

## 10.4 Seasonal Trends

Sunday, January 31, 2021

7:29 PM

add quarterly dummy variables to adjust for seasons

$$Y_t = \beta_0 + \beta_1 X_t + \delta t + \underbrace{\delta_{sp} + \delta_{sum} + \delta_{fa}}_{\text{Seasons}} + \mu_t$$

Why does lag matter with seasons?