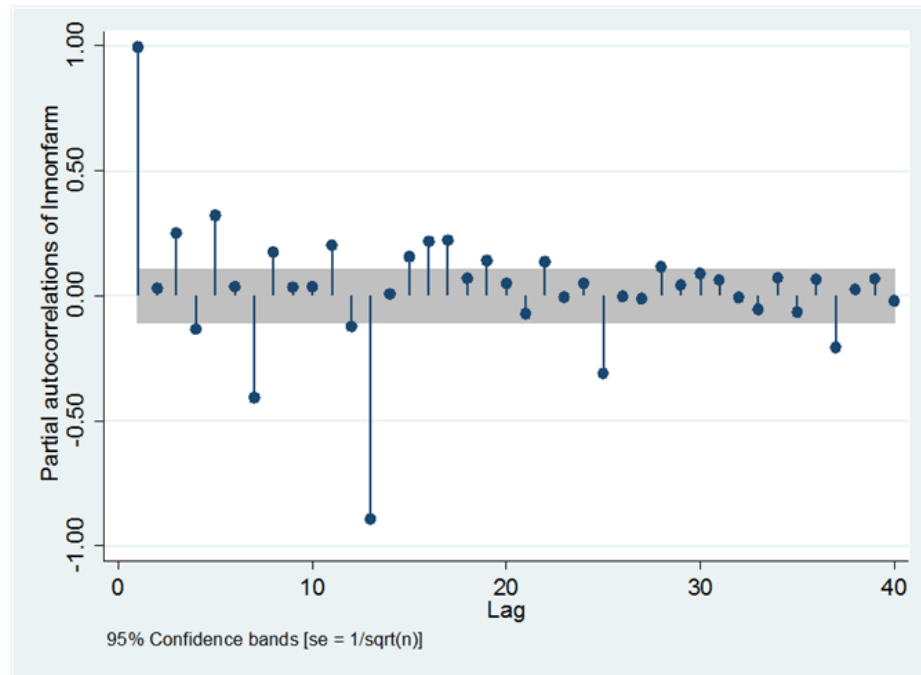


```

1 . ***Output for Part B Question 1
2
3 . pac lnnonfarm

```

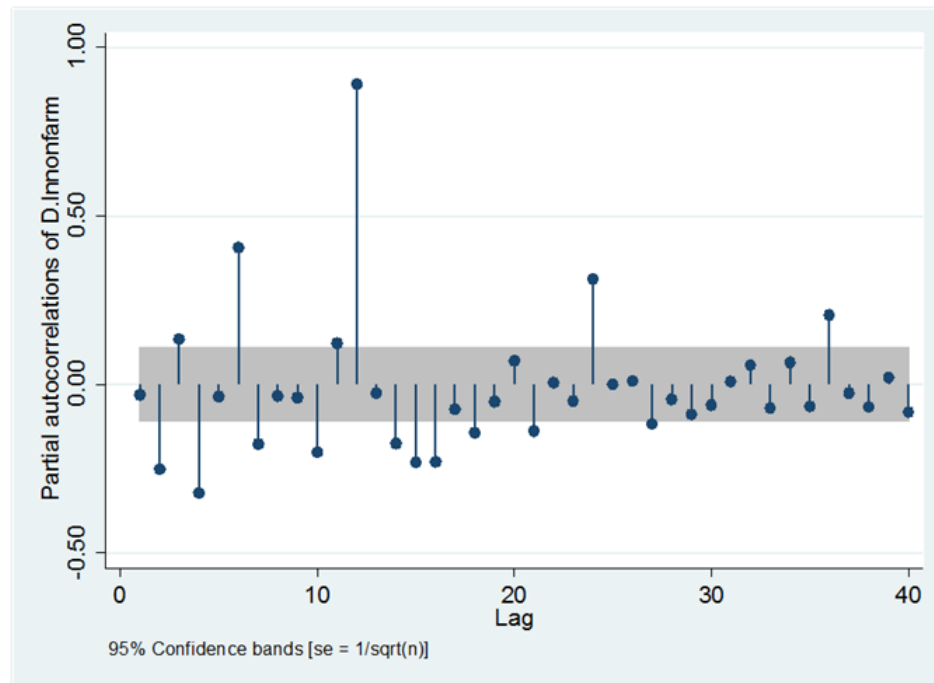


```

4
5 . dfuller lnnonfarm, trend lag(6) regress
6 Augmented Dickey-Fuller test for unit root           Number of obs   =       329
7               ----- Interpolated Dickey-Fuller -----
8               Test              1% Critical      5% Critical      10% Critical
9               Statistic          Value            Value            Value
10  -----
11  Z(t)                -1.556                -3.987                -3.427                -3.130
12  -----
13 MacKinnon approximate p-value for Z(t) = 0.8091
14
15 -----
16 D.lnnonfarm |      Coef.   Std. Err.    t    P>|t|    [95% Conf. Interval]
17 -----+-----
18   lnnonfarm
19     L1.        -.0121796   .0078258    -1.56   0.121    -.0275762   .0032169
20     LD.         .0445967    .051        0.87   0.383    -.0557409   .1449343
21     L2D.       -.1798709   .0509856   -3.53   0.000    -.2801801   -.0795616
22     L3D.        .0705337   .0513353    1.37   0.170    -.0304638   .1715311
23     L4D.       -.1731239   .0514652   -3.36   0.001    -.2743768   -.071871
24     L5D.       -.0440362   .0512902   -0.86   0.391    -.1449448   .0568725
25     L6D.        .4099648   .0513271    7.99   0.000     .3089837   .5109459
26   _trend       .0000141   .0000113    1.24   0.216    -8.26e-06   .0000364
27   _cons        .106744    .067479     1.58   0.115    -.0260146   .2395025
28  -----
29

