

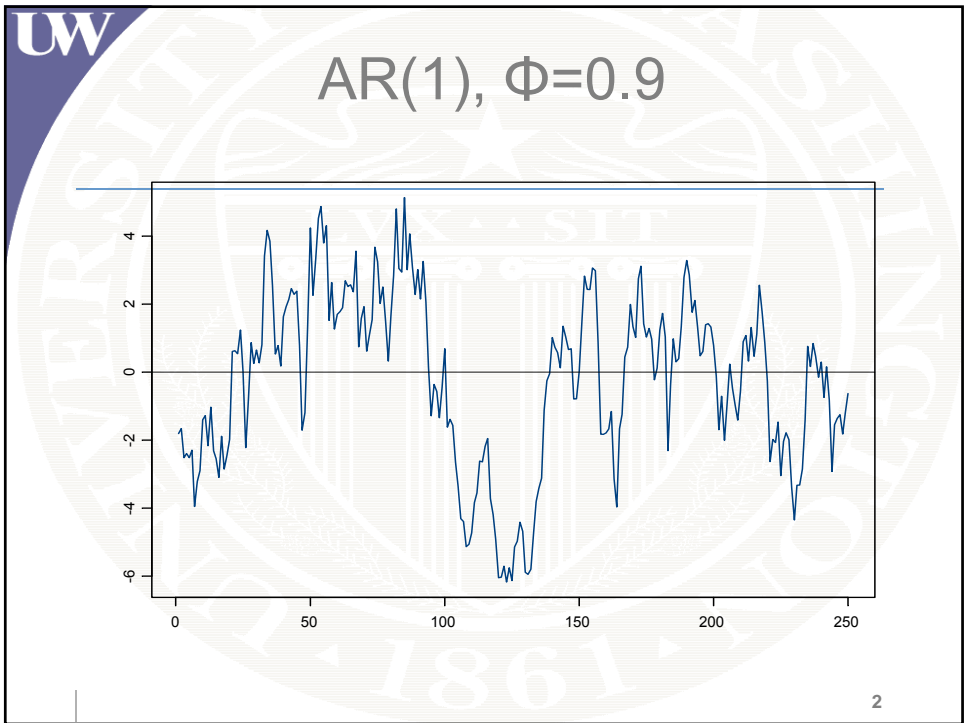
UW

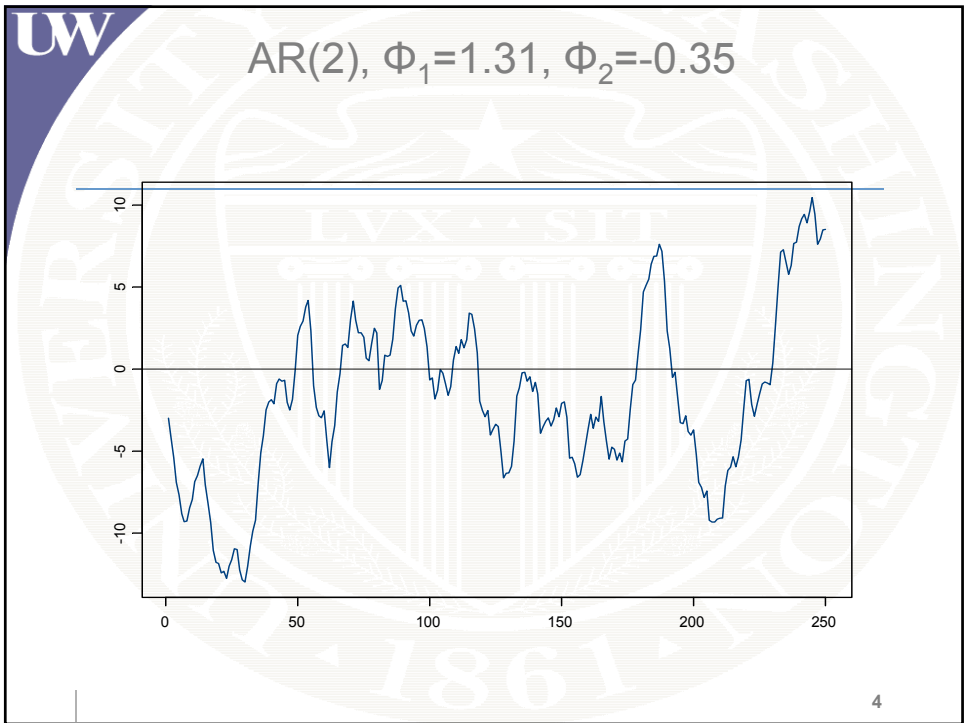
