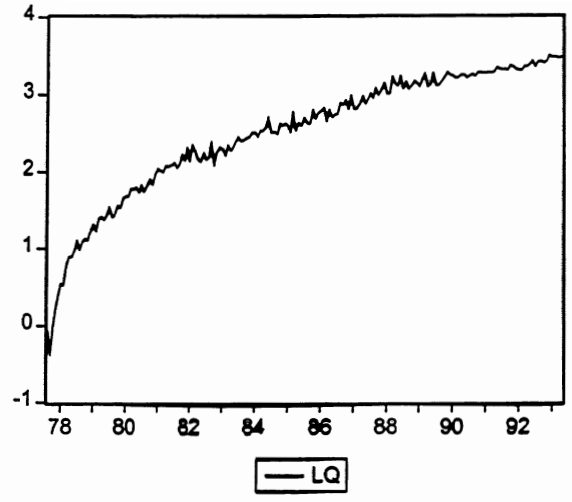
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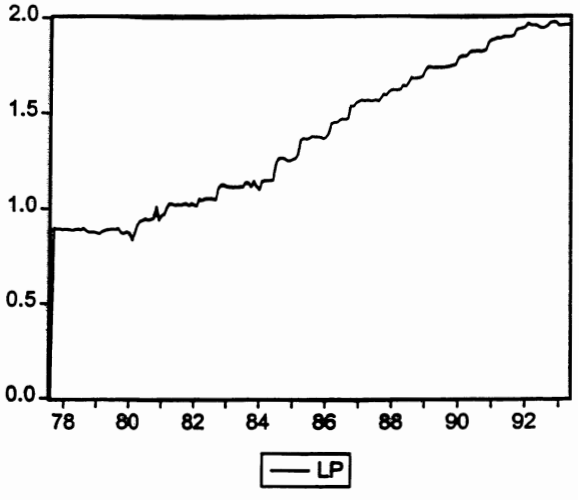
1
0
-1
78
80
82
84
86
88
90
92
LQ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1.5
1.0
0.5
0.0
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82
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86
