Time Series Analysis - A Tutorial

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November 18, 2014

Abstract

Tutorial for time series analysis in R...

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1 Introduction

Needs to be filled out properly with samples and explanations (dont forget citing !!).

- Definition time series
- examples in economy, nature, humans,....
- stochastic/deterministic with dormann revision
- stationary / non stationary
- regression: why time series regression instead of linear standrard regression
- where you need to use time series regression.

2 Get started with the data

Our example 1 contains the CO2 concentration (ppm) in the Atmosphere at the station Mauna Loa on Hawaii. The dataset is composed out of mean monthly data.

```
> co2month = read.table("C:/Users/schnuri/Desktop/Neuer Ordner/Dataset/co2month.txt")
> class(co2month)
> library(tseries)
> library(nlme)
> library(car)
> library(knitr)
> library(xtable)
> library(SweaveListingUtils)
> library(stats)
```

First set your working directory properly, load the dataset and download and check the packages required for this tutorial. The data stored as a dataframe needs to be transformed with the important columns into the class of a time series to continue working on it properly. If you have monthly data, you have to set the deltat of the function ts() to deltat=1/12 describing the sampling period parts between successive values xt and xt+1. Your time series should somehow look like table 2.

```
> yourdata = co2month[,c(3,5)]
> colnames(yourdata)= c("year", "co2")
> attach(yourdata)
> xtable(head(yourdata), caption="Your original data")
```

	year	co2
1	1958.21	315.71
2	1958.29	317.45
3	1958.38	317.50
4	1958.46	317.10
5	1958.54	315.86
6	1958.62	314.93

Table 1: Your original data

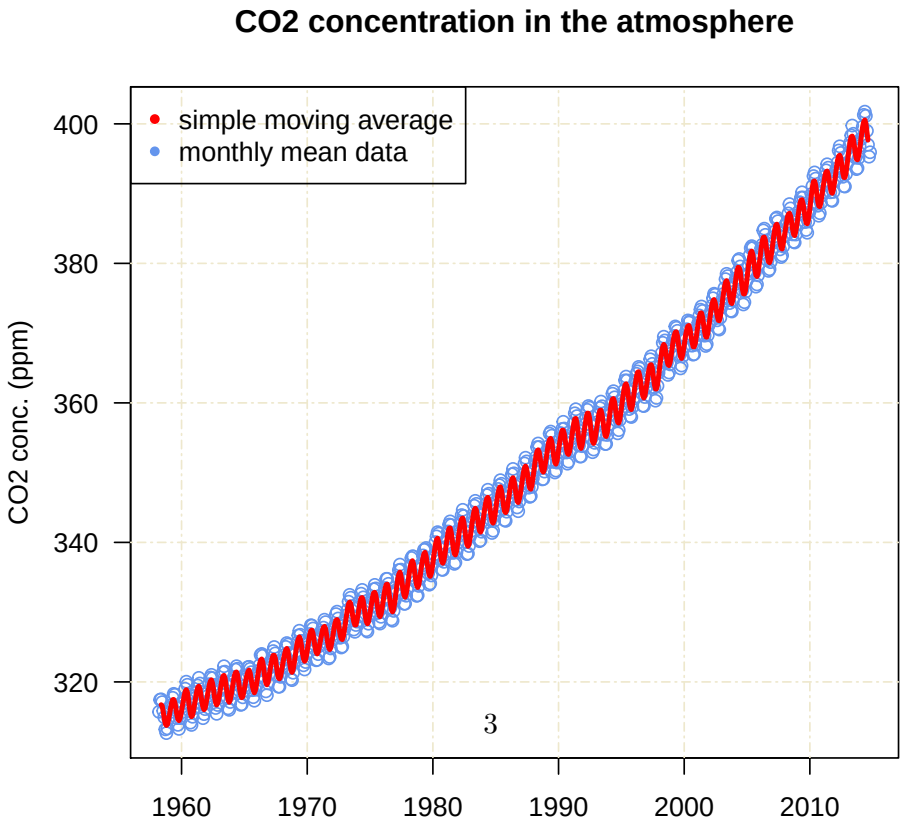
```
> yourts=ts(co2, c(1958,3),c(2014,10), deltat=1/12)
> class(yourts)
```