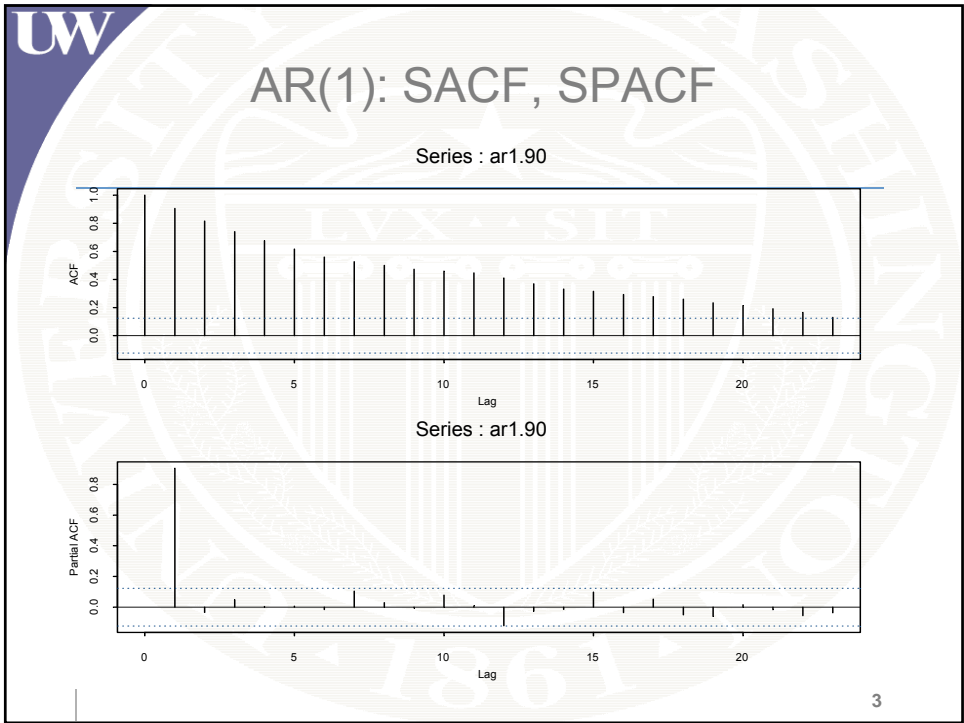
Econ 582

