$$NCR_t = 0.7 \times NCR_{t-1} + 0.3 \times \left[RSTAR_t + 2 \times \left(\frac{PTM_t}{PTM_{t-4}} \times 100 - 100 \right) - \overline{\pi} - 2 \times LURGAP_t \right] - \Delta_2 LUR_t + \varepsilon_{ncr,t},$$