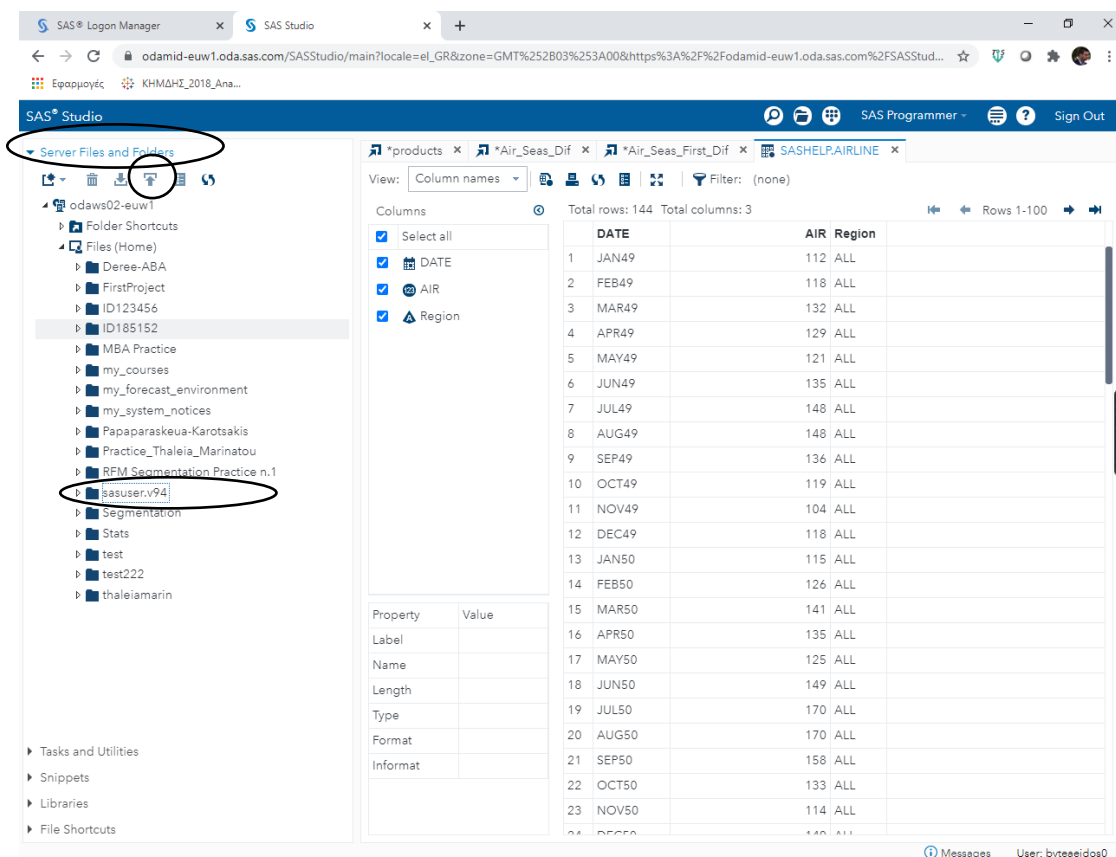


Exercise Random Walk Model

- 1) Open google chrome
- 2) Go to welcome.oda.sas.com
- 3) Select Europe in the drop down menu and press sign in
- 4) Insert your credentials
- 5) In the dashboard select SAS Studio
- 6) On the left hand side select Server Files and Folders and then sasuser.v94
- 7) Press the upload button (the one with the arrow heading upwards).



- 8) Select the file “Random_Walk_For_SAS.sas7bdat”
- 9) Press Upload
- 10) Open SAS Forecast Studio
- 11) In the projects window press New.
- 12) In step 1 name the project “Random_Walk_Model” and press next.
- 13) In step 2 open the sasuser library, Select the “Random_Walk_For_SAS” data set and press next.

- 14) In step 3 press next
- 15) In step 4 select t as the time id variable.
- 16) In step 5 select Y_t as the dependent variable.
- 17) In step 6 press next
- 18) In step 7 set 7 in the Change the number of periods to forecast (horizon).
- 19) In step 8 press finish.
- 20) In the Forecast Summary window double click on the Model Type box. What do you observe? Press close.
- 21) In the Forecasting view window, comment on the characteristics of the time series. Is your observation in line with the results of the previous step (model type)?
- 22) Select the Series View window.
- 23) Select Plots -- > Autocorrelation Analysis -- > Whit Noise Probability Test. Is the series White Noise?
- 24) Select Plots -- > Unit Root Test.
- 25) Is the series covariance stationary? Is this in line with the nature of the model (random walk)?