```

30 . pac d.lnnonfarm



```

31
32 . *Model B.1.1
33
34 . reg lnnonfarm l(0/1)lnamspk l(0/12)lnbldpmt i.month date
35      Source |      SS          df           MS      Number of obs   =       324
36 -----+-----
37      Model |  5.60545445         27      .207609424      F(27, 296)       =      267.95
38      Residual |  .229340068        296      .000774798      Prob > F          =      0.0000
39 -----+-----
40      Total |  5.83479452        323      .018064379      R-squared         =      0.9607
41                                     Adj R-squared     =      0.9571
42                                     Root MSE        =      .02784
43
44      lnnonfarm |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
45 -----+-----
46      lnamspk   |
47      --.       |      .0971867   .0853807     1.14   0.256     -.0708434   .2652168
48      L1.       |      .0992056   .085552     1.16   0.247     -.0691617   .2675729
49
50      lnbldpmt  |
51      --.       |     -.0191744   .0127098    -1.51   0.132     -.0441875   .0058387
52      L1.       |     -.0062025   .0136017    -0.46   0.649     -.0329708   .0205659
53      L2.       |     -.0054692   .0140378    -0.39   0.697     -.0330958   .0221574
54      L3.       |      .0031003   .0143646     0.22   0.829     -.0251694   .0313699
55      L4.       |      .0005758   .0144471     0.04   0.968     -.0278563   .0290079
56      L5.       |      .0046077   .0143863     0.32   0.749     -.0237046   .03292
57      L6.       |      .0053504   .0144675     0.37   0.712     -.0231218   .0338227
58      L7.       |      .0055661   .0144716     0.38   0.701     -.022914    .0340463
59      L8.       |      .0056027   .0145539     0.38   0.701     -.0230396   .034245
60      L9.       |      .0079556   .0145269     0.55   0.584     -.0206336   .0365448
61      L10.      |      .0198976   .0142699     1.39   0.164     -.0081858   .0479809
62      L11.      |      .0315231   .0136555     2.31   0.022      .004649    .0583972
63      L12.      |      .0433576   .01262       3.44   0.001     .0185214   .0681938
64
65      ***Remaining coefficients suppressed for space

```

```

63 . *Model B.1.2
64
65 . reg d.lnnonfarm l(0/1)d.lnamspk l(0/12)d.lnbldpmt i.month
66
67      Source |           SS          df           MS      Number of obs   =          323
68 -----+-----
69      Model   |    .025281213          26    .000972354      F(26, 296)      =          44.39
70      Residual |    .006483148         296    .000021903      Prob > F        =          0.0000
71 -----+-----
72      Total   |    .031764361         322    .000098647      R-squared        =          0.7959
73                                     Adj R-squared     =          0.7780
74                                     Root MSE        =          .00468
75
76      D.lnnonfarm |           Coef.      Std. Err.      t    P>|t|     [95% Conf. Interval]
77 -----+-----
78      lnnamspk    |
79      D1.         |    .0195728      .014351      1.36   0.174     -.0086701     .0478158
80      LD.         |    .0285826      .0144357      1.98   0.049     .000173      .0569922
81
82      lnblpmt     |
83      D1.         |    .0055778      .0021432      2.60   0.010     .00136       .0097955
84      LD.         |    .0048631      .0024786      1.96   0.051     -.0000148     .009741
85      L2D.        |    .0052997      .0025262      2.10   0.037     .0003281     .0102713
86      L3D.        |    .0062686      .0025193      2.49   0.013     .0013106     .0112266
87      L4D.        |    .0045218      .002503      1.81   0.072     -.000404     .0094477
88      L5D.        |    .0044748      .0024683      1.81   0.071     -.0003827     .0093324
89      L6D.        |    .0083171      .0024944      3.33   0.001     .0034081     .013226
90      L7D.        |    .0066333      .0024771      2.68   0.008     .0017584     .0115083
91      L8D.        |    .0027094      .0025072      1.08   0.281     -.0022248     .0076435
92      L9D.        |    .0054117      .0025389      2.13   0.034     .0004151     .0104084
93      L10D.       |    .0068334      .0025278      2.70   0.007     .0018586     .0118081
94      L11D.       |    .0050116      .0024617      2.04   0.043     .0001669     .0098562
95      L12D.       |    .0050909      .0021096      2.41   0.016     .0009391     .0092426

```

***Remaining coefficients suppressed for space

. *Output for Part B Question 2

. *Model B.2.1

. reg d.lnnonfarm l(1,12)d.lnnonfarm l(0/1)d.lnamspk l(0/12)d.lnbldpmt i.month

Source	SS	df	MS	Number of obs	=	323
Model	.028437629	28	.00101563	F(28, 294)	=	89.76
Residual	.003326732	294	.000011315	Prob > F	=	0.0000
				R-squared	=	0.8953
				Adj R-squared	=	0.8853
Total	.031764361	322	.000098647	Root MSE	=	.00336

