A single time dependent variable is called univariate variable while if there are two or more time dependent variable that exist simultaneously that are multivariate variable. The important feature of multivariate variable is that while depending on time these variables also show dependency on each other. The existence of one variable somehow effects the existence of the other. For example, calculating the daily temperature with humidity. The temperature and humidity are multivariate variables.

Vector Auto Regression (VAR) is a multivariate time series method. The model built through VAR represents, two or more time dependent variables that are linear combination of their respective past values as well as the past values of other variables present in the set.

Since our dataset is univariate having only one time dependent variable that is the unemployment rate of each month, considering this case VAR model cannot be built on this dataset. Therefore, the predictions through VAR model were not taken into consideration.