

# Contents

<b>1</b>	<b>INTRODUCTION</b>	<b>1</b>
1.1	Probability Spaces	1
1.2	Time Series	3
1.3	Examples of Stochastic Processes	5
1.4	Properties of the Autocovariance and Autocorrelation Functions	7
1.5	Complex Valued Time Series	10
1.6	Periodic Functions and Periodic Time Series	12
1.7	Vector Valued Time Series	14
<b>2</b>	<b>MOVING AVERAGE AND AUTOREGRESSIVE PROCESSES</b>	<b>18</b>
2.1	Moving Average Processes	18
2.2	Absolutely Summable Sequences and Infinite Moving Averages	26
2.3	An Introduction to Autoregressive Time Series	36
2.4	Difference Equations	41
2.5	The Second Order Autoregressive Time Series	52
2.6	Alternative Representations of Autoregressive and Moving Average Processes	56
2.7	Autoregressive Moving Average Time Series	66
2.8	Vector Processes	70
2.9	Prediction	75
<b>3</b>	<b>INTRODUCTION TO FOURIER ANALYSIS</b>	<b>93</b>
3.1	Systems of Orthogonal Functions—Fourier Coefficients	93
3.2	Complex Representation of Trigonometric Series	114

3.3	Fourier Transform—Functions Defined on the Real Line. . . . .	.115
3.4	Fourier Transform of a Convolution. . . . .	.120
4	SPECTRAL THEORY OF TIME SERIES. . . . .	.126
4.1	The Spectrum. . . . .	.126
4.2	Circulants—Diagonalization of the Covariance Matrix of Stationary Processes. . . . .	.133
4.3	The Spectral Density of Moving Average and Autoregressive Time Series. . . . .	.139
4.4	Vector Processes. . . . .	.153
4.5	Measurement Error—Signal Detection. . . . .	.166
5	SOME LARGE SAMPLE THEORY. . . . .	.179
5.1	Order in Probability. . . . .	.179
5.2	Convergence in Distribution. . . . .	.193
5.3	Central Limit Theorems. . . . .	.199
5.4	Approximating a Sequence of Expectations . . . . .	.201
5.5	Gauss-Newton Estimation of Nonlinear Parameters. . . . .	.211
5.6	Instrumental Variables. . . . .	.220
6	ESTIMATION OF THE MEAN AND AUTOCORRELATIONS . . . . .	.230
6.1	Estimation of the Mean. . . . .	.230
6.2	Estimators of the Autocovariance and Autocorrelation Functions. . . . .	.236
6.3	Some Central Limit Theorems for Stationary Time Series. . . . .	.244
6.4	An Example. . . . .	.257
6.5	Estimation of the Cross Covariances. . . . .	.262
7	THE PERIODOGRAM, ESTIMATED SPECTRUM. . . . .	.275
7.1	The Periodogram. . . . .	.275
7.2	Smoothing, Estimating the Spectrum. . . . .	.287
7.3	Examples. . . . .	.301
7.4	Multivariate Spectral Estimates. . . . .	.308

<b>8</b>	ESTIMATION FOR AUTOREGRESSIVE AND MOVING AVERAGE TIME SERIES . . . . .	327
8.1	First Order Autoregressive Time Series . . . . .	327
8.2	Higher Order Autoregressive Time Series . . . . .	333
8.3	Moving Average Time Series. . . . .	342
8.4	Autoregressive Moving Average Time Series . . . . .	358
8.5	Nonstationary Autoregressive Time Series . . . . .	366
8.6	Prediction with Estimated Parameters. . . . .	382
<b>9</b>	REGRESSION, TREND, AND SEASONALITY . . . . .	387
9.1	Global Least Squares. . . . .	388
9.2	Grafted Polynomials. . . . .	393
9.3	Autocorrelations Estimated from the Least Squares Residuals . . . . .	398
9.4	Moving Averages—Linear Filtering . . . . .	402
9.5	Differences. . . . .	413
9.6	Some Effects of Moving Average Operators . . . . .	414
9.7	Regression with Time Series Errors. . . . .	419
9.8	Regression Equations with Lagged Dependent Variables and Time Series Errors. . . . .	429
	BIBLIOGRAPHY. . . . .	452
	INDEX. . . . .	463