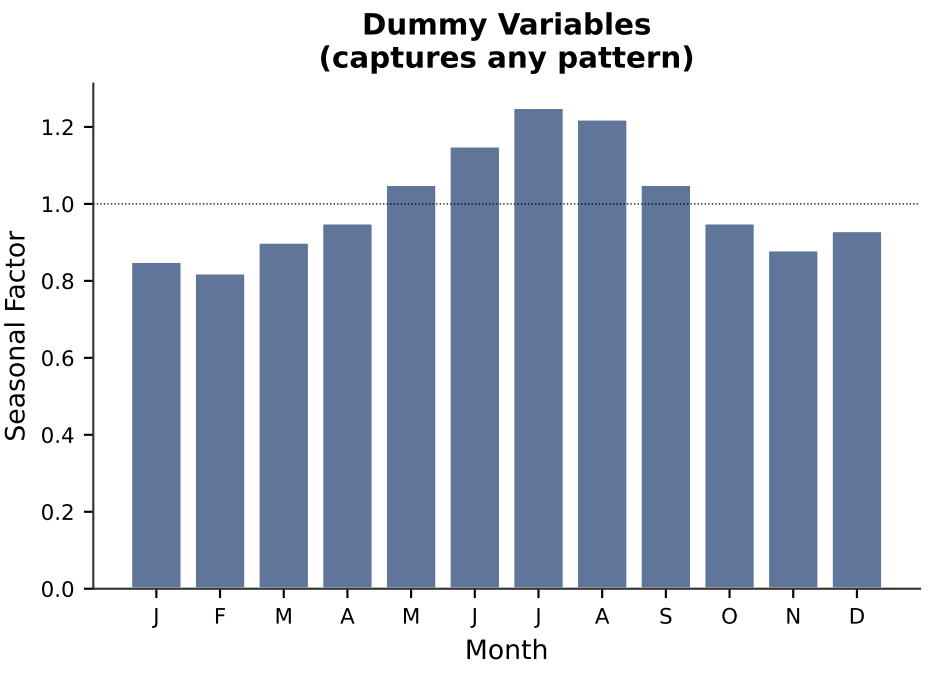
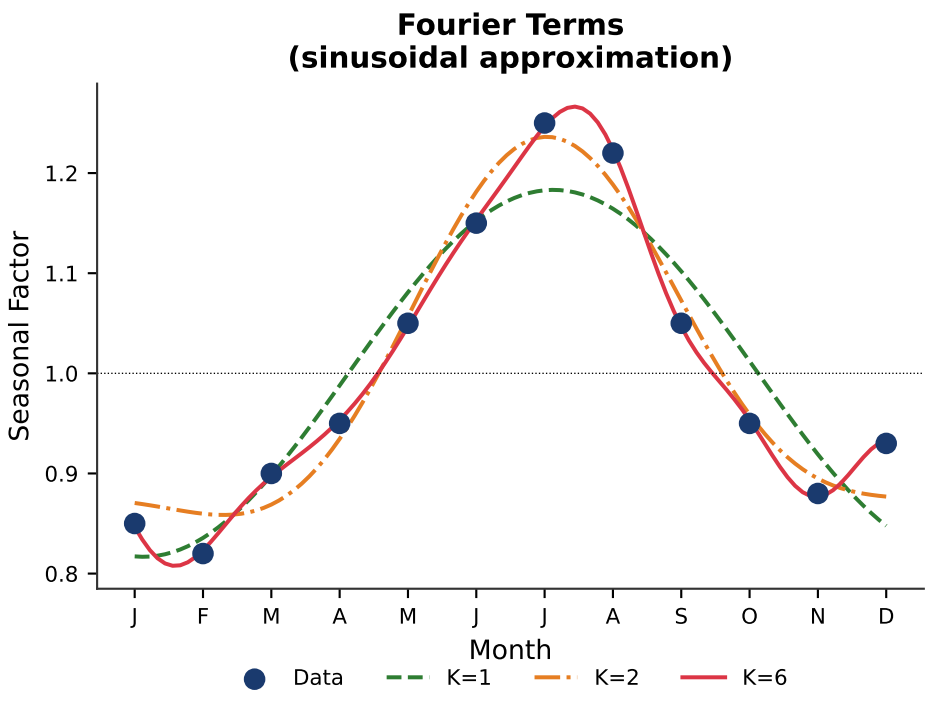

Dummy Variables
(captures any pattern)
Seasonal Factor
0.0
0.2
0.4
0.6
0.8
1.0
1.2
J
F
M
A
M
J
J
A
S
O
N
D
Month


Fourier Terms
(sinusoidal approximation)
Seasonal Factor
0.8
0.9
1.0
1.1
1.2
J
F
M
A
M
J
J
A
S
O
N
D
Month
Data
K=1
K=2
K=6