

The start of recession is the first quarter of at least 2 quarters of GDP decline

Let me clear this through an example

1	Quarter:	GDP:	GDP change:	change
2	1999q3	9	--	-----
3	1999q4	10	1	increase
4	2000q1	9	-1	decline
5	2000q2	8	-1	decline
6	2000q3	7	-1	decline
7	2000q4	6	-1	decline
8	2001q1	8	1	increase
9	2001q2	11	3	increase
10	2001q3	12	1	increase

Note that GDP used is the chained 2009,

The start of recession in the example above is **'2000q1'** because the GDP decline started then

*recession end is '2001q2'*

*recession bottom is '2000q4'* because it has the minimum GDP between start and end

You can compute the difference between a value and its predecessor in a series using `df['diff'] = df['gdp'].diff()`

use `df['diff']` to create `gdp_b` which is a series with value 0 if GDP difference is less than 0 i.e declines and 1 if GDP difference is greater than 0 i.e increased. does this look familiar? Assignment 3 `answer_ten()`

1	QTR	
2	2000q1	0
3	2000q2	1
4	2000q3	1
5	2000q4	1
6	2001q1	0
7	2001q2	1
8	.....	
9	2015q1	1
10	2015q2	1
11	2015q3	1
12	2015q4	1
13	2016q1	1
14	2016q2	1
15	Name: gdp_b, dtype: int64	

In order to find recession you will be looking for a **sequence** with 2 or more declines followed by 2 increases in GDP, i.e 0..0011.

This sequence can be found in many different ways, here are two

1. use a variable to store previous quarter gdp change (prev), and a list to keep track of the possible matching patterns (seq) while looping through gdp\_b, the list will be appended and emptied depending on its length of and the current and the previous gdp change. The loop is exited when the second 1 in the **sequence** is found

2. convert the values of the series to a string i.e. `".join(gdp_b.values)` and use **str.index()** to find the index (**ind**) of the pattern "0011" then use **str.rindex()** to find the last occurrence of 1 before the pattern "0011" occurred, adding one to that will give you the position of the start recession. The recession end index will be `ind-len(pattern)-1`