D.lnnonfarm	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]
lnnonfarm					
LD.	-.1238959	.0413192	-3.00	0.003	-.2052147 -.0425771
L12D.	.6549035	.0405199	16.16	0.000	.5751576 .7346494
lnamspk					
D1.	.0026309	.0103774	0.25	0.800	-.0177925 .0230543
LD.	.025189	.0103949	2.42	0.016	.0047312 .0456469
lnbldpmt					
D1.	.0049129	.0015416	3.19	0.002	.001879 .0079469
LD.	.0058911	.0017923	3.29	0.001	.0023637 .0094185
L2D.	.0061293	.0018243	3.36	0.001	.0025391 .0097196
L3D.	.0068393	.0018251	3.75	0.000	.0032473 .0104312
L4D.	.0055512	.0018192	3.05	0.002	.0019708 .0091316
L5D.	.004639	.0017879	2.59	0.010	.0011202 .0081578
L6D.	.0052475	.0018227	2.88	0.004	.0016603 .0088347
L7D.	.0041887	.0018411	2.28	0.024	.0005653 .007812
L8D.	.0026127	.0018344	1.42	0.155	-.0009974 .0062229
L9D.	.0041493	.0018346	2.26	0.024	.0005387 .00776
L10D.	.0040522	.0018485	2.19	0.029	.0004143 .0076902
L11D.	.0039384	.0017887	2.20	0.028	.0004181 .0074587
L12D.	.0033834	.0015249	2.22	0.027	.0003823 .0063845

***Remaining coefficients suppressed for space

. bgodfrey , lag(1/12)

Breusch-Godfrey LM test for autocorrelation

lags(p)	chi2	df	Prob > chi2
1	0.096	1	0.7569
2	0.119	2	0.9422
3	11.889	3	0.0078
4	17.668	4	0.0014
5	17.987	5	0.0030
6	27.117	6	0.0001
7	27.199	7	0.0003
8	29.320	8	0.0003
9	32.161	9	0.0002
10	35.020	10	0.0001
11	35.039	11	0.0002
12	44.095	12	0.0000

H0: no serial correlation

```

153 . *Model B.2.2
154
155 . newey d.lnnonfarm l(1,12)d.lnnonfarm l(0/1)d.lnamspk l(0/12)d.lnbldpmt
156 i.month, lag(12)
157
158 Regression with Newey-West standard errors      Number of obs      =      323
159 maximum lag: 12                                F( 28,          294) =      325.11
160                                                Prob > F              =      0.0000
161
162
163      D.lnnonfarm |               Coef.      Newey-West      t      P>|t|      [95% Conf. Interval]
164 -----+-----
165      lnnonfarm
166          LD.      - .1238959      .055806      -2.22      0.027      -.2337258      -.014066
167          L12D.     .6549035      .0616676      10.62      0.000      .5335377      .7762693
168
169      lnampk
170          D1.       .0026309      .0124566      0.21      0.833      -.0218846      .0271463
171          LD.       .025189      .0085381      2.95      0.003      .0083855      .0419926
172
173      lnbldpmt
174          D1.       .0049129      .0019261      2.55      0.011      .0011223      .0087035
175          LD.       .0058911      .0021409      2.75      0.006      .0016776      .0101045
176          L2D.      .0061293      .0021493      2.85      0.005      .0018994      .0103593
177          L3D.      .0068393      .0019705      3.47      0.001      .0029611      .0107174
178          L4D.      .0055512      .0020482      2.71      0.007      .0015203      .0095821
179          L5D.      .004639      .001526      3.04      0.003      .0016357      .0076422
180          L6D.      .0052475      .0017798      2.95      0.003      .0017447      .0087502
181          L7D.      .0041887      .0019869      2.11      0.036      .0002783      .008099
182          L8D.      .0026127      .0016834      1.55      0.122      -.0007004      .0059258
183          L9D.      .0041493      .0017757      2.34      0.020      .0006547      .007644
184          L10D.     .0040522      .0017132      2.37      0.019      .0006805      .007424
185          L11D.     .0039384      .001494      2.64      0.009      .0009982      .0068786
186          L12D.     .0033834      .0011805      2.87      0.004      .0010601      .0057067
187      ***Remaining coefficients suppressed for space
188

```

189 . ***Output for Part C Question 1

190

191 . *Model C.1.1

192

193 reg d.lnnonfarm l(1/12,24,36)d.lnnonfarm l(1,2)d.lnamspk l(1/12)d.lnbldpmt

194 i.month if tin(1995ml,)

195

D.lnnonfarm	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	
-------------	-------	-----------	---	------	----------------------	--

197

lnnonfarm						
-----------	--	--	--	--	--	--

LD.	-.0867768	.0590969	-1.47	0.143	-.2032017	.0296481
-----	-----------	----------	-------	-------	-----------	----------

L2D.	-.1256839	.0579372	-2.17	0.031	-.2398241	-.0115437
------	-----------	----------	-------	-------	-----------	-----------

L3D.	.1785467	.0591295	3.02	0.003	.0620577	.2950358
------	----------	----------	------	-------	----------	----------

L4D.	.1066218	.0608136	1.75	0.081	-.0131849	.2264286
------	----------	----------	------	-------	-----------	----------

L5D.	.1124586	.0588156	1.91	0.057	-.0034121	.2283293
------	----------	----------	------	-------	-----------	----------

L6D.	.130112	.0587876	2.21	0.028	.0142965	.2459274
------	---------	----------	------	-------	----------	----------

L7D.	.0378742	.0594905	0.64	0.525	-.0793261	.1550745
------	----------	----------	------	-------	-----------	----------

L8D.	-.0361013	.0604587	-0.60	0.551	-.155209	.0830063
------	-----------	----------	-------	-------	----------	----------