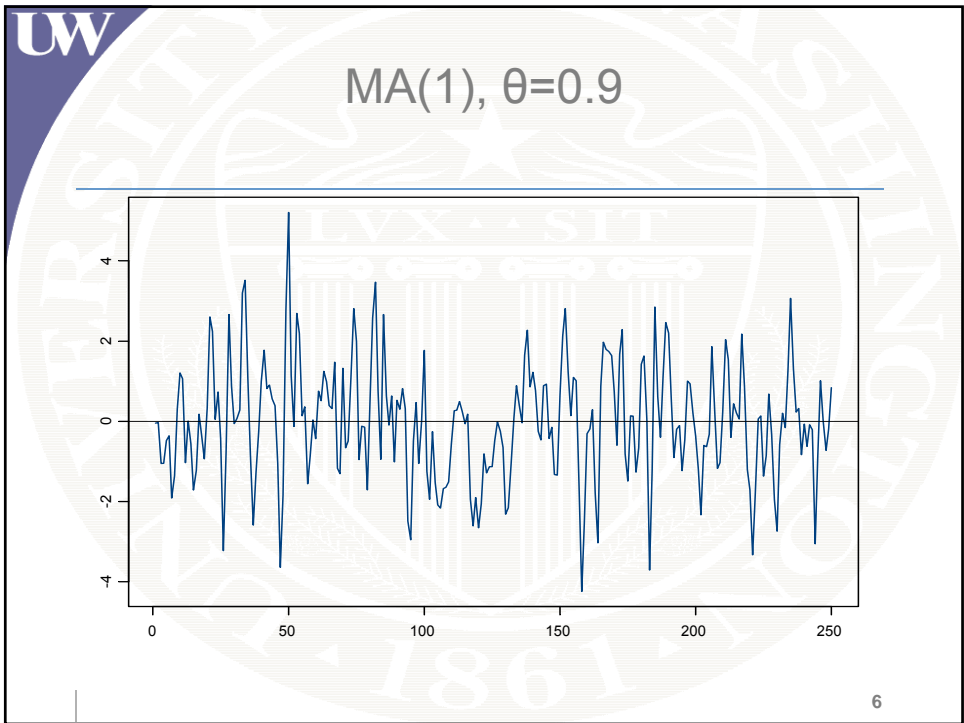
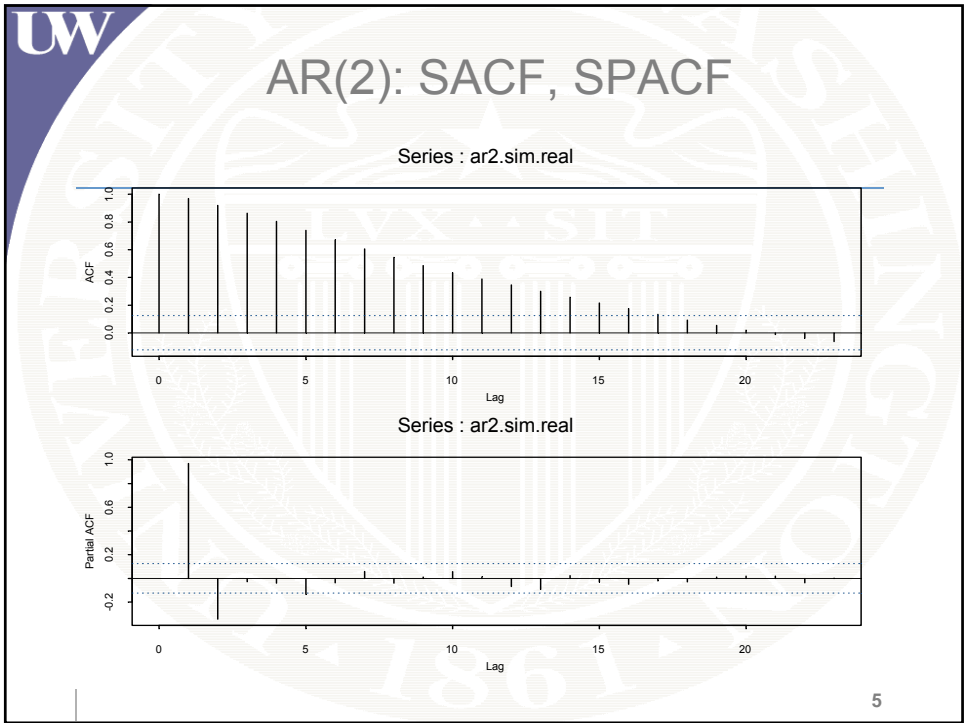
Box-Jenkins Analysis