[1] ”ts”
[1] ”

It is important to get a quick overview of your data. Some simple plots for visualization are quite helpful.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1958			315.71	317.45	317.50	317.10	315.86	314.93	313.20	312.66	313.33	314.67
1959	315.62	316.38	316.71	317.72	318.29	318.15	316.54	314.80	313.84	313.26	314.80	315.58
1960	316.43	316.97	317.58	319.02	320.03	319.59	318.18	315.91	314.16	313.83	315.00	316.19
1961	316.93	317.70	318.54	319.48	320.58	319.77	318.57	316.79	314.80	315.38	316.10	317.01
1962	317.94	318.56	319.68	320.63	321.01	320.55	319.58	317.40	316.26	315.42	316.69	317.69
1963	318.74	319.08	319.86	321.39	322.25	321.47	319.74	317.77	316.21	315.99	317.12	318.31
1964	319.57	320.07	320.73	321.77	322.25	321.89	320.44	318.70	316.70	316.79	317.79	318.71
1965	319.44	320.44	320.89	322.13	322.16	321.87	321.39	318.81	317.81	317.30	318.87	319.42
1966	320.62	321.59	322.39	323.87	324.01	323.75	322.39	320.37	318.64	318.10	319.79	321.08
1967	322.07	322.50	323.04	324.42	325.00	324.09	322.55	320.92	319.31	319.31	320.72	321.96
1968	322.57	323.15	323.89	325.02	325.57	325.36	324.14	322.03	320.41	320.25	321.31	322.84
1969	324.00	324.42	325.64	326.66	327.34	326.76	325.88	323.67	322.38	321.78	322.85	324.11
1970	325.03	325.99	326.87	328.13	328.07	327.66	326.35	324.69	323.10	323.16	323.98	325.13
1971	326.17	326.68	327.18	327.78	328.92	328.57	327.34	325.46	323.36	323.57	324.80	326.01
1972	326.77	327.63	327.75	329.72	330.07	329.09	328.05	326.32	324.93	325.06	326.50	327.55
1973	328.54	329.56	330.30	331.50	332.48	332.07	330.87	329.31	327.51	327.18	328.16	328.64
1974	329.35	330.71	331.48	332.65	333.19	332.12	330.99	329.17	327.41	327.21	328.34	329.50
1975	330.68	331.41	331.85	333.29	333.91	333.40	331.74	329.88	328.57	328.36	329.33	330.59
1976	331.66	332.75	333.46	334.78	334.78	334.06	332.95	330.64	328.96	328.77	330.18	331.65
1977	332.69	333.23	334.97	336.03	336.82	336.10	334.79	332.53	331.19	331.21	332.35	333.47
1978	335.10	335.26	336.61	337.77	338.01	337.98	336.48	334.37	332.33	332.41	333.76	334.83
1979	336.21	336.65	338.13	338.94	339.00	339.20	337.60	335.56	333.93	334.12	335.26	336.78
1980	337.80	338.28	340.04	340.86	341.47	341.26	339.34	337.45	336.10	336.05	337.21	338.29
1981	339.36	340.51	341.57	342.56	343.01	342.49	340.68	338.49	336.92	337.12	338.59	339.90
1982	340.92	341.69	342.85	343.92	344.67	343.78	342.23	340.11	338.32	338.39	339.48	340.88
1983	341.64	342.87	343.59	345.25	345.96	345.52	344.15	342.25	340.17	340.30	341.53	343.07
1984	344.05	344.77	345.46	346.77	347.55	346.98	345.55	343.20	341.35	341.68	343.06	344.54
1985	345.25	346.06	347.66	348.20	348.92	348.40	346.66	344.85	343.20	343.08	344.40	345.82