L9D.	.0941959	.0588684	1.60	0.111	-.0217787	.2101705
------	----------	----------	------	-------	-----------	----------

L10D.	-.1646296	.0559622	-2.94	0.004	-.2748789	-.0543803
-------	-----------	----------	-------	-------	-----------	-----------

L11D.	-.0391989	.0563952	-0.70	0.488	-.1503012	.0719034
-------	-----------	----------	-------	-------	-----------	----------

L12D.	.3523167	.0694991	5.07	0.000	.2153988	.4892346
-------	----------	----------	------	-------	----------	----------

L24D.	.0197238	.0680045	0.29	0.772	-.1142496	.1536971
-------	----------	----------	------	-------	-----------	----------

L36D.	.0939433	.0576962	1.63	0.105	-.019722	.2076087
-------	----------	----------	------	-------	----------	----------

213

lnamspk						
---------	--	--	--	--	--	--

LD.	.020934	.0121654	1.72	0.087	-.0030326	.0449006
-----	---------	----------	------	-------	-----------	----------

L2D.	.002525	.012121	0.21	0.835	-.0213541	.0264042
------	---------	---------	------	-------	-----------	----------

217

lnbldpmt						
----------	--	--	--	--	--	--

LD.	.0028844	.0015466	1.86	0.063	-.0001626	.0059314
-----	----------	----------	------	-------	-----------	----------

L2D.	.0051573	.0018041	2.86	0.005	.0016031	.0087115
------	----------	----------	------	-------	----------	----------

L3D.	.0057848	.0018775	3.08	0.002	.002086	.0094836
------	----------	----------	------	-------	---------	----------

L4D.	.0048751	.0018852	2.59	0.010	.0011611	.008589
------	----------	----------	------	-------	----------	---------

L5D.	.0048541	.0018893	2.57	0.011	.001132	.0085761
------	----------	----------	------	-------	---------	----------

L6D.	.0046491	.0018899	2.46	0.015	.000926	.0083723
------	----------	----------	------	-------	---------	----------

L7D.	.0022426	.0019202	1.17	0.244	-.0015403	.0060255
------	----------	----------	------	-------	-----------	----------

L8D.	.002952	.0019176	1.54	0.125	-.0008257	.0067297
------	---------	----------	------	-------	-----------	----------

L9D.	.0031844	.0019293	1.65	0.100	-.0006165	.0069853
------	----------	----------	------	-------	-----------	----------

L10D.	.0032269	.0019291	1.67	0.096	-.0005737	.0070274
-------	----------	----------	------	-------	-----------	----------

L11D.	.0018121	.0018493	0.98	0.328	-.0018311	.0054553
-------	----------	----------	------	-------	-----------	----------

L12D.	.0021034	.0015628	1.35	0.180	-.0009754	.0051822
-------	----------	----------	------	-------	-----------	----------

231 ***Remaining coefficients suppressed for space

232

233 Leave-One-Out Cross-Validation Results

Method	Value
--------	-------

235

Root Mean Squared Errors	.00330617
--------------------------	-----------

Mean Absolute Errors	.00246648
----------------------	-----------

Pseudo-R2	.88206394
-----------	-----------

239

240 Akaike's information criterion and Bayesian information criterion

Model	Obs	ll(null)	ll(model)	df	AIC	BIC
-------	-----	----------	-----------	----	-----	-----

242

.	276	882.6916	1227.331	40	-2374.662	-2229.846
---	-----	----------	----------	----	-----------	-----------

244

```

245 . *Model C.1.2
246
247 . reg d.lnnonfarm l(1/12,24,36)d.lnnonfarm l(1)d.lnamspk l(1/12)d.lnbldpmt
248 i.month if tin(1995ml, )
249
250 D.lnnonfarm |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
251 -----+-----
252     lnnonfarm
253         LD.   |   -.0856851   .0587452    -1.46   0.146    - .2014145   .0300444
254         L2D.   |   -.1246425   .0576046    -2.16   0.031    - .2381249  -.0111602
255         L3D.   |   .1785057   .0590097     3.03   0.003     .0622552   .2947563
256         L4D.   |   .1087859   .0597987     1.82   0.070    - .0090189   .2265907
257         L5D.   |   .1128285   .0586701     1.92   0.056    - .0027529   .2284099
258         L6D.   |   .1297454   .0586425     2.21   0.028     .0142182   .2452726
259         L7D.   |   .0368806   .0591792     0.62   0.534    - .0797038   .1534651
260         L8D.   |   -.0374179   .060006     -0.62   0.534    - .1556311   .0807953
261         L9D.   |   .0972409   .0569097     1.71   0.089    - .0148726   .2093543
262         L10D.  |   -.1665086   .0551189    -3.02   0.003    - .2750942  -.057923
263         L11D.  |   -.0384829   .0561767    -0.69   0.494    - .1491523   .0721864
264         L12D.  |   .3513935   .0692176     5.08   0.000     .2150333   .4877537
265         L24D.  |   .0198564   .0678641     0.29   0.770    - .1138375   .1535504
266         L36D.  |   .0933405   .0575072     1.62   0.106    - .01995     .206631
267
268     lnamspk
269         LD.   |   .0206861   .0120826     1.71   0.088    - .0031168   .044489
270
271     lnbldpmt
272         LD.   |   .0028438   .0015312     1.86   0.065    - .0001727   .0058603
273         L2D.   |   .0051026   .0017813     2.86   0.005     .0015935   .0086118
274         L3D.   |   .0057327   .001857     3.09   0.002     .0020744   .0093911
275         L4D.   |   .0048257   .0018664     2.59   0.010     .0011488   .0085026
276         L5D.   |   .0048071   .001872     2.57   0.011     .0011192   .0084951
277         L6D.   |   .0046229   .0018819     2.46   0.015     .0009156   .0083302
278         L7D.   |   .0022281   .0019151     1.16   0.246    - .0015446   .0060008
279         L8D.   |   .002989    .0019055     1.57   0.118    - .0007649   .0067428
280         L9D.   |   .0032001   .001924     1.66   0.098    - .0005902   .0069903
281         L10D.  |   .0032552   .0019204     1.70   0.091    - .0005281   .0070385
282         L11D.  |   .0018293   .0018437     0.99   0.322    - .0018029   .0054614
283         L12D.  |   .0020998   .0015595     1.35   0.179    - .0009725   .0051722
284
285     ***Remaining coefficients suppressed for space
286
286 Leave-One-Out Cross-Validation Results
287
287 Method |      Value
288 -----+-----
289 Root Mean Squared Errors |   .00328335
290 Mean Absolute Errors     |   .0024506
291 Pseudo-R2                |   .8836393
292
293 Akaike's information criterion and Bayesian information criterion
294
294 Model |      Obs   ll(null)   ll(model)      df      AIC      BIC
295 -----+-----
296 . |      276   882.6916   1227.305      39   -2376.611  -2235.415
297