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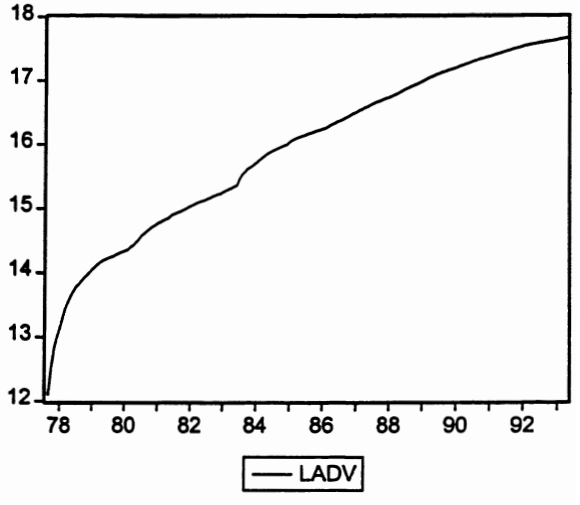
90
92
LP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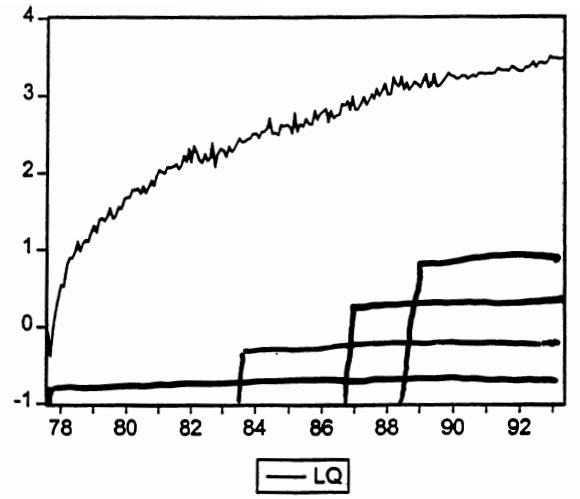
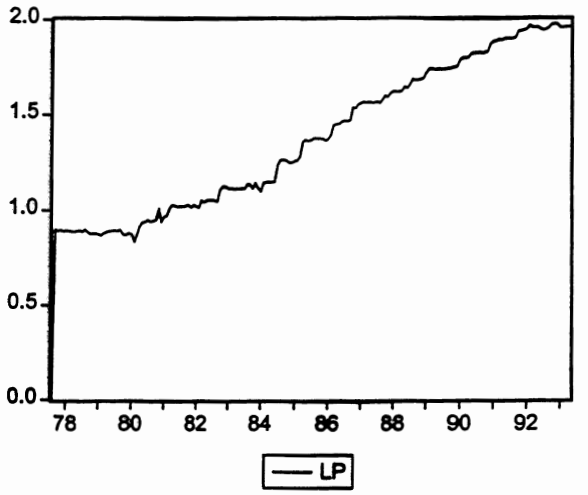
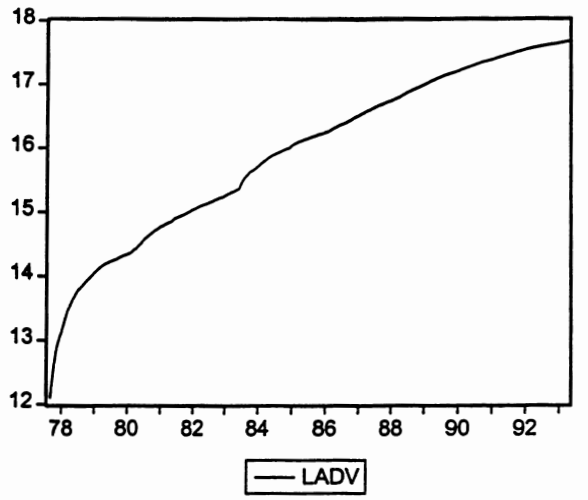
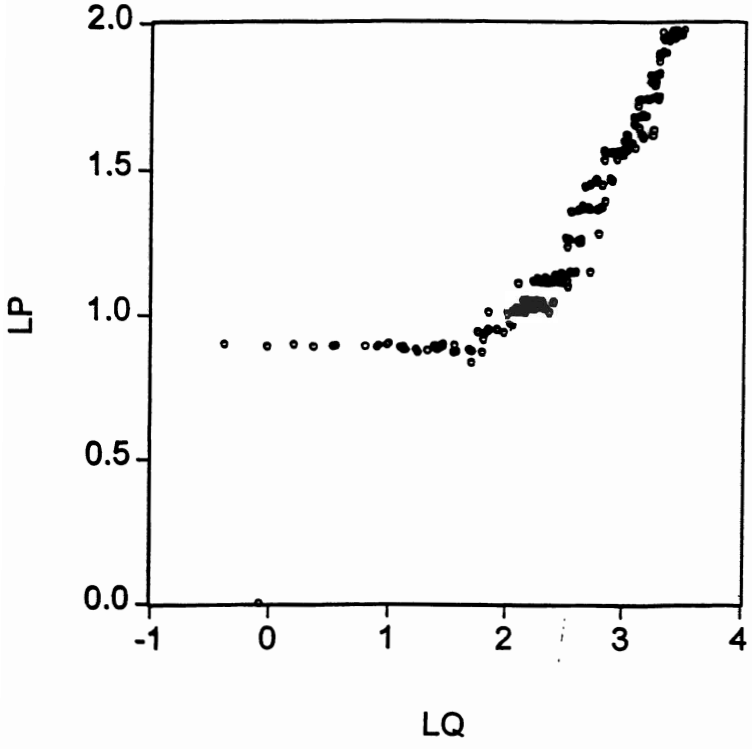
LADV

