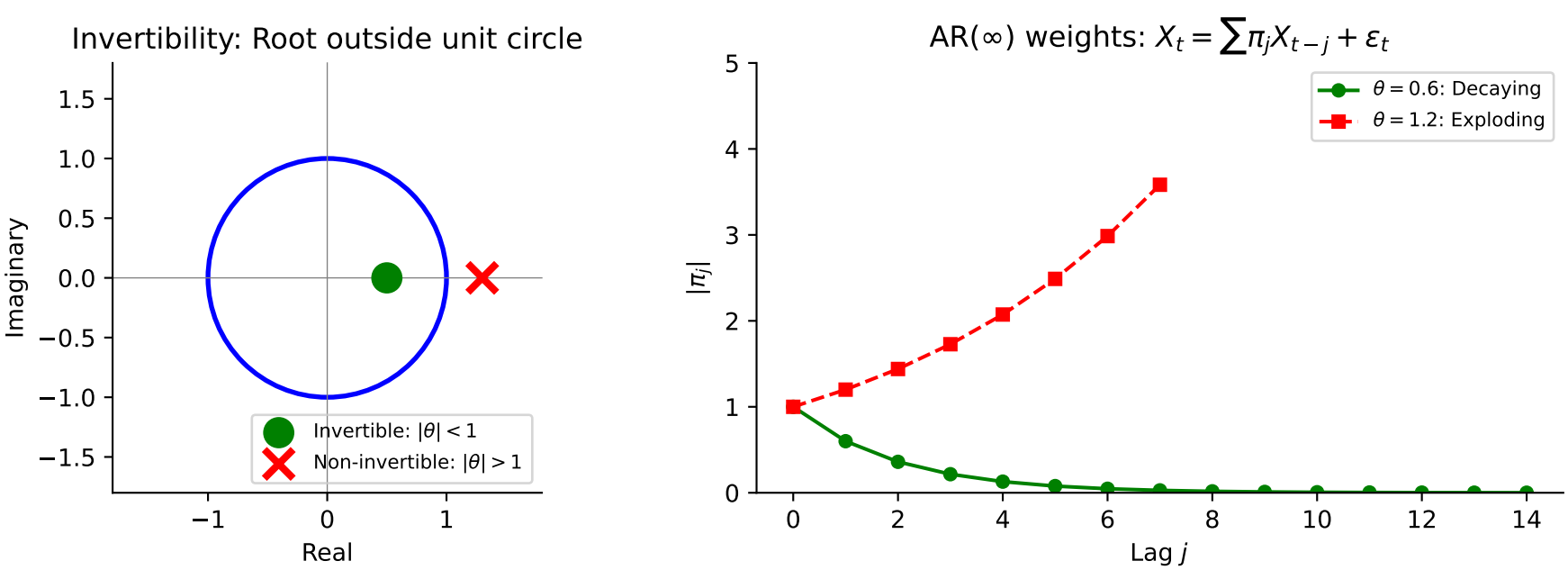
Invertibility: Root outside unit circle
Imaginary
Real
Invertible: $|\theta| < 1$
Non-invertible: $|\theta| > 1$
AR(∞) weights: $X_t = \sum \pi_j X_{t-j} + \varepsilon_t$
$|\pi_j|$
Lag j
$\theta = 0.6$: Decaying
$\theta = 1.2$: Exploding