AR(1) Stationarity condition: $|\phi| < 1$
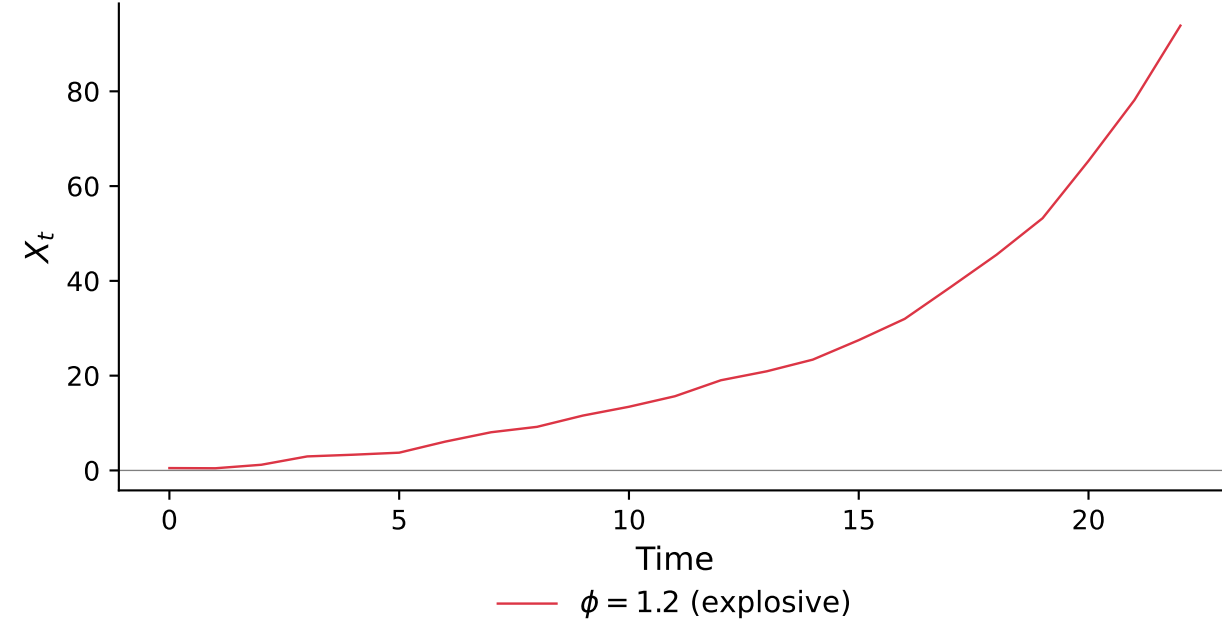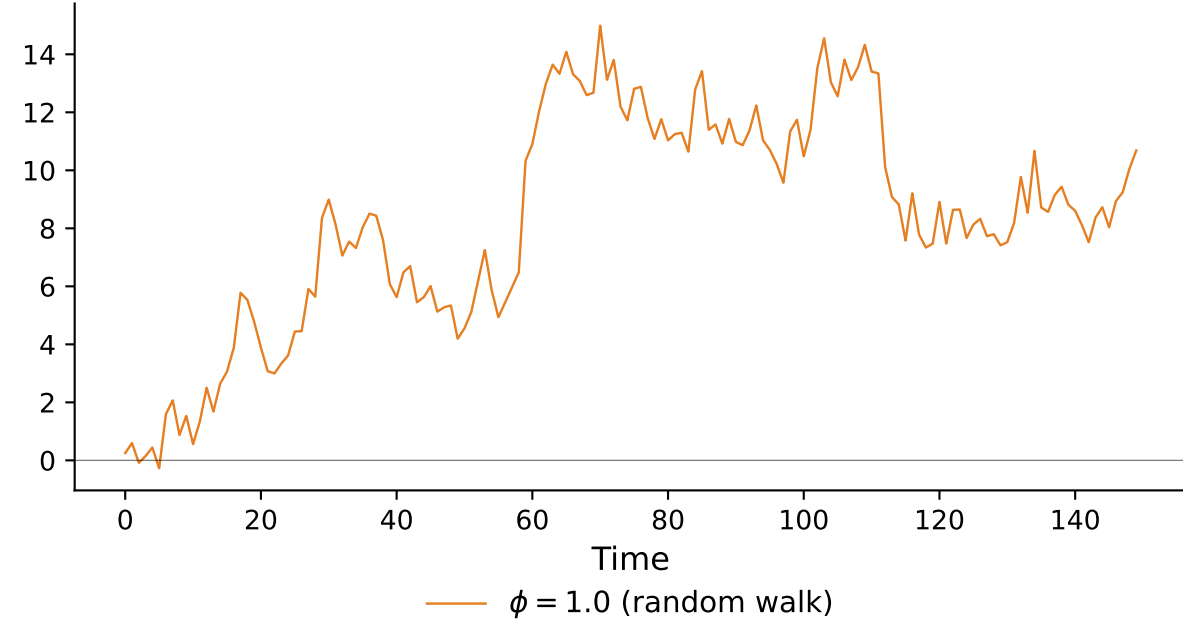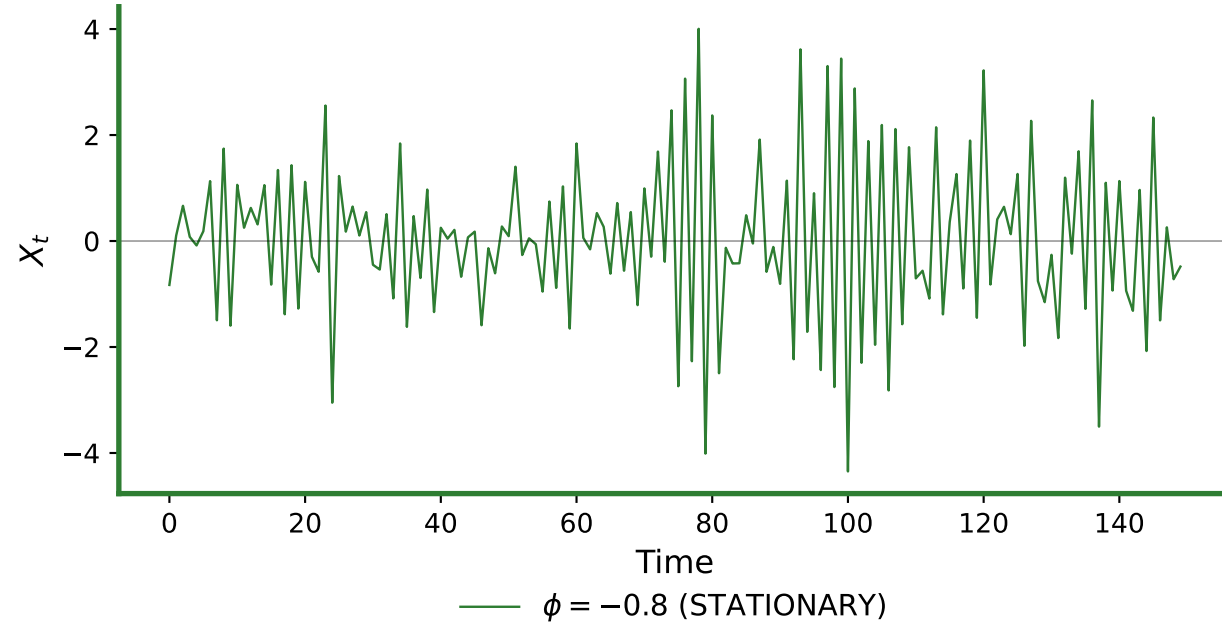
$\phi = 1.2$ **(explosive)**

$\phi = 1.0$ **(random walk)**

$\phi = -0.8$ **(STATIONARY)**

$\phi = -1.5$ **(explosive)**