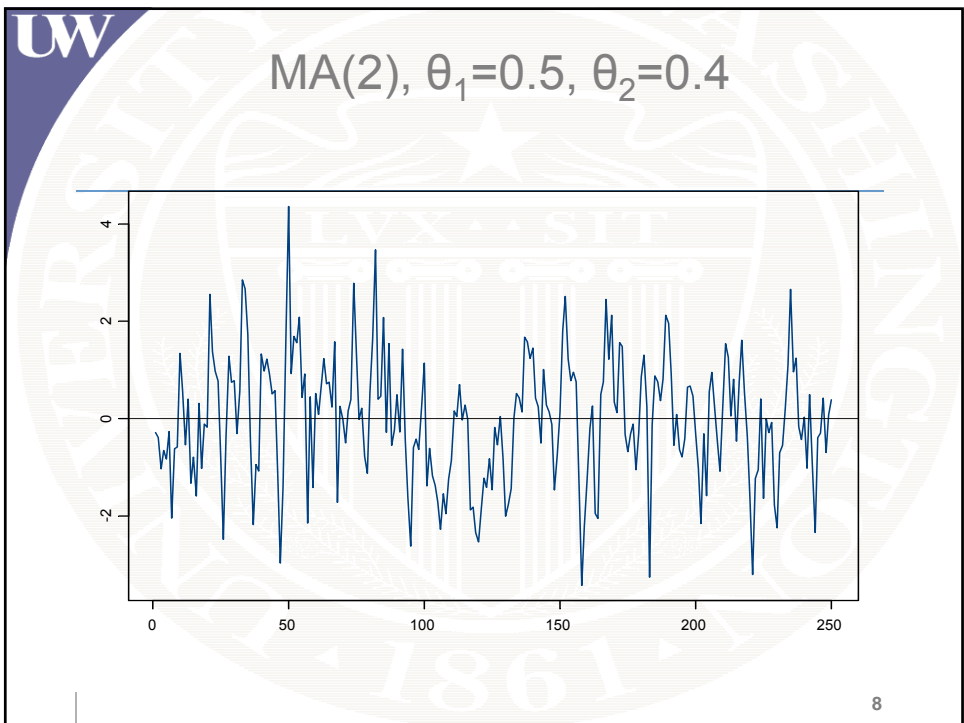
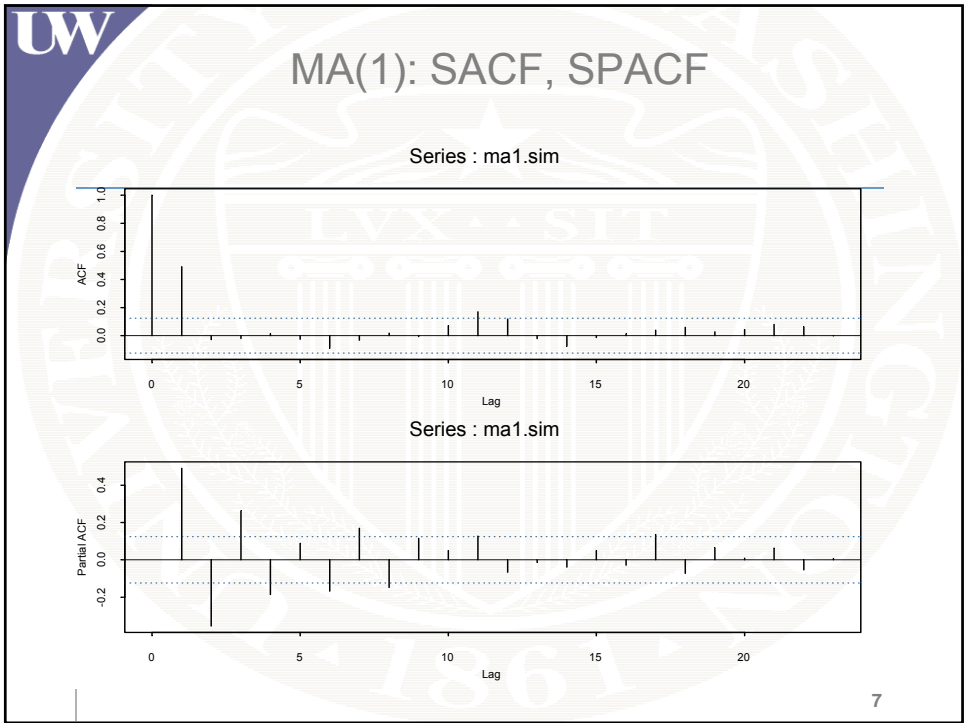
Eric Zivot
April 7, 2011

