

Index

a

ARCH process 13
 autocorrelation 13
 sample 141
 autocovariance 12
 sample 62
 autoregressive moving average process,
 ARMA 47

b

bandwidth 170, 177, 184, 190
 Bayesian methods 241
 Beta function, B 95
 binomial
 coefficient 93
 theorem 93, 96
 breaks
 in parameters 226
 in persistence 241
 Brownian bridge 201
 Brownian motion (Wiener process)
 134

c

central limit theorem (CLT) 128
 functional (FCLT) 133
 cointegrating vector 238
 cointegration 236
 fractional 238
 gap 236
 rank 238

complex

 conjugate 63
 normal distribution 86
 number 62
 conditional sum of squares (CSS)
 154
 continuous mapping theorem (CMT)
 200
 convergence
 almost sure (with probability 1) 15,
 219
 in distribution 74, 127
 in mean square (quadratic mean)
 16
 in probability 16
 weak 133
 convolution 32, 98
 coordinate representation process
 17
 cyclical fractional differences
 231

d

difference equation 49, 50
 discrete Fourier transform (DFT) 61,
 86, 159
 distribution
 chi-squared (χ^2) 72, 84
 exponential 72
 dominated convergence theorem
 (DCT) 100

e

Eicker-White standard errors 215,
217
ergodic for the mean 21
ergodic theorem 16
ergodicity 15, 17, 128
error-correction representation 239
errors-in-variables 234
Euler's constant, γ 31, 53, 95
Euler's formula 93
exponential model, EXP 70, 87, 150
fractional (FEXP) 121

f

finance 234
Fisher information 204
matrix 79, 153, 183, 208
forecasting 229
Fourier
analysis 66
coefficients 66
fractional 91
-ly integrated noise, FIN 104, 109
-ly integrated process 104
Brownian bridge 199
Brownian motion of type II 135
Brownian motion, fBm 133, 134
differences 95, 120
integration 97, 104
integration of type II 115
frequency 58
domain regression estimators 237
Fourier 58, 60
harmonic 58, 59

g

Gamma function, Γ 93
GARCH process 19
Gegenbauer polynomial 231
Gumbel distribution 195

h

Hausman test 225

Hurst coefficient 134, 200

i

impulse response 37
accumulated 67
indicator function 116
information criteria 223
integrable
Lebesgue 64
integrated
of order d , $I(d)$ 104
of order 0, $I(0)$ 104
of order zero, $I(0)$ 238
invariant event 17
invertibility 36, 49, 67, 106

k

Kalman filter 241
Kolmogorov's formula 64
Kolmogorov's theorem 12
Kronecker's lemma 25, 219

l

lag operator 47
fractional 239
Lagrange multiplier test (LM) 204,
205
Landau symbol 92
law of iterated expectations 14, 220
law of large numbers (LLN) 15
log-periodogram regression 161, 170
bias-corrected 192
bias-reduced 186
long-run variance 22, 38

m

Maclaurin expansion 92
martingale difference sequence (MDS)
13, 128
maximum likelihood (ML) 76, 149
mean squared error (MSE) 189
memory 37

- and autocorrelation consistent,
 - MAC 140
 - long 22, 109, 114
 - short 22, 109
- moving average process, MA 28, 32, 104, 129
- n**
- noise-correction 236
- nonstationarity 115, 175
- p**
- period 58
- periodogram 60, 61
 - extended 159
 - log- 161
- persistent 37, 67
 - anti- 23, 108
 - moderately 23, 108
 - strongly 24, 108, 114
- pole 65, 94
- pooling 175
- predictable 32
- prediction 229
- process
 - deterministic 33
 - Gegenbauer 232
 - linear 35
 - singular 33
 - stationary 12
 - stochastic 11
 - strictly stationary 12
- psi function, ψ 95
- pure random process (iid) 14, 19
- r**
- random walk 89, 114
- roots 47
- s**
- score test 204
- seasonal differences 232
- seasonal frequency 231
- shift transformation 17
- sigma-field 11
- signal plus noise 234, 236
- simulation 119
- singularity 65, 94, 231
- slowly varying 122
- spectral density 65
- spectrum 64, 105
 - pseudo- 69, 157
- spurious regression 238
- stable 48, 51
- state space 241
- stationarity 12
 - covariance 12, 21
 - strict 13, 17
- Stirling's formula 94
- stochastic volatility 234
- summable 22, 25, 28
 - s- 50
 - absolutely 22, 29, 32
 - Cesàro 30
 - square 29, 32
- t**
- tapering 158, 175
- Taylor expansion 91, 96
- transfer function 63
 - power 63
- triangular system 238
- trimming 173, 175
- u**
- unit root (autoregressive) 48, 159, 197, 203, 218
- v**
- variance ratio 25
- w**
- wavelet 242
- white noise 13
- Whittle estimator 77, 156
 - exact local 178
 - extended 160

Whittle estimator (*contd.*)
fully extended local 180
local 176

local polynomial 187
noise-corrected local 235
Wold decomposition 7, 33