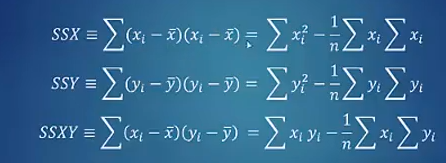
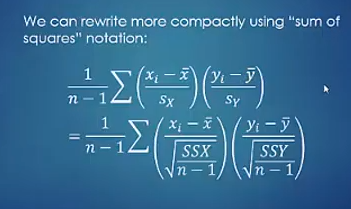
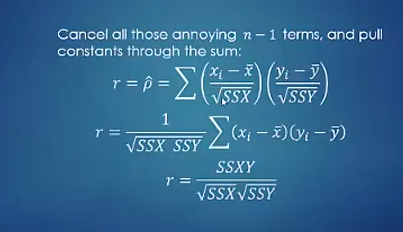
Expressing correlation in terms of **sum of squares**



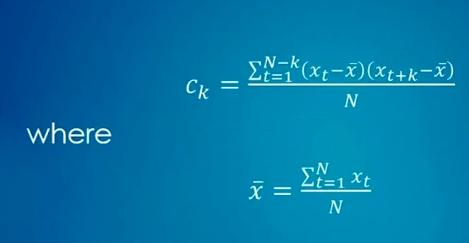
SSX – sum of squares of X

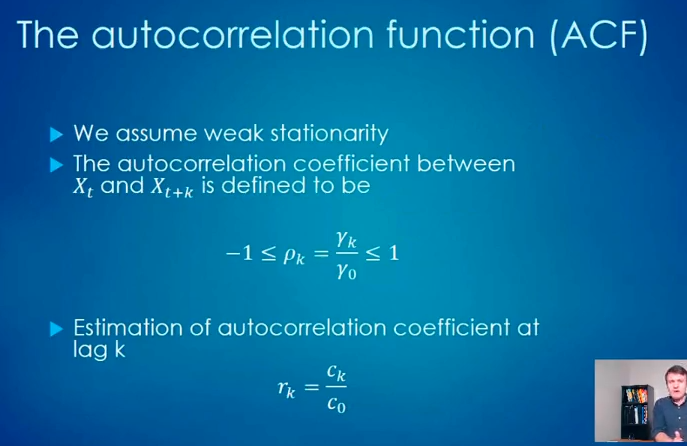
This allows us to rewrite correlation in a much more compact way :

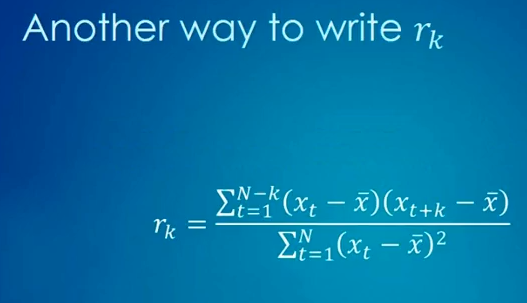


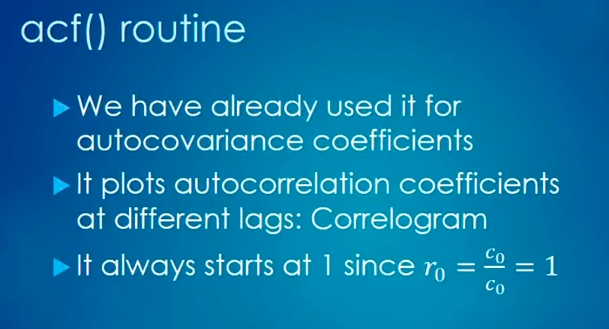


**Auto-covariance coefficients**









**Random-walk model**