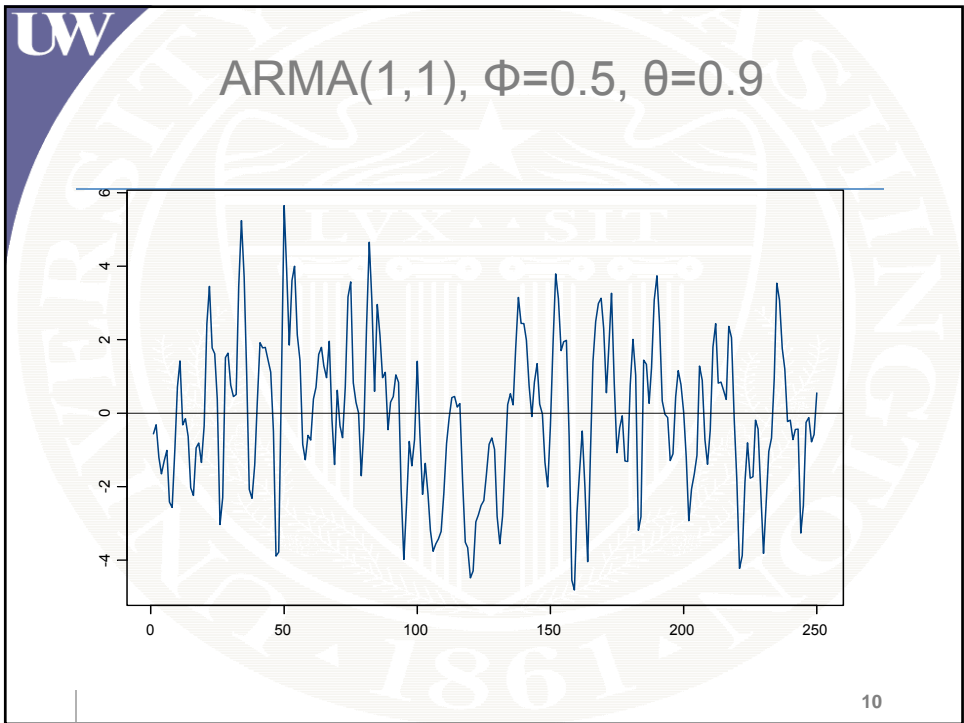
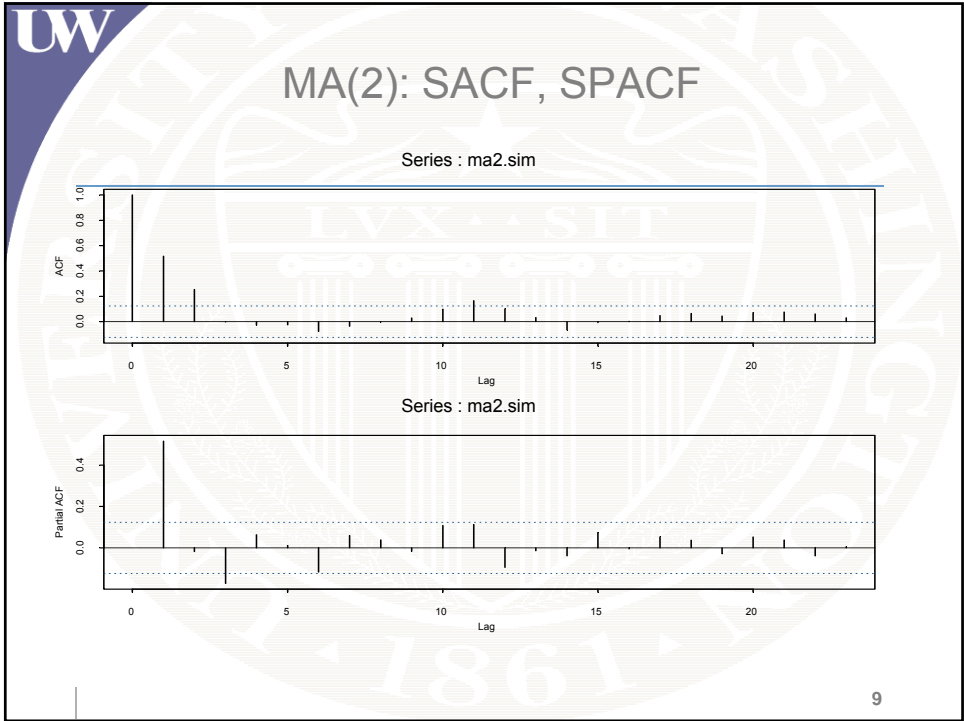
1