```

```

298 . *Model C.1.3
299
300 . reg d.lnnonfarm l(1/12)d.lnnonfarm l(1/12)d.lnbldpmt i.month if tin(1995m1, )
301
302 D.lnnonfarm |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
303 -----+-----
304 lnnonfarm
305     LD.      |   -.0813675   .0591511    -1.38   0.170    -.197889   .035154
306     L2D.      |   -.1416109   .0577455    -2.45   0.015    -.2553636  -.0278583
307     L3D.      |    .1963726   .058475     3.36   0.001     .0811828   .3115624
308     L4D.      |    .1244042   .0600884     2.07   0.039     .0060361   .2427722
309     L5D.      |    .117085     .0592592     1.98   0.049     .0003504   .2338196
310     L6D.      |    .1243392   .0591968     2.10   0.037     .0077275   .2409509
311     L7D.      |    .027294     .0594012     0.46   0.646    -.0897202   .1443083
312     L8D.      |   -.0186934   .0582317    -0.32   0.748    -.1334039   .0960171
313     L9D.      |    .0885084   .0570589     1.55   0.122    -.0238917   .2009086
314     L10D.     |   -.1706641   .0555153    -3.07   0.002    -.2800235  -.0613046
315     L11D.     |   -.0535585   .056387     -0.95   0.343    -.1646351   .0575181
316     L12D.     |    .4106691   .0565288     7.26   0.000     .2993131   .5220251
317
318 lnblpmt
319     LD.      |    .0024556   .001538     1.60   0.112    -.0005741   .0054854
320     L2D.      |    .0047563   .0017941     2.65   0.009     .0012222   .0082904
321     L3D.      |    .0051465   .0018564     2.77   0.006     .0014896   .0088035
322     L4D.      |    .0041531   .0018696     2.22   0.027     .0004702   .007836
323     L5D.      |    .0042788   .0018764     2.28   0.023     .0005825   .0079751
324     L6D.      |    .0041333   .0018875     2.19   0.029     .0004152   .0078514
325     L7D.      |    .0021581   .0019123     1.13   0.260    -.0016089   .0059251
326     L8D.      |    .0027922   .0019174     1.46   0.147    -.0009848   .0065691
327     L9D.      |    .0029711   .0019279     1.54   0.125    -.0008266   .0067689
328     L10D.     |    .0028229   .0019233     1.47   0.143    -.0009659   .0066116
329     L11D.     |    .0016033   .0018596     0.86   0.389     -.00206     .0052666
330     L12D.     |    .0015412   .0015541     0.99   0.322    -.0015202   .0046026
331
332 ***Remaining output suppressed for space
333
334 Leave-One-Out Cross-Validation Results
335
336 Method |      Value
337 -----+-----
338 Root Mean Squared Errors |    .00332499
339 Mean Absolute Errors     |    .00250498
340 Pseudo-R2                |    .88287841
341
342 Akaike's information criterion and Bayesian information criterion
343
344 Model |      Obs   ll(null)   ll(model)      df      AIC      BIC
345 -----+-----
346 . |      276   882.6916   1222.691      36   -2373.381  -2243.047