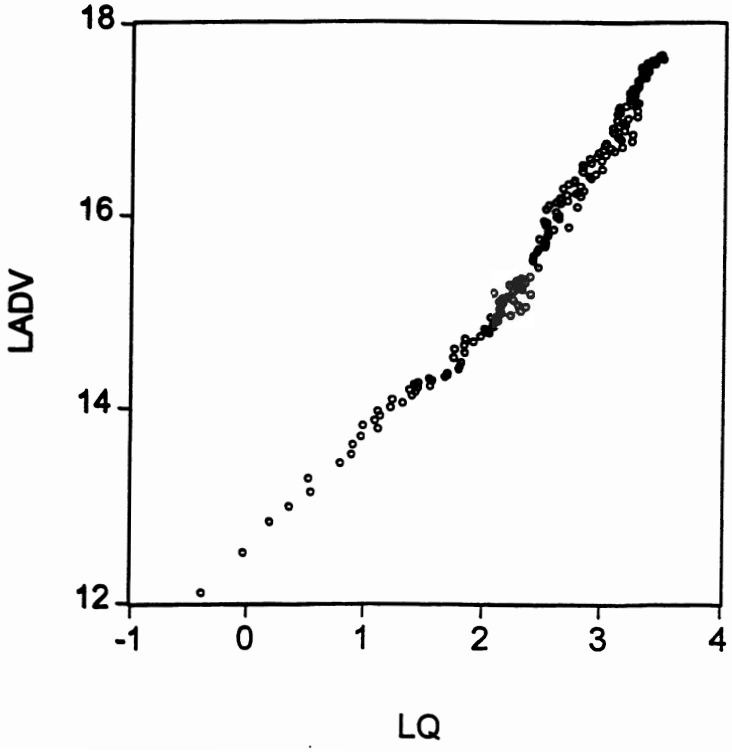


AXID
PEPCID
ZANTAC
TAGAMET





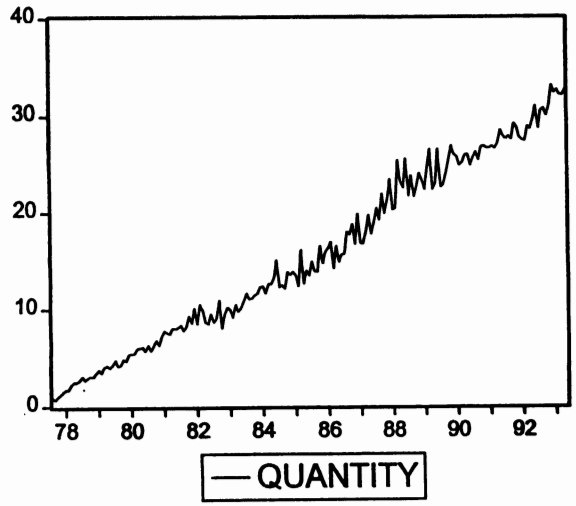




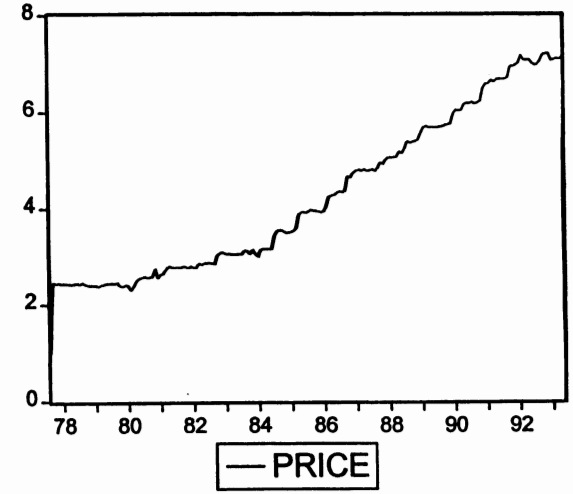
Correlation Matrix

	LQ	LP	LADV
LQ	1.000000	0.891910	0.982537
LP	0.891910	1.000000	0.954341
LADV	0.982537	0.954341	1.000000

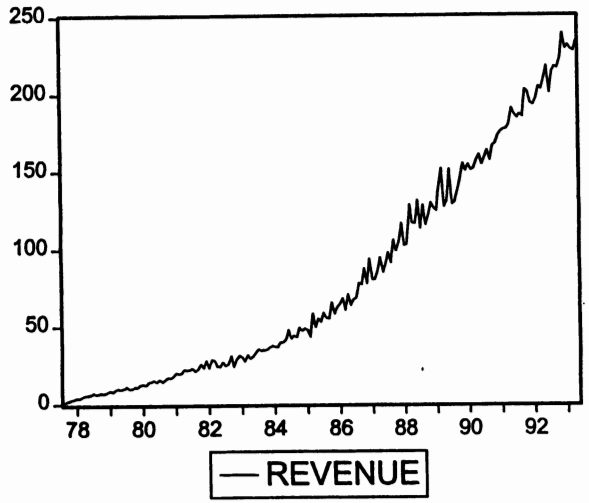
Market for Anti-Ulcer Drugs



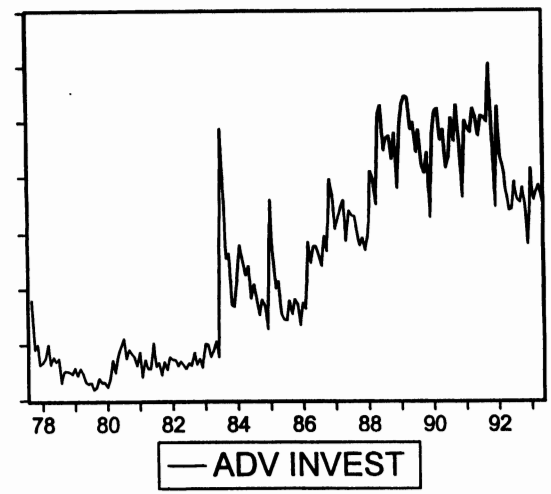
Annual Growth Rate 25.24%



Annual Growth Rate 13.22%



Annual Growth Rate 41.80%



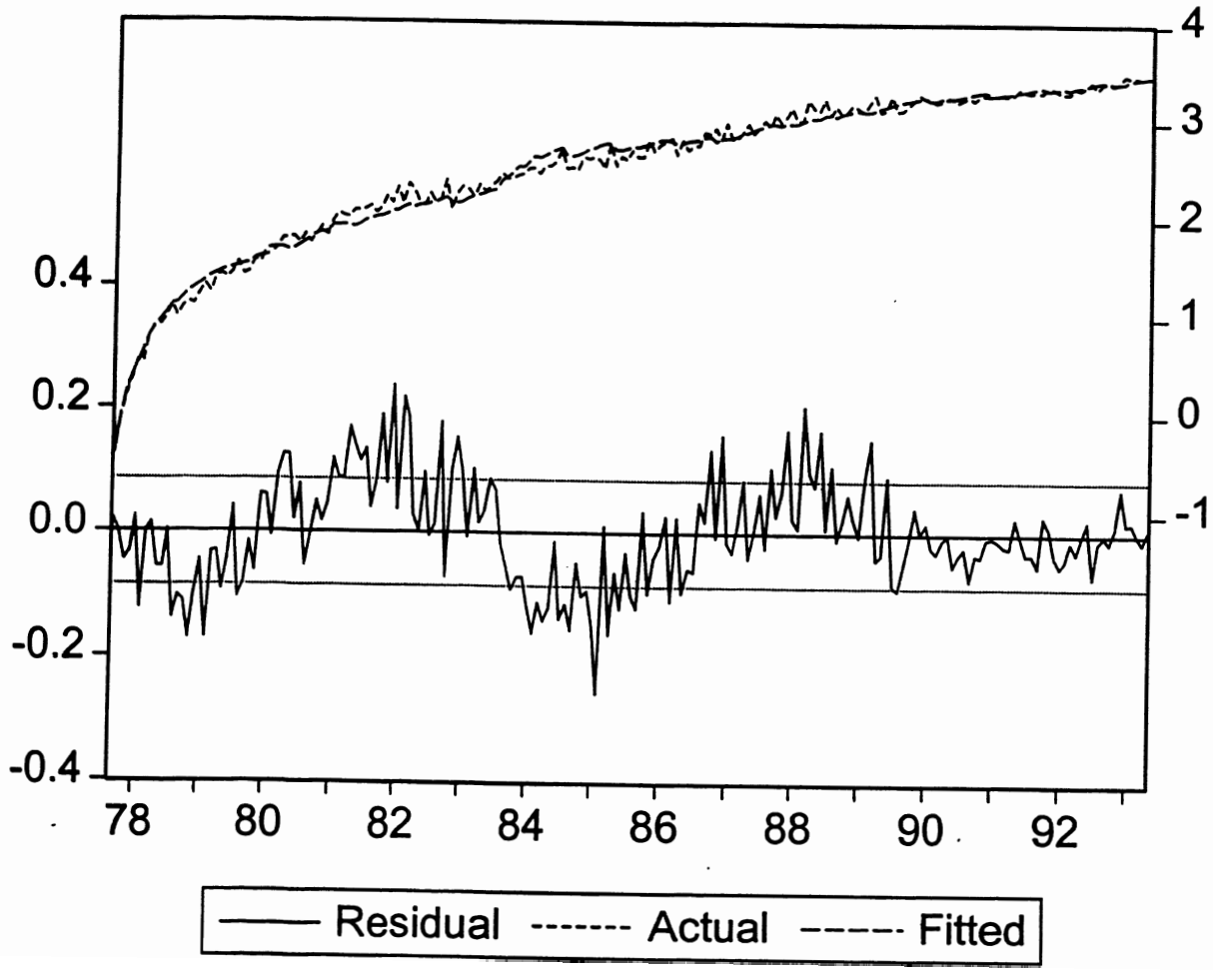
Growth Rate of Advertising Stock 42.39%

Estimation Equation:
==========
LQ = C(1) + C(2)*LP + C(3)*LADV + C(4)*T

LOG LINEAR DEMAND EQUATION

Substituted Coefficients:
==========
LQ = -10.04029329 - 1.166260046*LP + 0.882832757*LADV + 0.001159415584*T

Dependent Variable: LQ
Method: Least Squares
Date: 09/22/99 Time: 16:48
Sample(adjusted): 1977:09 1993:05
Included observations: 189 after adjusting endpoints

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-10.04029	0.455567	-22.03913	0.0000
LP	-1.166260	0.124632	-9.357619	0.0000
LADV	0.882833	0.029362	30.06732	0.0000
T	0.001159	0.001370	0.846294	0.3985

R-squared	0.988694	Mean dependent var	2.516157
Adjusted R-squared	0.988714	S.D. dependent var	0.804253
S.E. of regression	0.085441	Akaike info criterion	-2.061053
Sum squared resid	1.350519	Schwarz criterion	-1.992444
Log likelihood	198.7695	F-statistic	5490.890
Durbin-Watson stat	1.004321	Prob(F-statistic)	0.000000