TABLE 25

PRELIMINARY DATA ANALYSIS
QUARTERLY DATA: 1953:2–1985:3

Spot Real Interest Rates and Consumption Growth

Variable[a]	Obs.	Mean	Std. Dev.	ρ_1	ρ_2	ρ_3	ρ_4	ρ_8	ρ_{12}
One Quarter Measures 1952:4–1985:2									
Cons. Growth	131	.00465	.00538	.24	.10	.21	.061	-.21	.00
Ex Post Real	131	.00277	.00641	.74	.67	.61	.53	.32	.20
Random Walk	131	.00279	.00607	.67	.63	.57	.55	.36	.25
Time Series	131	.00282	.00537	.83	.73	.67	.43	.33	.32
T.S.Window	131	.00297	.00555	.82	.71	.65	.61	.42	.32
T.Bill	131	.00241	.00534	.95	.87	.78	.69	.42	.19
Two Quarter Measures 1959:1–1985:1									
Cons. Growth	105	.00976	.00838	.66	.33	.32	.12	-.12	-.02
Ex Post Real	105	.00777	.01374	.88	.74	.65	.58	.32	.19
Random Walk	105	.00785	.01294	.71	.63	.61	.52	.36	.22
Time Series	105	.00798	.01144	.84	.73	.67	.61	.43	.30
T.S.Window	105	.00835	.01181	.83	.70	.65	.59	.41	.29
T.Bill	105	.00570	.01150	.94	.86	.77	.68	.39	.13
Three Quarter Measures 1963:4–1984:4									
Cons. Growth	85	.01545	.01167	.85	.61	.35	.19	-.09	-.03
Ex Post Real	85	.01243	.02339	.90	.78	.68	.59	.32	.14
Random Walk	85	.01272	.02113	.75	.65	.61	.56	.33	.19
Time Series	85	.01298	.01891	.85	.73	.67	.62	.42	.27
T.S.Window	85	.01365	.01949	.83	.71	.65	.60	.39	.25
T.Bill	85	.00891	.01861	.94	.86	.77	.68	.36	.08
Four Quarter Measures 1963:4–1985:2									
Cons. Growth	85	.02007	.01335	.77	.65	.50	.24	-.17	-.06
Ex Post Real	85	.01593	.03172	.90	.79	.68	.59	.29	.09
Random Walk	85	.01647	.02816	.75	.65	.59	.53	.31	.14
Time Series	85	.01685	.02519	.83	.72	.65	.59	.40	.22
T.S.Window	85	.01774	.02596	.82	.70	.63	.57	.37	.22
T.Bill	85	.01131	.02428	.95	.87	.78	.68	.33	.02

[a] Cons. Growth = Real per capita growth in Consumption of Non-Durables and Services, Ex Post Real = Realized real rate of interest, Randow Walk = Expected real rate of interest based on a random walk model in the inflation rate, Time Series = real rate calculated by subtracting IMA(1,1) forecasts on the inflation rate from the nominal interest rate (parameters updated at every point in series), T.S. Window = real rate calculated by subtracting IMA(1,1) forecasts on the inflation rate from the nominal interest rate (parameters updated at every point in time series after 1962:1 using a moving sample window), T.Bill = based on a IMA(1,1) time series model on the *ex post* real rate (parameters are updated at every point in time series).