









### **Abstract**

Ninety-three world-wide inflation series are tested for unit roots. Treating the data series' innovations as draws from a symmetric stable distribution, with possibly infinite variance, reduces the number that appear stationary.

Share

Read this article

# Acknowledgements

Reprints & Permissions

Wojciech W. Charemza gratefully acknowledges financial support of the INTAS Programme No. 03-51-7174 Nonstationary multivariate and nonlinear econometric models: theory and applications, and Daniela Hristova gratefully acknowledges the financial support of the ACE Project Modelling and Forecasting Inflationary Processes and the School of Social Sciences, City University London, Post-Doctoral Research Fellowship.

## Notes

To simulate symmetric stable random variables the algorithm of Chambers et al. (1976), encoded in GAUSS by J. Huston McCulloch, is used.

For series with less than 200 observations the maximum lag length is set to 24.

Here and elsewhere, to estimate the index of stability

the method suggested by McCulloch (1986) is used.

### Related Research Data

LAG Length Selection and the Construction of Unit Root Tests with Good Size and

**Power** 

Source: Econometrica

Simple consistent estimators of stable distribution parameters

Source: Communications in Statistics - Simulation and Computation

Time series with unit roots and infinite-variance disturbances

Source: Applied Mathematics Letters

Unit Root Tests in ARMA Models with Data-Dependent Methods for the Selection of the

Truncation Lag

Source: Journal of the American Statistical Association

Time Series Regression with a Unit Root

Source: Econometrica

Testing for a Unit Root in Time Series with Pretest Data-Based Model Selection

Source: Journal of Business and Economic Statistics

On the First-Order Autoregressive Process with Infinite Variance



Information for

**Authors** 

**R&D** professionals

**Editors** 

Librarians

**Societies** 

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Open access

Overview

Open journals

**Open Select** 

**Dove Medical Press** 

F1000Research

Help and information

Help and contact

Newsroom

All journals

**Books** 

### Keep up to date

Register to receive personalised research and resources by email



Sign me up











Accessibility



Copyright © 2025 Informa UK Limited Privacy policy Cookies Terms & conditions



Registered in England & Wales No. 01072954 5 Howick Place | London | SW1P 1WG