1986	346.54	347.13	348.05	349.77	350.53	349.90	348.11	346.09	345.01	344.47	345.86	347.15
1987	348.38	348.70	349.72	351.32	352.14	351.61	349.91	347.84	346.52	346.65	347.96	349.18
1988	350.38	351.68	352.24	353.66	354.18	353.68	352.58	350.66	349.03	349.08	350.15	351.44
1989	352.89	353.24	353.80	355.59	355.89	355.30	353.98	351.53	350.02	350.29	351.44	352.84
1990	353.79	354.88	355.65	356.27	357.29	356.32	354.88	352.89	351.28	351.59	353.05	354.27
1991	354.87	355.68	357.06	358.51	359.09	358.10	356.12	353.89	352.30	352.32	353.79	355.07
1992	356.17	356.93	357.82	359.00	359.55	359.32	356.85	354.91	352.93	353.31	354.27	355.53
1993	356.86	357.27	358.36	359.27	360.19	359.52	357.42	355.46	354.10	354.12	355.40	356.84
1994	358.22	358.98	359.91	361.32	361.68	360.80	359.39	357.42	355.63	356.09	357.56	358.87
1995	359.87	360.79	361.77	363.23	363.77	363.22	361.70	359.11	358.11	357.97	359.40	360.61
1996	362.04	363.17	364.17	364.51	365.16	364.93	363.53	361.38	359.60	359.54	360.84	362.18
1997	363.04	364.09	364.47	366.25	366.69	365.59	364.34	362.20	360.31	360.71	362.44	364.33
1998	365.18	365.98	367.13	368.61	369.49	368.95	367.74	365.79	364.01	364.35	365.52	367.08
1999	368.12	368.98	369.60	370.96	370.77	370.33	369.28	366.86	364.94	365.35	366.68	368.04
2000	369.25	369.50	370.56	371.82	371.51	371.71	369.85	368.20	366.91	366.99	368.33	369.67
2001	370.52	371.49	372.53	373.37	373.82	373.18	371.57	369.63	368.16	368.42	369.69	371.18
2002	372.45	373.14	373.93	375.00	375.65	375.50	374.00	371.83	370.66	370.51	372.20	373.71
2003	374.87	375.62	376.48	377.74	378.50	378.18	376.72	374.31	373.20	373.10	374.64	375.93
2004	377.00	377.87	378.73	380.41	380.63	379.56	377.61	376.15	374.11	374.44	375.93	377.45
2005	378.47	379.76	381.14	382.20	382.47	382.20	380.78	378.73	376.66	376.98	378.29	379.92
2006	381.35	382.16	382.66	384.73	384.98	384.09	382.38	380.45	378.92	379.16	380.18	381.79
2007	382.93	383.81	384.56	386.40	386.58	386.05	384.49	382.00	380.90	381.14	382.42	383.89
2008	385.44	385.73	385.97	387.16	388.50	387.88	386.43	384.15	383.09	382.99	384.13	385.56
2009	386.94	387.42	388.77	389.44	390.19	389.45	387.78	385.92	384.79	384.39	386.00	387.31
2010	388.50	389.94	391.09	392.52	393.04	392.15	390.22	388.26	386.83	387.20	388.65	389.73
2011	391.25	391.82	392.49	393.34	394.21	393.72	392.42	390.19	389.04	388.96	390.24	391.83
2012	393.12	393.60	394.45	396.18	396.78	395.83	394.30	392.41	391.06	391.01	392.81	394.28
2013	395.54	396.80	397.31	398.35	399.76	398.58	397.20	395.15	393.51	393.66	395.11	396.81
2014	397.80	397.90	399.59	401.29	401.75	401.15	399.00	397.01	395.29	395.93		

Table 2: Your time series for monthly mean data



The red line in plot **??** was computed with a simple moving average. It is not enough to just run a MA.