

Box-Jenkins Methodology

Step 1: IDENTIFICATION
Analyze ACF/PACF
Select p , d , q



Step 2: ESTIMATION
Estimate parameters
(MLE or Yule-Walker)

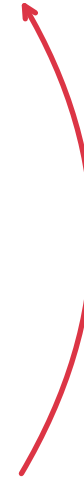


Step 3: DIAGNOSTIC
Check residuals
Ljung-Box test



Residuals
White Noise?

No
Revise
model



Yes

Step 4: FORECASTING
Generate predictions
with confidence intervals