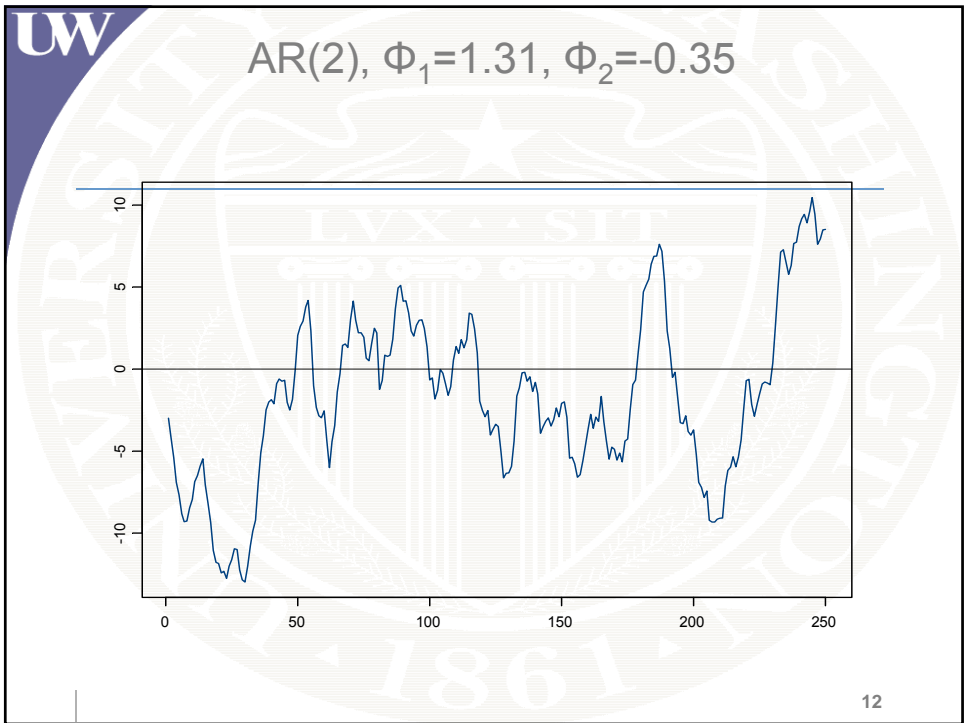
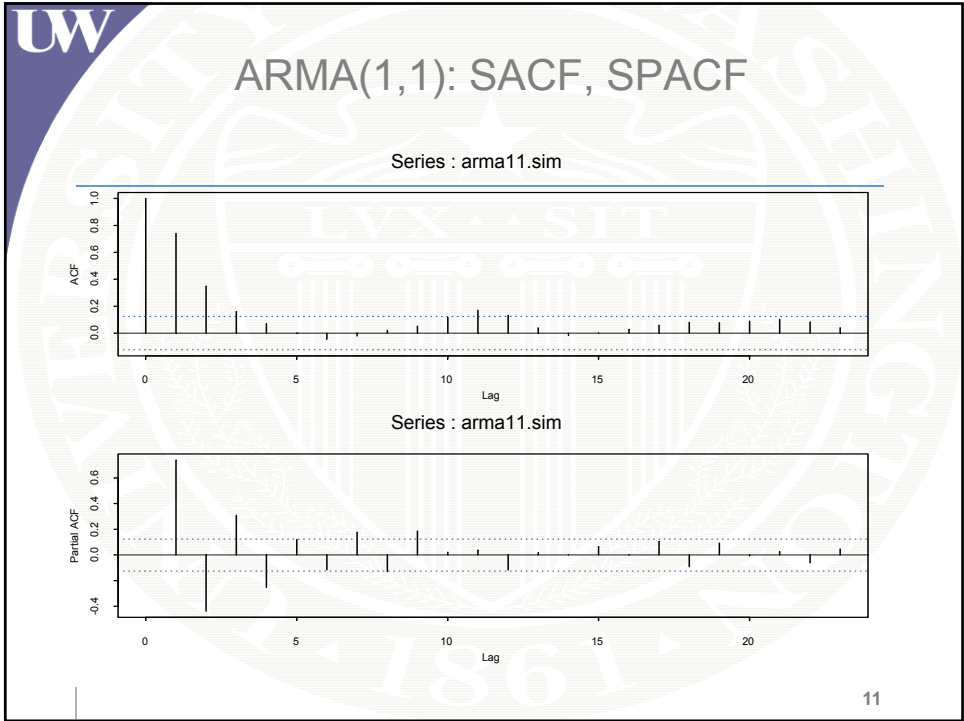


