

UW

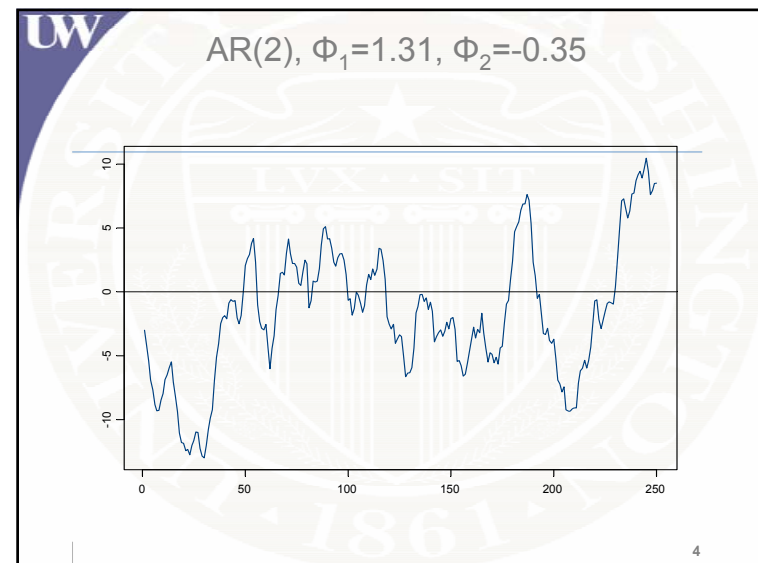
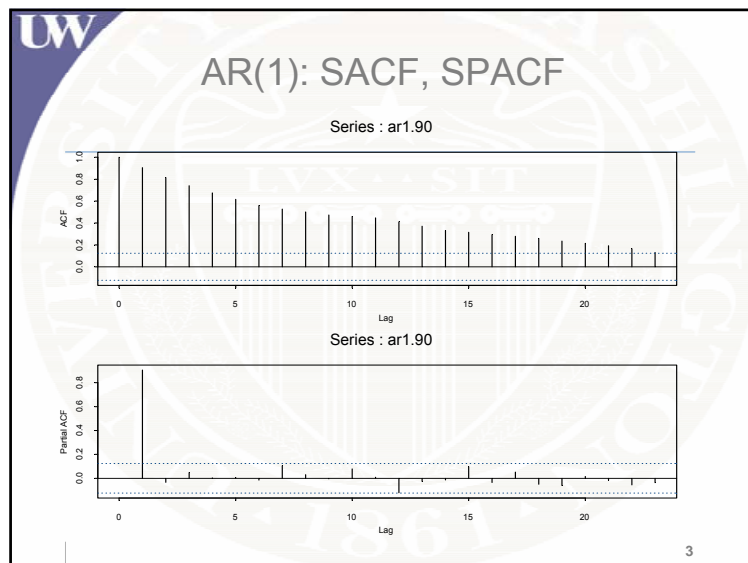
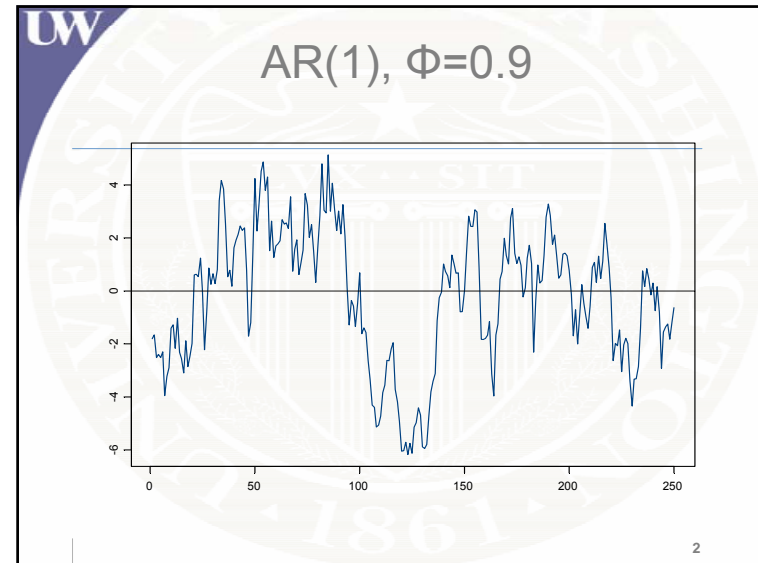
Econ 584

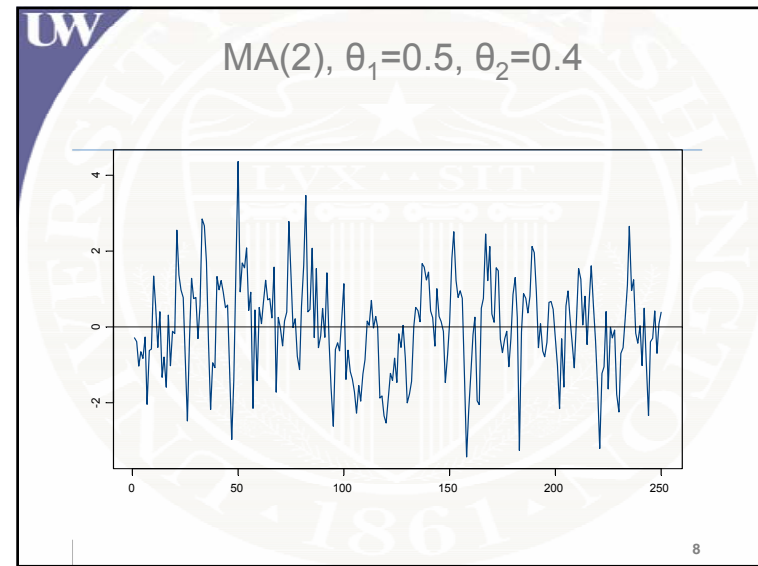
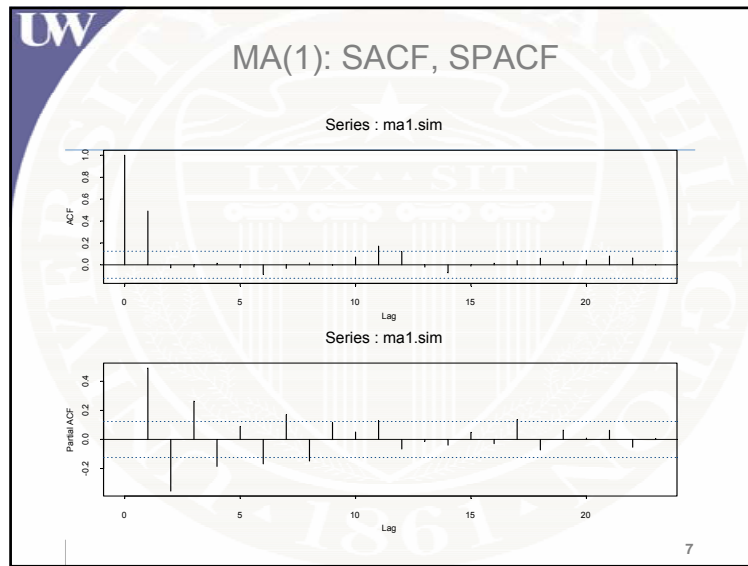
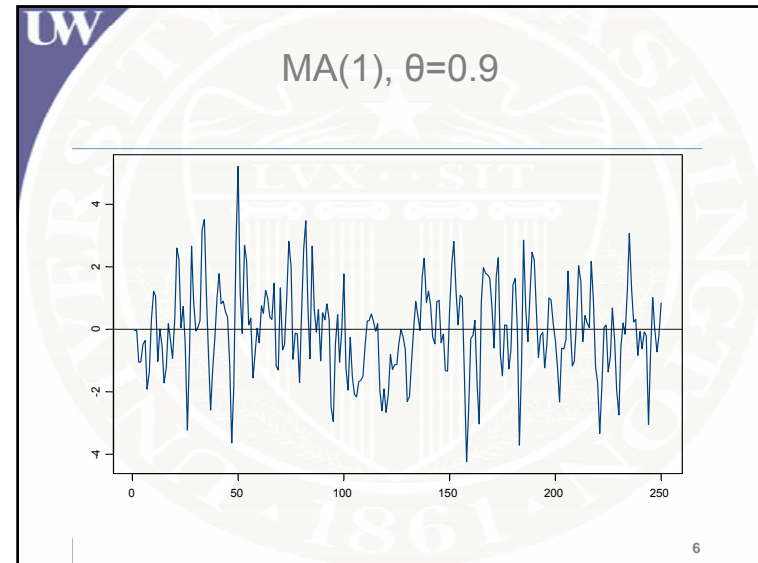
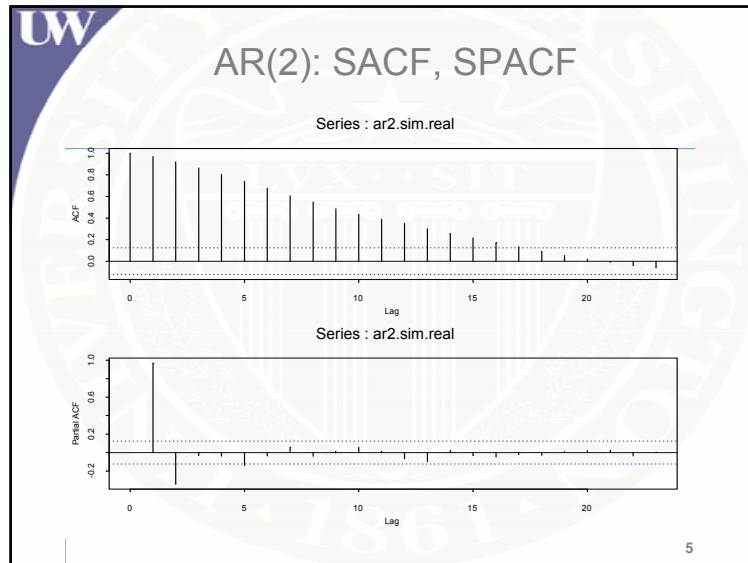
Time Series Econometrics

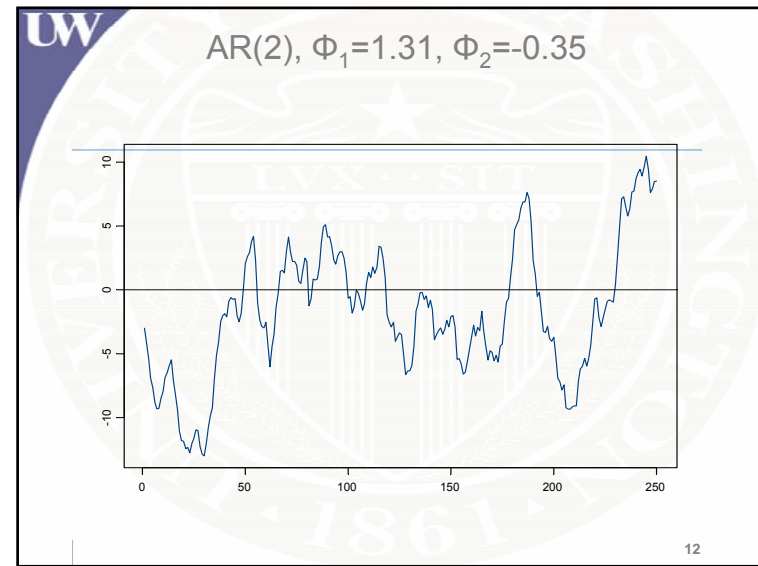
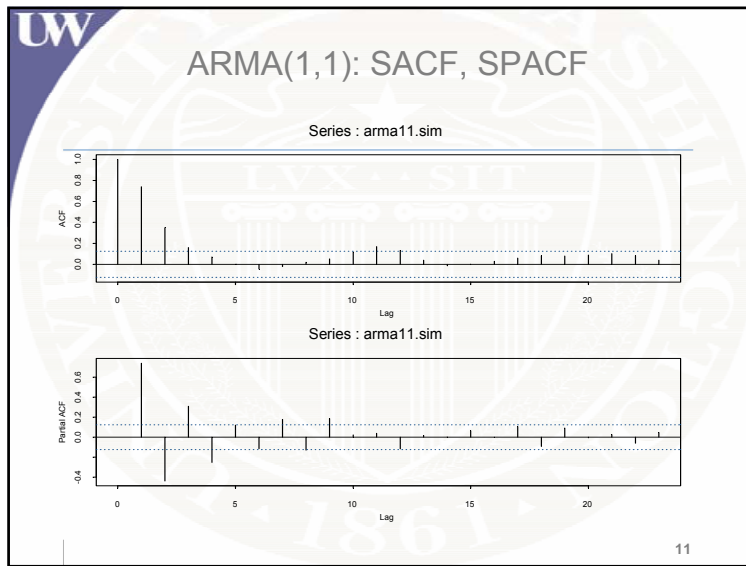
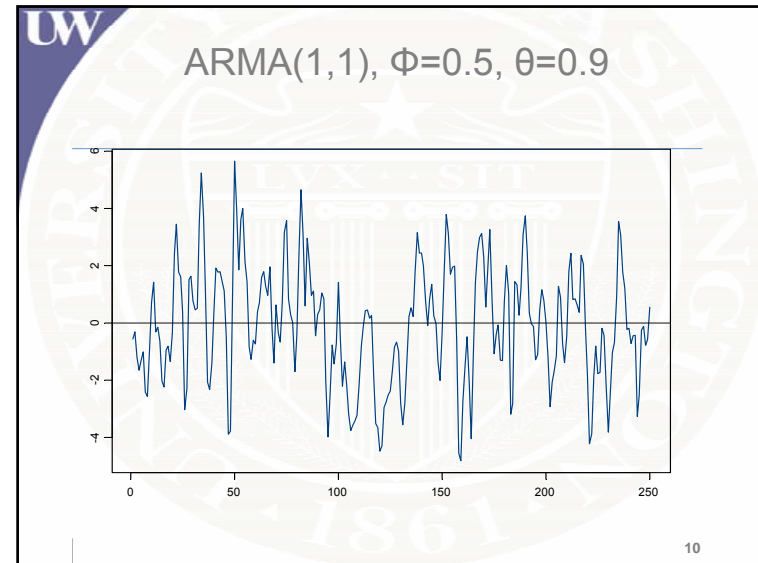
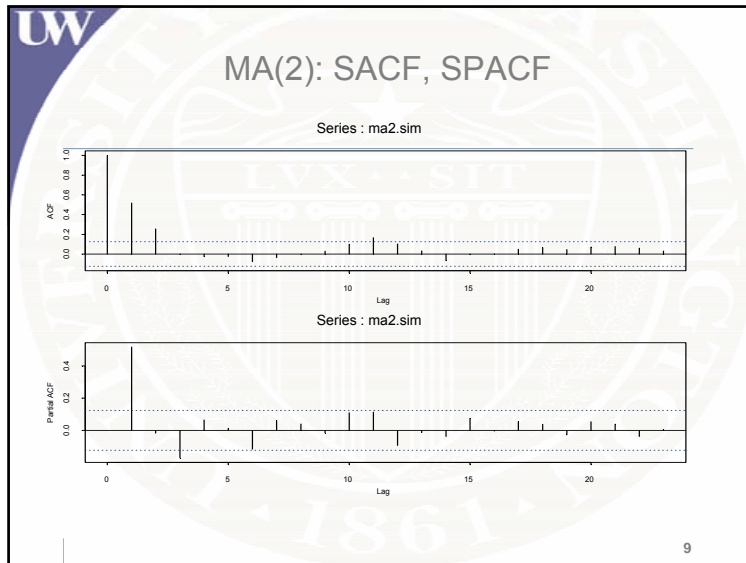
Box-Jenkins Analysis

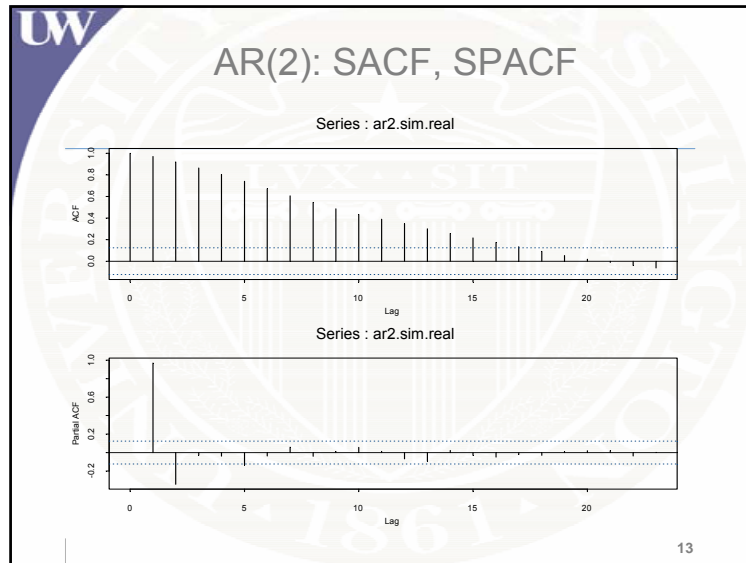
Eric Zivot
April 3, 2006

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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

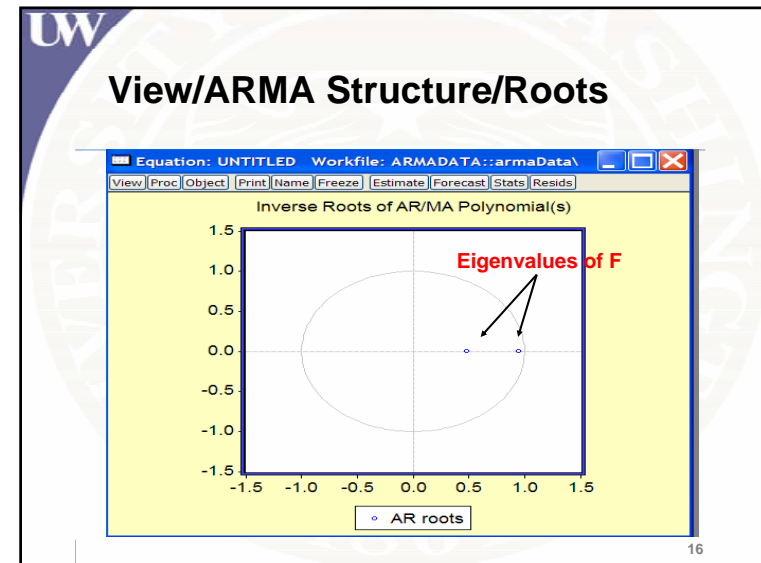
Dependent Variable: AR2_SIM_REAL
 Method: Least Squares
 Date: 04/04/06 Time: 11:03
 Sample (adjusted): 3 250
 Included observations: 248 after adjustments
 Convergence achieved after 4 iterations

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

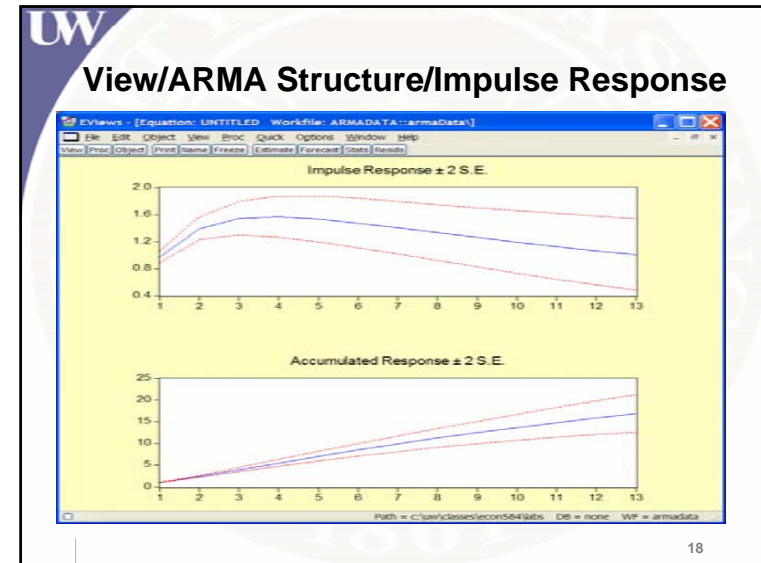
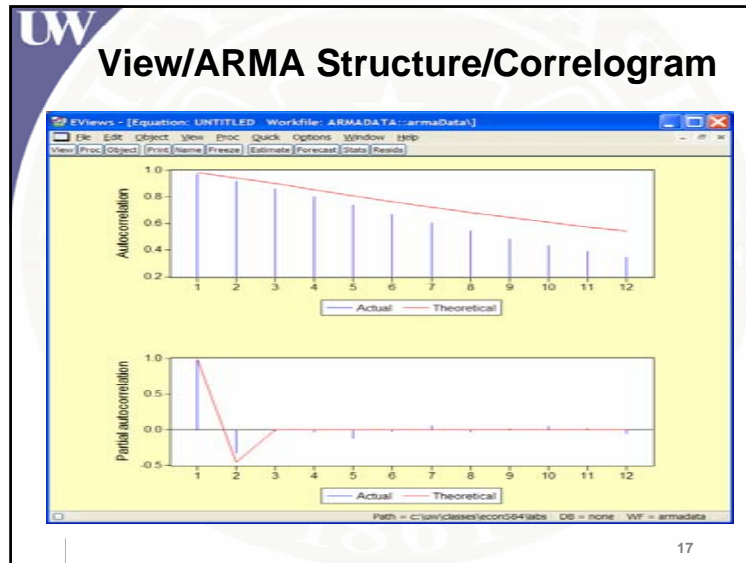
R-squared	0.964913	Mean dependent var	-1.766377
Adjusted R-squared	0.964627	S.D. dependent var	5.183165
S.E. of regression	0.974837	Akaike info criterion	2.798931
Sum squared resid	232.8255	Schwarz criterion	2.841432
Log likelihood	-344.0675	F-statistic	3368.843
Durbin-Watson stat	1.988048	Prob(F-statistic)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

Inverted AR Roots	.94	.48
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View/Residual Tests/Correlogram

Date: 04/04/06 Time: 11:20
 Sample: 3 250
 Included observations: 248
 Q-statistic probabilities adjusted for 2 ARMA term(s)

Autocorrelation	Partial Correlation	AC	PAC	Q-Stat	Prob
1	0.005	0.005	0.0055		
2	-0.038	-0.038	0.3654		
3	-0.022	-0.022	0.4917	0.483	
4	0.070	0.069	1.7352	0.420	
5	0.071	0.069	3.0262	0.388	
6	-0.063	-0.060	4.0517	0.399	
7	0.057	0.066	4.8922	0.429	
8	-0.022	-0.029	5.0159	0.542	
9	-0.042	-0.051	5.4684	0.603	
10	-0.103	-0.099	8.2173	0.413	
11	0.039	0.038	8.6226	0.473	
12	0.117	0.102	12.234	0.270	

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View/Residual Tests/Serial Correlation LM Test

Breusch-Godfrey Serial Correlation LM Test:

F-statistic	0.491205	Prob. F(2,243)	0.612495
Obs*R-squared	0.998587	Prob. Chi-Square(2)	0.606959

Test Equation:
 Dependent Variable: RESID
 Method: Least Squares
 Date: 04/04/06 Time: 11:23
 Presample missing value lagged residuals set to zero.

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-0.049624	2.205142	-0.022504	0.9821
AR(1)	0.199774	0.254694	0.784370	0.4336
AR(2)	-0.192240	0.247154	-0.777815	0.4374
RESID(-1)	-0.194477	0.262089	-0.742026	0.4588
RESID(-2)	-0.130679	0.133595	-0.978176	0.3290

R-squared	0.004027	Mean dependent var	1.47E-15
Adjusted R-squared	-0.012368	S.D. dependent var	0.970883
S.E. of regression	0.976868	Akaike info criterion	2.811025
Sum squared resid	231.8880	Schwarz criterion	2.881861
Log likelihood	-343.5671	F-statistic	0.245602
Durbin-Watson stat	2.012911	Prob(F-statistic)	0.912144

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