$$\Phi(\delta_v) = \rho + \theta E[g] - \tfrac{1}{2}\theta^2 S^2(\delta_v) = 0.2\% . \quad \textbf{(60)}$$

Defining $\delta_e$ to be the implicit solution of

$$\Pi(\delta_e) = 4.5\% , \quad \textbf{(61)}$$

we then have, from (21) and (19),

$$\Phi(\delta_e) = \rho + \theta E[g] - \theta^2 \Pi(\delta_e)/(2\theta - 1) = 0\% , \quad \textbf{(62)}$$

and, from (19) with $\hat{V} = S^2[\delta_e]$,

$$S(\delta_e) = \sqrt{2\Pi(\delta_e)}/\sqrt{2\theta - 1} = 17\% . \quad \textbf{(63)}$$

Defining $\delta_f$ to be the implicit solution of

$$\Phi(\delta_f) = 1\% , \quad \textbf{(64)}$$

we then have, from (21) and (19),

$$\Pi(\delta_f) = (2\theta - 1)/\theta^2 \, [\rho + \theta E[g] - \Phi(\delta_f)] = 3.8\% , \quad \textbf{(65)}$$

and, from (21) with $\hat{V} = S^2[\delta_f]$,

$$S(\delta_f) = \sqrt{2}/\theta \, \sqrt{\rho + \theta E[g] - \Phi(\delta_f)} = 16\% . \quad \textbf{(66)}$$