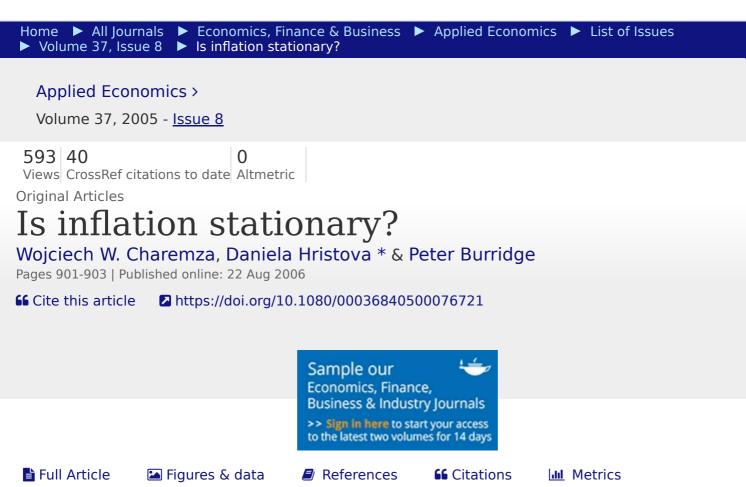








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### **Abstract**

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.

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# Acknowledgements

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## 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



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