```



```

345 . ***Output for Part C Question 2
346 . gen d2mlnnonfarm=lnnonfarm-l2.lnnonfarm
347
348 . *Model C.2.1
349
350 . reg d2mlnnonfarm l(2/12,24,36)d.lnnonfarm l(2,3)d.lnamspk l(2/12)d.lnbldpmt
351 i.month if tin(1995ml, )
352
353 d2mlnnonfarm |          Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
354 -----+-----
355     lnonfarm
356         L2D.   |   -.2724673   .0831152    -3.28   0.001   -.4362026   -.108732
357         L3D.   |   -.0318555   .0816528    -0.39   0.697    -.19271    .1289991
358         L4D.   |    .3870548   .084445     4.58   0.000    .2206996   .5534099
359         L5D.   |    .2771908   .0854484     3.24   0.001    .1088591   .4455226
360         L6D.   |    .313425    .0834766     3.75   0.000    .1489776   .4778724
361         L7D.   |    .2369321   .0835399     2.84   0.005    .0723601   .4015041
362         L8D.   |    .112089    .084384     1.33   0.185    -.054146    .278324
363         L9D.   |    .1198267   .0858042     1.40   0.164    -.0492061   .2888595
364         L10D.  |    .0423699   .080114     0.53   0.597    -.1154531   .2001929
365         L11D.  |   -.2771326   .0795799    -3.48   0.001    -.4339034   -.1203617
366         L12D.  |    .2726708   .1000785     2.72   0.007     .075518    .4698236
367         L24D.  |   -.0005954   .0984208    -0.01   0.995    -.1944825   .1932917
368         L36D.  |    .0862689   .0835696     1.03   0.303    -.0783616   .2508994
369
370     lnamspk
371         L2D.   |    .0108675   .0174199     0.62   0.533    -.0234493   .0451843
372         L3D.   |    .0022551   .0174202     0.13   0.897    -.0320624   .0365726
373
374     lnbldpmt
375         L2D.   |    .0050255   .0022256     2.26   0.025     .0006411     .00941
376         L3D.   |    .0091457   .0026259     3.48   0.001     .0039727   .0143186
377         L4D.   |    .0091042   .0027031     3.37   0.001     .0037792   .0144292
378         L5D.   |    .0081922   .0027314     3.00   0.003     .0028114   .0135731
379         L6D.   |    .0082469   .0027401     3.01   0.003     .0028489   .0136449
380         L7D.   |    .0073543   .002735     2.69   0.008     .0019663   .0127422
381         L8D.   |    .0048887   .0027735     1.76   0.079    -.000575    .0103525
382         L9D.   |    .005688    .0027913     2.04   0.043     .0001892   .0111869
383         L10D.  |    .0051647   .0027863     1.85   0.065    -.0003243   .0106536
384         L11D.  |    .0042746   .0026727     1.60   0.111    -.0009905   .0095398
385         L12D.  |    .0019212   .0022513     0.85   0.394    -.0025139   .0063563
386
387     **Remaining coefficients suppressed for space
388
389 Leave-One-Out Cross-Validation Results
390
391 Method | Value
392 -----+-----
393 Root Mean Squared Errors | .00480999
394 Mean Absolute Errors | .00361858
395 Pseudo-R2 | .87160545
396
397 Akaike's information criterion and Bayesian information criterion
398
399 Model |          Obs   ll(null)   ll(model)      df          AIC          BIC
400 -----+-----
401 . |          276   793.3727   1123.699       38   -2171.398   -2033.823