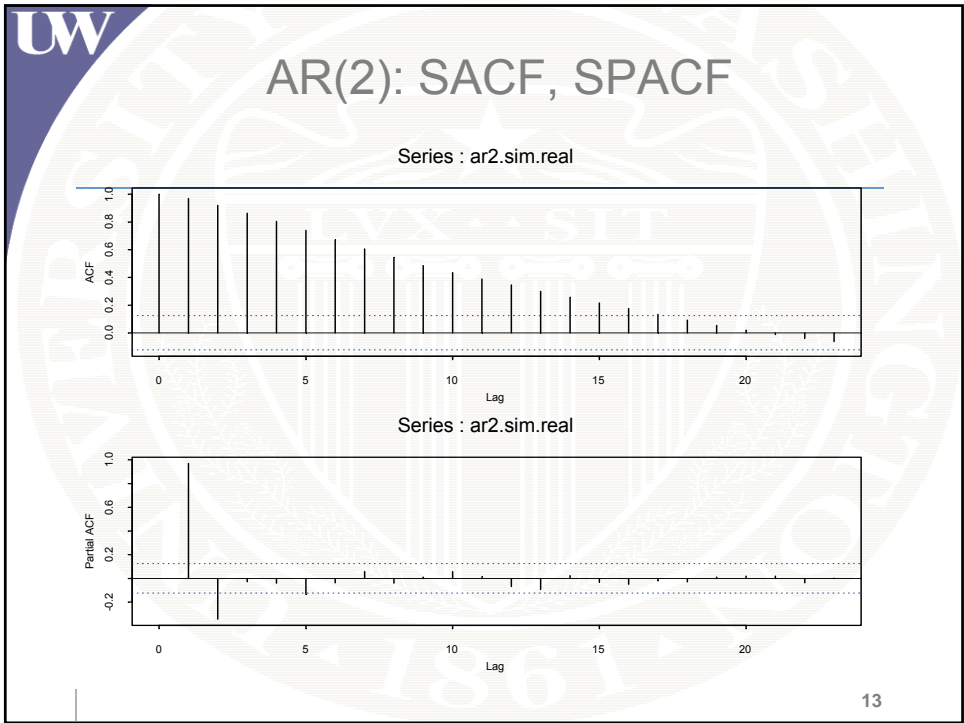












UW

Model Selection Criteria

Common Sample: 3 250

| q\p | 2 | 1 | 0 |
|-----|------------------------------|----------------|----------------|
| 2 | AIC: 2.805 BIC: 2.876 | 2.812 2.869 | 4.153 4.196 |
| 1 | 2.807 2.864 | 2.833 2.876 | 4.931 4.959 |
| 0 | 2.799 2.841 | 3.021 3.049 | 6.132 6.147 |

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Correctly specified AR(2):

LS AR2_SIM_REAL C ar(1) ar(2)

Equation: UNTITLED Workfile: ARMADATA::armaData

View Proc Object Print Name Freeze Estimate Forecast Stats Resids

Dependent Variable: AR2_SIM_REAL
Method: Least Squares
Date: 04/04/06 Time: 11:03
Sample (adjusted): 3 250
Included observations: 248 after adjustments
Convergence achieved after 4 iterations

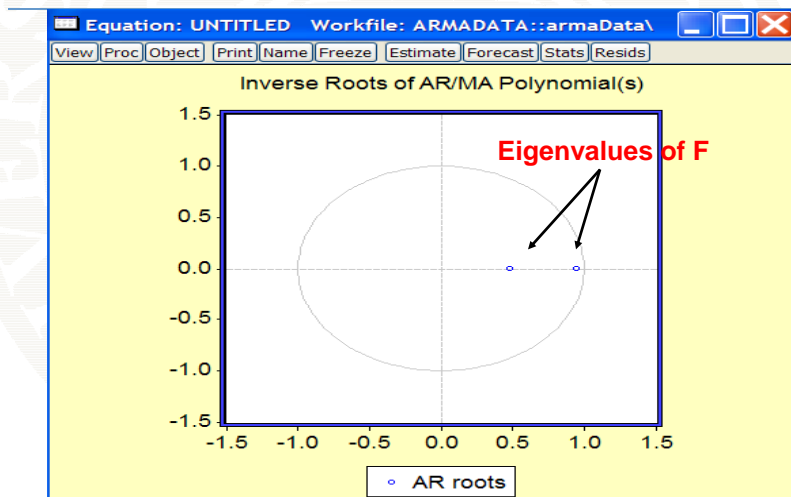
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|----------|-------------|------------|-------------|--------|
| C | -0.773347 | 2.196378 | -0.352101 | 0.7251 |
| AR(1) | 1.426856 | 0.056798 | 25.12151 | 0.0000 |
| AR(2) | -0.455690 | 0.057261 | -7.958168 | 0.0000 |

