

HA07 Data Description

Your file `ha07_data_NN` contains the following time series: $LGBUSI_t$, $LGDP I_t$, and $LGPRBUSI_t$.

In HA07 these time series are denoted as $Y_t = LGBUSI_t$, $X_t = LGDP I_t$, and $Z_t = LGPRBUSI_t$.

Now detailed explanations follow.

Time series presenting in original file are total personal disposable income DPI_t in billions of US dollars, by year, 1953-2003, total personal business expenditure of US residents $BUSI_t$ (also in billions of US dollars), index $PRELBUSI_t$ shows relative prices for personal business services as a percentage of the 2000 level $PRELBUSI_t = \frac{PBUSI_t}{PTPE_t} \cdot 100$, where $PTPE_t$ (Prices of Total

Personal Expenditures) is an index of the prices of the entire basket of goods and services.

All quantities in the models are considered in logarithms $LGBUSI_t = LOG(BUSI_t)$, $LGDP I_t = LOG(DPI_t)$, $LGPRBUSI_t = LOG(PRELBUSI_t)$.

For the simplicity, in all tasks we will refer to $Y_t = LGBUSI_t$, $X_t = LGDP I_t$, $Z_t = LGPRBUSI_t$.

In your analysis, ignore the problems associated with autocorrelation and non-stationarity of the time series.