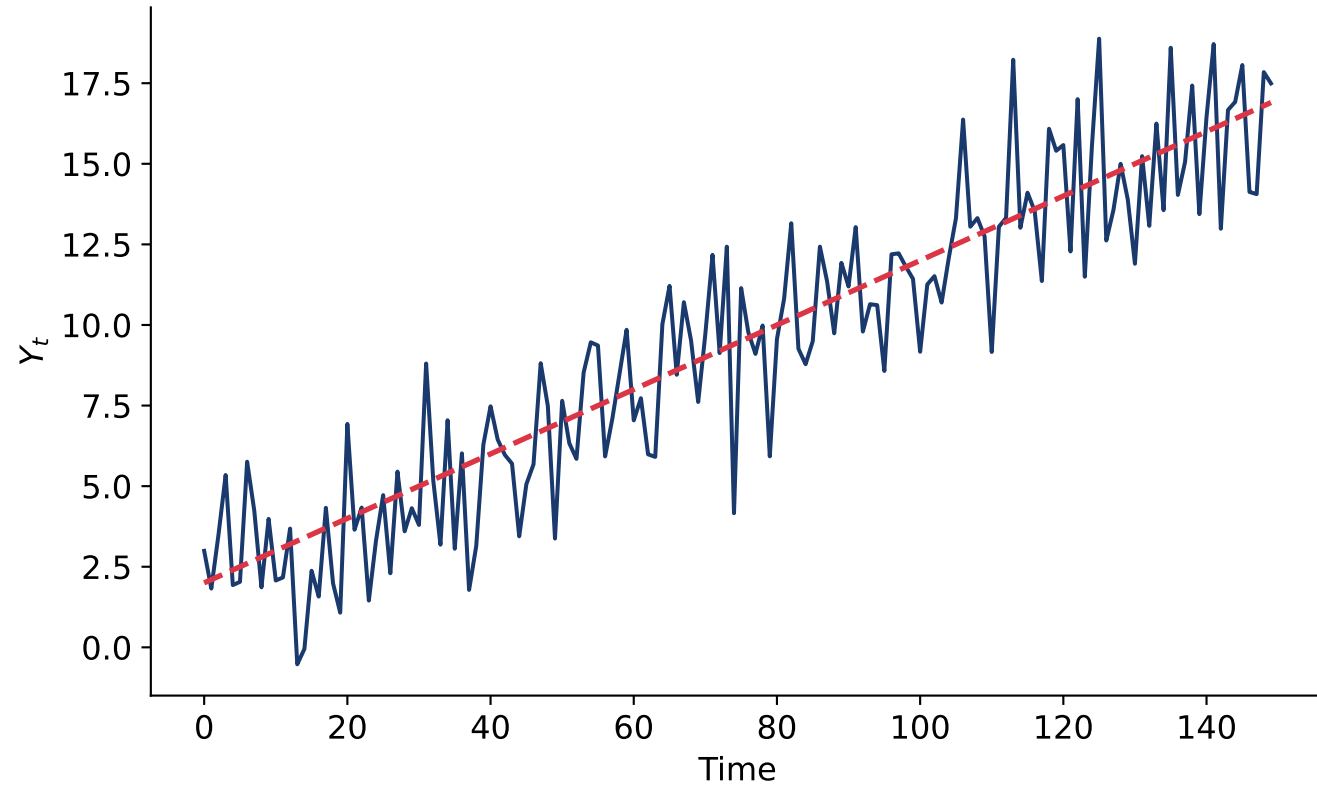
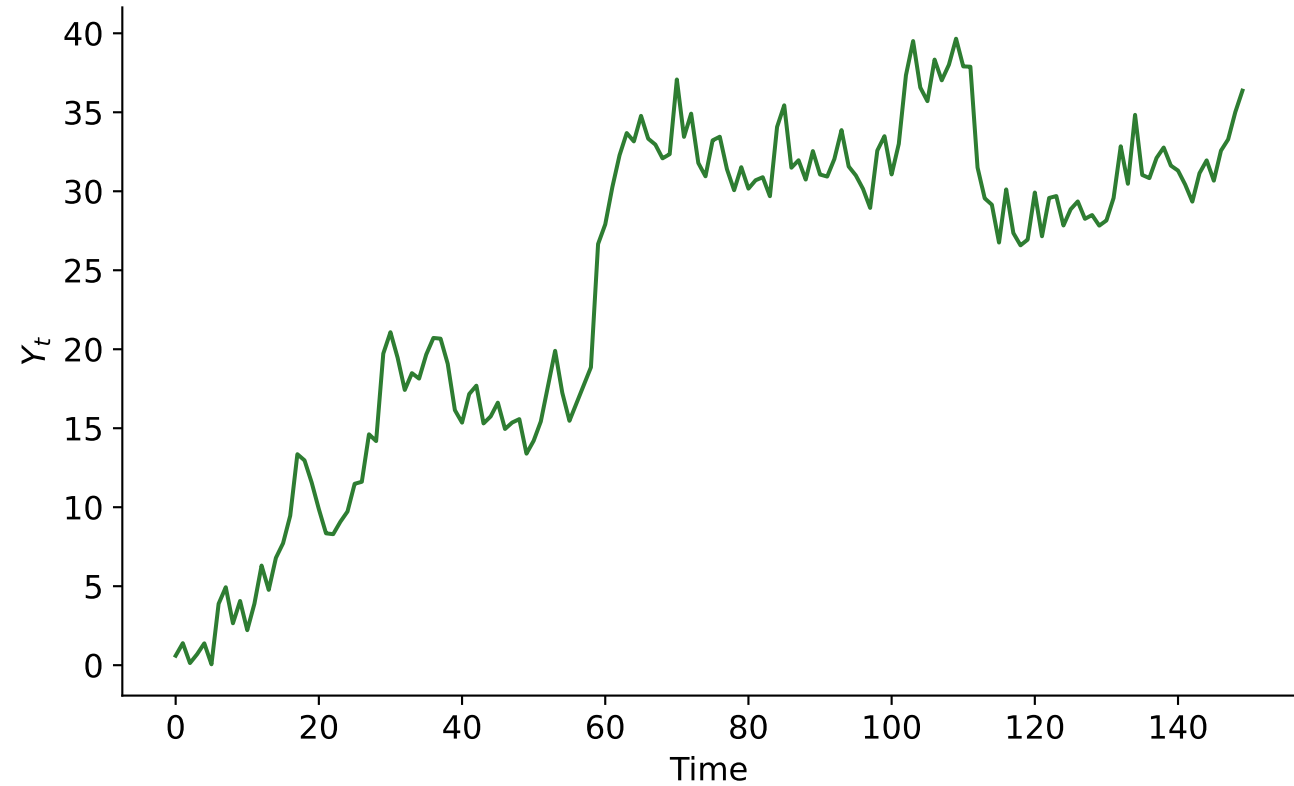


**Deterministic Trend (Trend-Stationary)**



—  $Y_t = \alpha + \beta t + \varepsilon_t$     - - - Trend line

**Stochastic Trend (Unit Root)**



—  $Y_t = Y_{t-1} + \mu + \varepsilon_t$