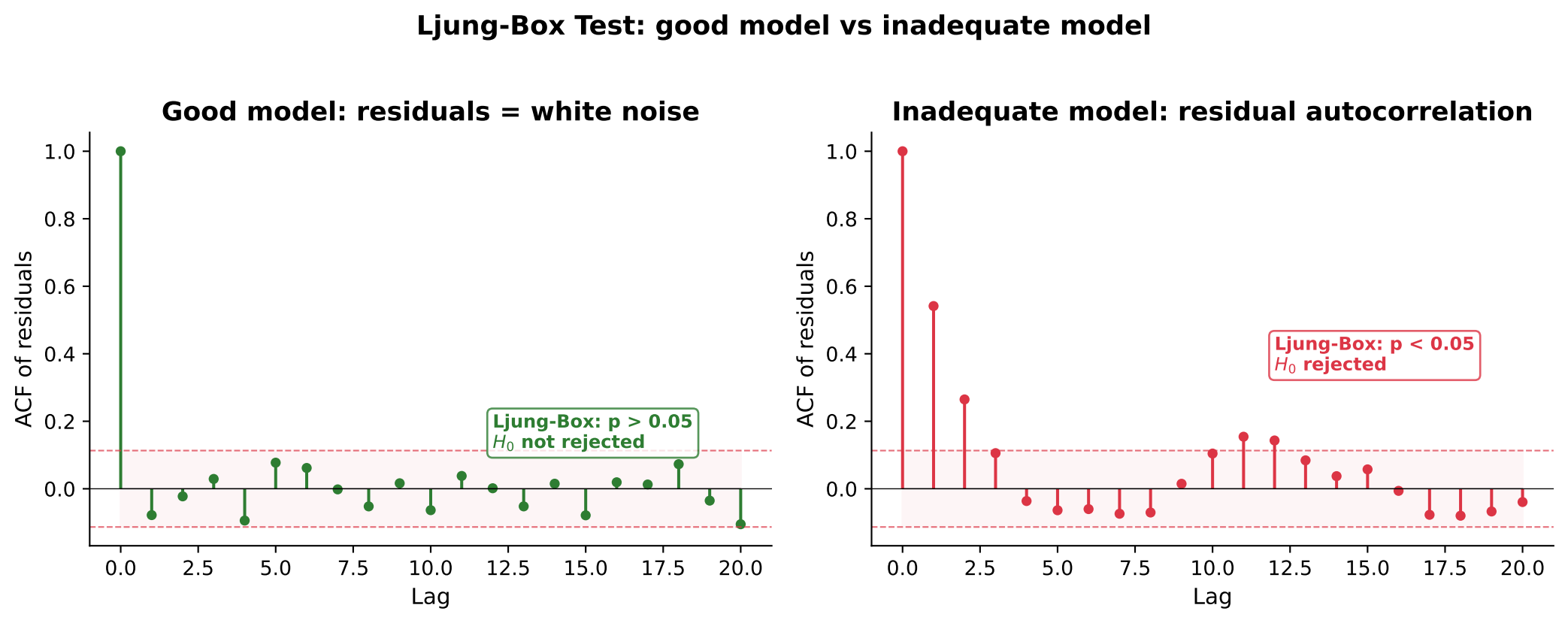
Ljung-Box Test: good model vs inadequate model
Good model: residuals = white noise
Inadequate model: residual autocorrelation
ACF of residuals
Lag
Ljung-Box: p > 0.05
H_0 not rejected
Ljung-Box: p < 0.05
H_0 rejected