

# Instructions

Wilmer Martínez-Rivera\*

1. Create a folder, inside create two sub-folders, Data and Code.
2. Put files \*.xlsx in folder Data
3. Put files \*.R in folder Code
4. Open file RunningCode.R, define:
  - The object `path_permaNent` according to the path of the folder that you create in step 1.
5. The procedure creates a new folder to store the results.
6. At, selection of  $a$  values, section, choose the values of  $a$  for the instantaneous inflation
7. At, define the sample period and the dates to forecast out-of-sample, section, define the sample period for the analysis
8. At, define the forecast horizon, section, define the forecast horizon
9. See the results in the folder Outputs/
10. In Outputs/Data0, you can see results for the four models: Best ARIMA, ARIMAX, VECM, or VAR according to the conditions using the Coincident profile as order criterion and AIC as order criterion.

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\*Researcher, Inflation Department, Banco de la República de Colombia, Bogotá, Colombia.