```

```

400 . *Model C.2.2
401
402 . reg d2mlnnonfarm l(2/12,24,36)d.lnnonfarm l(2)d.lnamspk l(2/12)d.lnbldpmt
403 i.month if tin(1995m1, )
404
405 d2mlnnonfarm |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
406 -----+-----
407     lnnonfarm
408         LD.   |   .9363086   .0587294    15.94   0.000   .8206128   1.052004
409         L2D.  |  -.1334072   .058311   -2.29   0.023  -.2482787  -.0185357
410         L3D.  |   .207189   .0582357    3.56   0.000   .0924657   .3219122
411         L4D.  |   .1111439   .0611536    1.82   0.070  -.0093276   .2316154
412         L5D.  |   .1189056   .05919     2.01   0.046   .0023024   .2355087
413         L6D.  |   .1283398   .0591847    2.17   0.031   .0117471   .2449326
414         L7D.  |    .03636   .059363    0.61   0.541  -.080584   .153304
415         L8D.  |  -.0117818   .0588694   -0.20   0.842  -.1277534   .1041898
416         L9D.  |   .0862419   .0591683    1.46   0.146  -.0303185   .2028023
417        L10D.  |  -.1735056   .055971   -3.10   0.002  -.2837675  -.0632437
418        L11D.  |  -.0459208   .0566182   -0.81   0.418  -.1574577   .065616
419        L12D.  |   .3324402   .0695383    4.78   0.000   .1954511   .4694293
420        L24D.  |   .0286582   .0684499    0.42   0.676  -.1061868   .1635032
421        L36D.  |   .0907773   .0579982    1.57   0.119  -.0234781   .2050328
422
423     lnamspk
424         L2D.  |  -.0019182   .012076   -0.16   0.874  -.0257077   .0218713
425
426     lnbldpmt
427         L2D.  |   .0032805   .0015418    2.13   0.034   .0002432   .0063178
428         L3D.  |   .004729   .0018303    2.58   0.010   .0011233   .0083346
429         L4D.  |   .0043721   .0018879    2.32   0.021   .0006529   .0080912
430         L5D.  |   .004533   .0018985    2.39   0.018   .000793   .0082729
431         L6D.  |   .0046347   .0019033    2.44   0.016   .0008852   .0083841
432         L7D.  |   .002882   .0019172    1.50   0.134  -.0008948   .0066588
433         L8D.  |   .0030782   .0019307    1.59   0.112  -.0007253   .0068817
434         L9D.  |   .0036006   .001937    1.86   0.064  -.0002153   .0074165
435        L10D.  |   .0035846   .0019378    1.85   0.066  -.0002328   .0074021
436        L11D.  |   .0018544   .0018573    1.00   0.319  -.0018045   .0055134
437        L12D.  |   .0016678   .0015615    1.07   0.287  -.0014084   .004744
438     ***Remaining coefficients suppressed for space
439
440 Leave-One-Out Cross-Validation Results
441      Method      |      Value
442 -----+-----
443 Root Mean Squared Errors |   .00478201
444 Mean Absolute Errors    |   .00359713
445 Pseudo-R2              |   .87304364
446
447 Akaike's information criterion and Bayesian information criterion
448      Model      |      Obs   ll(null)   ll(model)      df      AIC      BIC
449 -----+-----
450 . |      276   793.3727   1223.954      38   -2371.909  -2234.333
451

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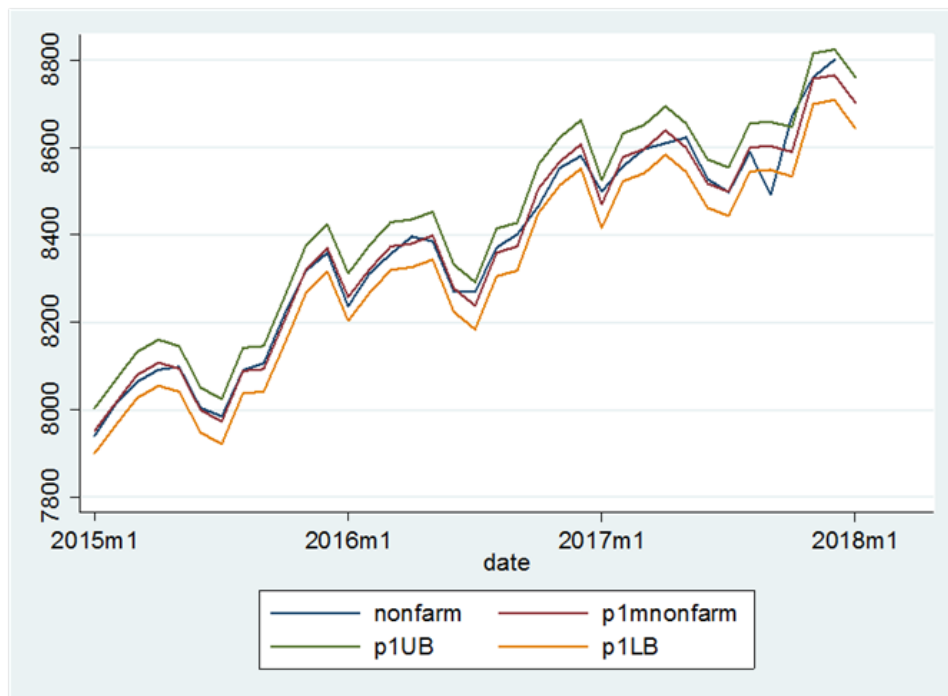
452 . *Model C.2.3
453
454 . reg d2mlnnonfarm l(2/12)d.lnnonfarm l(2/12)d.lnbldpmt i.month if tin(1995ml, )
455
456 d2mlnnonfarm |      Coef.   Std. Err.      t    P>|t|     [95% Conf. Interval]
457 -----+-----
458     lnnonfarm
459         L2D.   |   -.275273   .0816774    -3.37   0.001   -.4361625   -.1143836
460         L3D.   |  -.0340312   .0804661    -0.42   0.673   -.1925346   .1244721
461         L4D.   |   .404823   .0819509     4.94   0.000   .243395   .5662511
462         L5D.   |   .2831347   .0834211     3.39   0.001   .1188105   .4474589
463         L6D.   |   .3114637   .0830239     3.75   0.000   .1479219   .4750055
464         L7D.   |   .2311373   .0826986     2.79   0.006   .0682364   .3940382
465         L8D.   |   .0973826   .0826545     1.18   0.240   -.0654315   .2601966
466         L9D.   |   .1320941   .0814944     1.62   0.106   -.0284347   .2926229
467         L10D.  |   .0314697   .076703     0.41   0.682   -.1196211   .1825605
468         L11D.  |  -.2807081   .0780077    -3.60   0.000   -.4343688   -.1270474
469         L12D.  |   .3169558   .0802695     3.95   0.000   .1588397   .4750718
470
471     lnblpmt
472         L2D.   |   .0048659   .0021921     2.22   0.027   .0005479   .0091838
473         L3D.   |   .0087795   .0025563     3.43   0.001   .0037441   .0138149
474         L4D.   |   .0086087   .0026409     3.26   0.001   .0034067   .0138107
475         L5D.   |   .007687   .0026671     2.88   0.004   .0024333   .0129406
476         L6D.   |   .0077443   .0026798     2.89   0.004   .0024655   .013023
477         L7D.   |   .0068745   .0026916     2.55   0.011   .0015725   .0121765
478         L8D.   |   .0047723   .002737     1.74   0.082   -.0006192   .0101637
479         L9D.   |   .0054023   .0027461     1.97   0.050   -7.01e-06   .0108116
480         L10D.  |   .0048598   .0027386     1.77   0.077   -.0005347   .0102543
481         L11D.  |   .0043271   .0026457     1.64   0.103   -.0008845   .0095386
482         L12D.  |   .0017531   .0022225     0.79   0.431   -.0026249   .0061312
483
484     ***Remaining coefficients suppressed for space
485
486 Leave-One-Out Cross-Validation Results
487 -----+-----
488     Method      |      Value
489 -----+-----
489 Root Mean Squared Errors |   .00470333
490 Mean Absolute Errors   |   .00362551
491 Pseudo-R2             |   .87934892
492
493 Akaike's information criterion and Bayesian information criterion
494     Model |      Obs   ll(null)   ll(model)      df      AIC      BIC
495 -----+-----
496     . |      276   793.3727   1122.666      34   -2177.332   -2054.238
497

