Model Time-Series in EViews and STATA Programming

Chapter 5: Investigating the Standard Version of the Balassa-Samuelson Hypothesis (With 4-Sector Classification)

EViews and STATA Program Codes

$rer_cpi =$ CPI based real exchange rate between home and U.S. (in natural logarithm).

$rer_def =$ GDP deflator based real exchange rate between home and U.S. (in natural logarithm).

$rer_def_nt =$ GDP deflator (nontradables) based real exchange rate between home and U.S. (in natural logarithm).

$a_tilde =$ Inter-country relative sectoral productivity differential between home and U.S. (in natural logarithm).

Note

(i) In STATA do file, rer_def_nt series is titled as rer_def_NT4

(ii) In STATA do file, a_tilde series is titled as $au4$

Chapter 6: Investigating the Standard Version of the Balassa-Samuelson Hypothesis with Finer Sectoral Division (7-Sector Classification)

EViews and STATA Program Codes

$rer_cpi =$ CPI based real exchange rate between home and U.S. (in natural logarithm).

$rer_def =$ GDP deflator based real exchange rate between home and U.S. (in natural logarithm).

$rer_def_nt =$ GDP deflator (nontradables) based real exchange rate between home and U.S. (in natural logarithm).

$a_tilde =$ Inter-country relative sectoral productivity differential between home and U.S. (in natural logarithm).

Note

(i) *In STATA do file, a_tilde series is titled as au*

Chapter 7: An Investigation of Domestic Version of the Balassa-Samuelson Hypothesis (With 7-Sector Classification)

EViews and STATA Program Codes

$pNTpT$ = Log Price NT minus T (Domestic)

$aTaNT$ = Log T minus NT Productivity (Domestic)

Note

(i) In STATA do file $pNTpT$ series is titled as $pNTT$

(ii) In STATA do file, $aTaNT$ series is titled as $aTNT$

Chapter8: Estimating the Modified Version of the Balassa-Samuelson Hypothesis (With 7-Sector Classification)

EViews and STATA Program Codes

pT = Home tradables prices

$pT_us_PPP = e + p^{T*}$ = U.S. tradables prices converted to home currency

$rer_def_NT = (e + p^{*} - p)$ = Bilateral real exchange rate between home and U.S., based on nontraded sector prices (in natural logarithm).

$rer_def_T = (e + p^{T*} - p^{T})$ = Bilateral real exchange rate between home and U.S., based on traded sector prices (in natural logarithm).

a_tilde = Inter-country relative sectoral productivity differential between home and U.S. (in natural logarithm).

Note

(i) In STATA do file, a_tilde series is titled as au

Chapter 9: The Balassa-Samuelson Hypothesis and the Demand-Side Determinants of Real Exchange Rate (With 7-Sector Classification)

EViews and STATA Program Codes

$rer_def_NT = (e + p^* - p) =$ Bilateral real exchange rate between home and U.S., based on nontraded sector prices (in natural logarithm).

$rer_def_T = (e + p^{T*} - p^T) =$ Bilateral real exchange rate between home and U.S., based on traded sector prices (in natural logarithm).

$a_tilde =$ Inter-country relative sectoral productivity differential between home and U.S. (in natural logarithm).

$rop =$ Real oil prices.

$gov_exp =$ Real government consumption expenditures.

$gdp_percapita =$ Real GDP per capita.

Note

(i) In STATA do file, a_tilde series is titled as au.