

Winter Term 2019/2020

Dr. Yannick Hoga Thilo Reinschlüssel

Multivariate Time Series Analysis

Solution Exercise Sheet 4

1 Exercise 1: Implied Models for Components

$$\phi_0 = \begin{pmatrix} 1 \\ 0 \end{pmatrix}, \quad \phi_1 = \begin{pmatrix} 0.75 & 0 \\ -0.25 & 0.5 \end{pmatrix}, \quad \Sigma_a = \begin{pmatrix} 1 & 0 \\ 0 & 1 \end{pmatrix}$$

a) Compute the mean of the process.