```

```

498 . *Question C.3
499
500 . **This next model is just model C.1.2 with the output suppressed
501 . quietly reg d.lnnonfarm l(1/12,24,36)d.lnnonfarm l(1)d.lnamspk
502 l(1/12)d.lnbldpmt i.month if tin(1995m1, )
503
504 . predict plmdlnonfarm, xb
505
506 . predict plmdstdf, stdf
507
508 . gen plmlnonfarm=plmdlnonfarm+l.lnnonfarm
509
510 . gen expul=exp(lnnonfarm-plmlnonfarm)
511
512 . summ expul
513     Variable |           Obs           Mean        Std. Dev.           Min           Max
514 -----+-----
515     expul |           299      1.000059      .0030205      .9870403      1.013098
516
517 . gen plmnonfarm=r(mean)*exp(plmlnonfarm)
518
519 . gen plUB=r(mean)*exp(plmlnonfarm+2*plmdstdf)
520
521 . gen plLB=r(mean)*exp(plmlnonfarm-2*plmdstdf)
522
523 . tsline nonfarm plmnonfarm plUB plLB if tin(2015m1, )

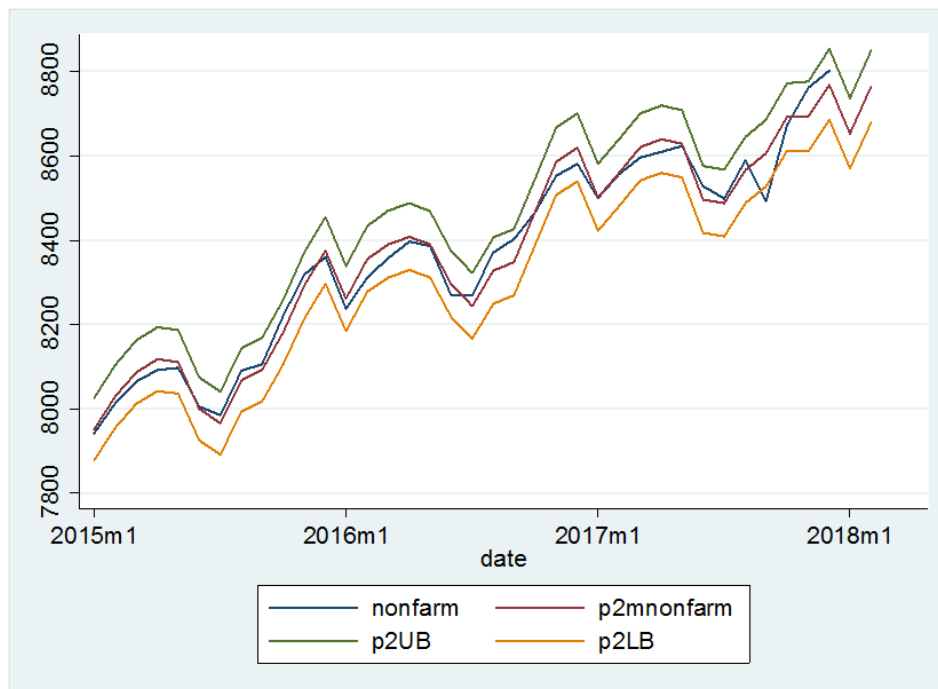
```



```

524 . **This next model is just model C.2.3 with the output suppressed
525 . quietly reg d2mlnnonfarm l(2/12)d.lnnonfarm l(2/12)d.lnbldpmt i.month if
526 tin(1995m1, )
527
528 . predict p2mdlnonfarm, xb
529
530 . predict p2mdstdf, stdf
531
532 . gen p2mlnnonfarm=p2mdlnonfarm+l2.lnnonfarm
533
534 . gen expu2=exp(lnnonfarm-p2mlnnonfarm)
535
536 . summ expu2
537   Variable |           Obs           Mean      Std. Dev.           Min           Max
538 -----+-----
539   expu2 |           323      1.001646      .0105408      .9677102      1.021138
540
541 . gen p2mnonfarm=r(mean)*exp(p2mlnnonfarm)
542
543 . gen p2UB=r(mean)*exp(p2mlnnonfarm+2*p2mdstdf)
544
545 . gen p2LB=r(mean)*exp(p2mlnnonfarm-2*p2mdstdf)
546
547 . tsline nonfarm p2mnonfarm p2UB p2LB if tin(2015m1, )

```



```

548 . gen point=nonfarm if date==tm(2017,12)
549
550 . replace point=plmnonfarm if date==tm(2018,1)
551
552 . replace point=p2mnonfarm if date==tm(2018,2)
553
554 . gen Upper=nonfarm if date==tm(2017,12)
555
556 . replace Upper=p1UB if date==tm(2018,1)
557
558 . replace Upper=p2UB if date==tm(2018,2)
559
560 . gen Lower=nonfarm if date==tm(2017,12)
561
562 . replace Lower=p1LB if date==tm(2018,1)
563
564 . replace Lower=p2LB if date==tm(2018,2)
565
566 . tsline nonfarm point Upper Lower if tin(2016m1, 2018m2)

```