| | | | |
|--------------------|-----------|-----------------------|-----------|
| R-squared | 0.964913 | Mean dependent var | -1.766377 |
| Adjusted R-squared | 0.964627 | S.D. dependent var | 5.183165 |
| S.E. of regression | 0.974837 | Akaike info criterion | 2.798931 |
| Sum squared resid | 232.8255 | Schwarz criterion | 2.841432 |
| Log likelihood | -344.0675 | F-statistic | 3368.843 |
| Durbin-Watson stat | 1.988048 | Prob(F-statistic) | 0.000000 |

| | | |
|-------------------|-----|-----|
| Inverted AR Roots | .94 | .48 |
|-------------------|-----|-----|

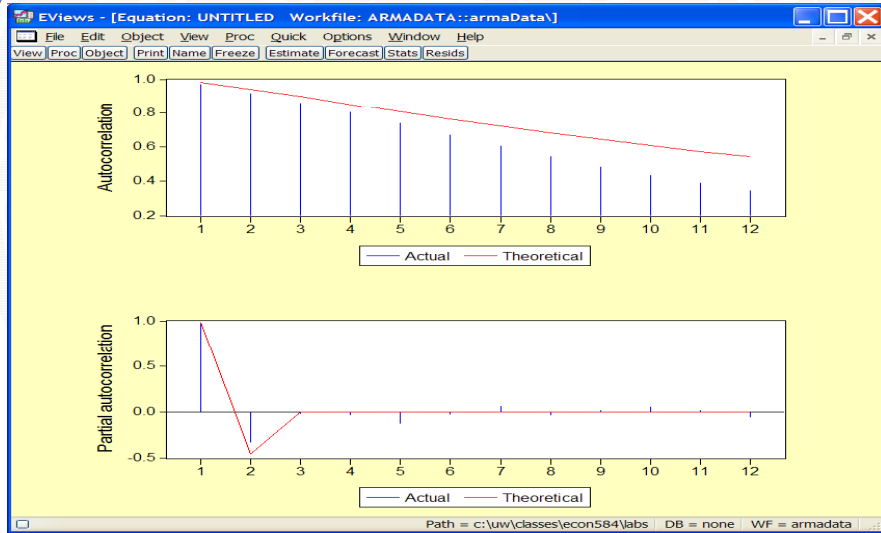


View/ARMA Structure/Roots



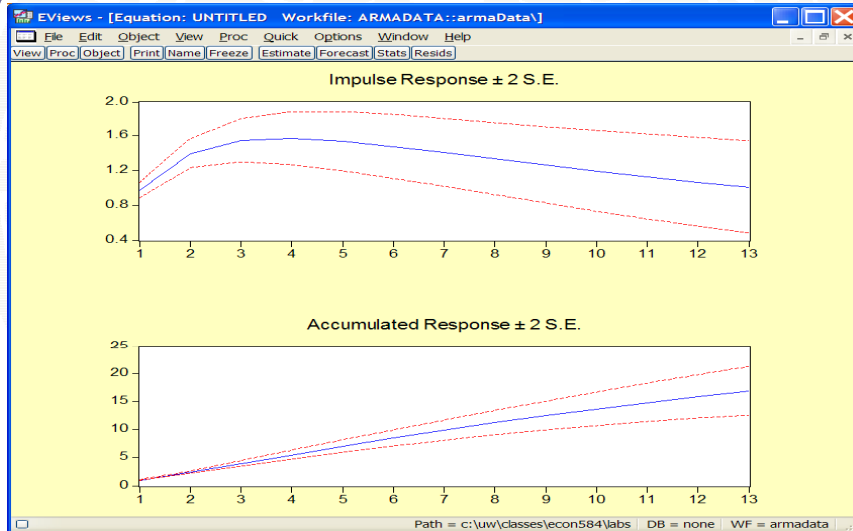
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View/ARMA Structure/Correlogram



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View/ARMA Structure/Impulse Response



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