:
the “(“ should be replaced with “δ” (used previously) in the following sentences –
… change in asset prices, if (…depreciation rate (;

Page 75:
the word “then” should be deleted from the sentence
“…real rate in the estimation of user costs for owner-occupied housing in the then candidate…”

Page 82:
the word “Section” should be deleted from the sentence
“…hard to interpret such as negative user costs of capital (see Section Chapter 17).”

Page 83:
the word “Both”, to be replaced with “All” in the sentence
“…and this determines the classifications to be used. Both are to be classified by the…”

Page 88: the “net” should be delete from the sentence
“…investment, minus depreciation plus holding gains minus holding losses plus other net…”

Page 96:
the number “4.” Should be deleted from the sentence
“…4. The first two methods…”

Page 97:
the “(12)” at the end of the formula at the top of the page should be replaced with “…”
Corrigenda

Page 39:
Table number is Table 4.1 in the following sentence:
*The retirement function can be expressed in a cumulative way, i.e. by adding up the successive retirement probabilities over the service life of the cohort. The result is best explained by looking at Table.*

Page 40:
Table number is Table 4.1 in the following sentence:
*The first column in Table shows investment expenditure over the past 16 years, at historical prices.*

Page 46:
Table number is Table 3.1 in the following sentence:
*The table is best read starting with the third column that replicates the age-efficiency function in the case of a single asset with service live of eight years – the same pattern that was summarised in Table.*

Page 46:
Table number is Table 3.4 in the following sentence:
*It has been derived from the combined age-efficiency/retirement profile in precisely the same way an age-price profile for a single asset has been derived from an age-efficiency profile for a single asset (Tables 3.1 to Table).*

Page 47:
Table number is Table 5.2 in the following sentences:
*Depreciation rates are shown in the third column of Table and are simply a different way of expressing the age-price profile for the entire cohort that was derived in Table 5.1: for every age, the depreciation rate shows the difference in value between successive ages as a percentage of the younger asset. The latter reflect the value loss of an asset as it ages, expressed as a percentage of the value of a new asset, as shown in Table.*
Table number is Table 5.3 in the following sentences:
This is simulated in the first six columns of Table: the year for which depreciation is to be computed is year 17 and the second column lists investment expenditure of a particular asset type during the years 1 to 17.
There is a second, equivalent way to compute depreciation and it uses directly the depreciation profile shown in Table. More specifically, the depreciation profile is applied directly to the series of past investment. This computation can be seen in the 7th and 8th column of Table.

Table number is Table 6.1 in the following sentences:
With the age-price/retirement profile in hand, the perpetual inventory method can be applied to yield a measure of the net stock, as shown in Table.
The net capital stock at prices of year 16 in Table was calculated using the year average prices of the asset if the investment deflator in column three relates to mid-periods.
Thus, to use the net capital stock at current prices shown in Table as a balance sheet entry, it must be multiplied by the ratio of end-year to year average prices.

Table number is Table 13.3 in the following sentence:
By way of a numerical example, the procedure is shown in Table.

Table number is Table 16.1 in the following sentence:
In Table, we take a look at how the SRTP turns out empirically for OECD countries.

The expression should be read as follows:
\[ d \alpha K_t = D_t (60) \]

The following paragraph should not have a number.

6. The anticipated general inflation rate for period t along with the nominal interest rate can be used to define the period anticipated real interest rate \( r_t \) and the period anticipated real asset inflation rate or real rate of holding gains/losses \( i_t \) as follows: