

Subject index

A

ac command 231
AIC... see Akaike's information criterion
Akaike's information criterion..... 306
alternative hypothesis..... 73
analytic weights 18
ARCH.... see autoregressive conditional heteroskedasticity
arch command..... 281–284
arfima command..... 432
ARIMA ... see autoregressive integrated moving average
arima command..... 243
ARMA(p,q)..... 82
ARMA models see autoregressive moving-average models
autocorrelated 77
 disturbances..... 167–200
autocorrelation, 77, 80–82, 168–172
 coefficients..... 230
 testing for..... 176–177
autoregression 80
autoregressive conditional heteroskedasticity
 extensions to the model..... 298
 in-mean..... 296
 model 277–285
 test for..... 280
autoregressive integrated moving average
 age..... 228
 model..... 230
autoregressive moving-average models..... 82–83, 205–208
aweight see analytic weights

B

backtesting..... 164
Bayesian analysis 429
Box–Jenkins approach 226–227
Breusch–Godfrey test..... 178

C

Cholesky decomposition 340
Cochrane–Orcutt 187
coeflegend option..... 247
cointegrating equations 394
cointegrating relationships 389–394
cointegration..... 387–389
command name..... 15
common factor 250
constraint command..... 55
constraints..... 55
continuous time models..... 430
correlate command 52
count command..... 49
covariance
 stationarity 209
 stationary 81
cross-correlation functions 331
cumsp command..... 432
current directory..... 29
cycle 93, 95–98

D

D..... see difference operator
data
 integrity 90
 revision 92
date 62
date and time formats 64
date() function 65–66
Datetime business calendars 431

describe command 2, 12, 28
 detrending..... 229
dfactor command..... 433
dfgls command 386–387
dfuller command..... 384–386
 Dickey–Fuller test,..... 384–386
 augmented..... 383
 difference
 equations 81
 operator..... 69, 204
 differencing..... 229
display command..... 28, 65
 double-exponential moving averages...
 122, 130–131
drop command 25
dsge command 433
dsge1 command..... 433
 Durbin’s alternative test..... 176
 Durbin–Watson test..... 176
 dynamic forecasts..... 146, 316

E
 ECM..... see error-correction model
 EGARCH..... see exponential
 generalized autoregressive
 conditional heteroskedasticity
 Elliott, Rothenberg, and Stock test...
 386–387
 error-correction model..... 391
estat
 acplot command..... 433
 archlm command..... 280
 command..... 58–59
 durbinalt command..... 177
 ic command..... 59
 sbcusum command..... 432
 sbknown command..... 432
 sbsingle command..... 432
 summarize command..... 59
 EWMA..... see exponentially weighted
 moving averages
exit command 13
=exp..... 16
 expectation..... 72
 expected value..... 72

exponential generalized autoregressive
 conditional
 heteroskedasticity 293
 exponentially weighted moving averages
 122, 126
export
 dbase command..... 24
 delimited command..... 24
 excel command..... 24
 sasxport5 command..... 24
 sasxport8 command..... 24

F
 F..... see lead operator
fcast
 compute command 322–325
 graph command..... 322–325
 feasible generalized least squares... 77–
 78, 178
 strategy 186–188
 FEVDs see forecast-error variance
 decompositions
 FGLS see feasible generalized least
 squares
 final prediction error..... 306
 first-order autocorrelation..... 173–174
 fit 100
 fitted values 56
foreach command..... 61
 forecast..... 141
 horizon 144
forecast command 433
 forecast-error variance
 decompositions 343
format command..... 64
forvalues command 61
 FPE..... see final prediction error
 frequency domain..... 430
 frequency weights..... 18
fweight..... see frequency weights

G
 GARCH.. see generalized autoregressive
 conditional heteroskedasticity
 Gaussian white noise 80

general linear process 202–203
 generalized autoregressive conditional
 heteroskedasticity 285–298
generate command 25
 Granger causality 336–339
 Granger causality tests 330
graph command 38
 graph commands 38
 Great Moderation 275

H

H_0 see null hypothesis
 H_a see alternative hypothesis
 Hannan and Quinn’s information crite-
 rion 306
 Hanning smoother 102
help command 10
 heteroskedasticity 272
 histogram 36
histogram command 37
 Holt–Winters smoothers .. 123, 131–138
 homoskedasticity 76
 HQIC see Hannan and Quinn’s
 information criterion
 hypothesis tests 73–74

I

if qualifier 16
import
 dbase command 24
 delimited command 24
 excel command 24
 fed command 24
 fred command 432
 haver command 24, 431
 sas command 24
 sasxport5 command 24
 sasxport8 command 24
 spss command 24
 importance weights 18
 impulse–response function 214,
 344–358
in qualifier 16
infile command 23, 24
infix command 24

input command 22, 24
 instrumental variables 77, 178
 invertibility 208–210
 invertible 210

irf

cgraph command 357
 create command 344, 345
 graph command 344, 352–353
 table command 349–352

IRF see impulse–response function
 ITSUS_DATA macro 30
 IV see instrumental variables
ivregress command 55
weight see importance weights

K

K -step-ahead forecast 145
 Kalman filter 429
keep command 25

L

L see time-series operators
 label 27
label command 27
 lag
 operator 203
 polynomials 203–205
 lagging moving averages 126
 lead operator 69, 204
 linear regression 74–78
list command 28
 loop 61
 loss function 144
 Lucas critique 358

M

mata command 61
 matrix 61
matrix command 61
mdy() function 63, 65–66
 mean 72
 median 72
 median smoothers 102
mgarch command 433
 moments 72

moving-average component 82
mswitch command 432
 multiple-equation models 78–79
 multiplicative seasonality 137

N

naïve forecast 152
newey command 55, 182
 Newey–West estimator 182
nl command 54–55
nlcom command 58
 noise 100
 nonlinear least squares 54
 nonstationary variable 381
 null hypothesis 73

O

odbc command 24
OIRF see orthogonalized
 impulse–response function
OLS see ordinary least squares
 one-sided alternative 73
 one-step-ahead 145
 one-step-ahead forecasts 316
 operators 18
 ordinary least squares 74–77, 178
 strategy 182–183
 orthogonalized impulse–response func-
 tion 341,
 420
 cumulative 356
outfile command 22, 24

P

p-values 74
pac command 234
 panel dataset 31
 parameter redundancy 250
 parsimony 227
 partial autocorrelation coefficients 234
pergram command 432
 Phillips–Perron test 387
pperron command 387
prais command 55
 Prais–Winsten 187

predict command 56, 283
prefix command 15
 probability
 density functions 72
 distribution function 72
psdensity command 432
 pseudorandom numbers 61
*p*th-order autocorrelation 173
pwd command 29
pweight see sampling weights

Q

Q statistic 254

R

random
 variables 72
 walk 72, 82
 rational expectations 358
real() function 34
 regime changes 430
regress command 53–54
 residual 56, 100
 RMSE see root mean squared error
rolling command 431
 root mean squared error 154

S

S see seasonal difference operator
 sampling weights 18
save command 21
SBIC see Schwarz’s Bayesian
 information criterion
scatter command 6, 40–43
 Schwarz’s Bayesian information
 criterion 306
search command 10
 seasonal 98–100
 adjustment 91
 component 93
 difference operator 69, 204
 Holt–Winters 137–138
 seemingly unrelated regressions model
 79

SEMs see structural econometric models

set seed command 61

signal 100

smoothers 100

span 102

spectral analysis 429–430

splitting 113

sspace command 433

state-space models 246, 429

static forecasts 146

stationarity 80–82, 208–210

stationary process 174

strictly stationary 81, 208

strpos() function 34

structural econometric models ... 358–361

structural impulse–response function ..
..... 365

structural vector autoregression ... 303,
358–373

 long-run 360, 370–373

 short-run 360–370

substr() function 34

summarize command 3, 28, 51

svar command 361–373

SVARs see structural vector autoregression

syntax 15–20

sysuse command 2

T

table command 4, 52

tabulate command 4, 28, 50

Taylor rule 365–369

td() function 68

test command 57

test hypotheses 57

testparm command 58

threshold command 433

time 62

time and dates 62

time-series operators 68

time-varying volatility 272, 277–285

tm() function 68

transformation strategy 183–186

trend 93–95

 component 93

trend-stationary 379

tsappend command 431

tsfill command 431

tsfilter command 432

tsline command 48

tsreport command 431

tsrevar command 431

tsset command 48, 62

tssmooth

dexponential command 130–131, 147, 150–151

exponential command .. 126–130, 147, 149

hwinters command .. 131–137, 147

ma command 123–126

nl command 102–121

shwinters command 137–138, 147, 161

ttest command 5

twicing 103

two-sided alternative 73

twoway

 command 44

connected command 45–48

type command 23

type I error 74

type II error 74

U

ucm command 432

unit root, 82, 378–382

 process 379

 testing for 382–387

univariate time-series models 145

use command 21

V

VAR see vector autoregression

var command 345

varbasic command 307–309

varbench command 327–329

vargranger command 338

variance 72
varlist 16
varlmar command 313
varnorm command 313–314
varsoc command 305–306, 401–402
varstable command 309–312
varwle command 314–315
vec command 407–423
veclmar command 416
 VECMs see vector error-correction
 model
vecrank command 402–405
vecstable command 416
 vector autoregression 300–303
 recursive 303, 330
 reduced-form 302, 305
 stationarity 305, 309
 vector error-correction model .. 389–394

W

weak stationarity 81, 209
weight 18
 weighted moving averages 122–125
 white noise 80–82
wntestb command 256
wntestq command 255

X

xcorr command 331–333