INSTITUT FÜR HÖHERE STUDIEN
INSTITUTE FOR ADVANCED STUDIES
Vienna

Department of Economics and Finance

ECONOMETRIC RESEARCH SEMINAR

- October 23rd 2008, 9am
- SZ VI
  Institut für Höhere Studien
  Stumpergasse 56, 1060 Wien

Robert Kunst,
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“A nonparametric test for seasonal unit roots”

We consider a nonparametric test for the null of seasonal unit roots in quarterly time series that builds on the RUR (range unit root) test by Aparicio, Escribano, and Sipols. We find that the test concept is more promising than a formalization of visual aids such as plots by quarter. In order to cope with the sensitivity of the original RUR test to autocorrelation under its null of a unit root, we suggest an augmentation step by autoregression. We present some evidence on the size and power of our procedure and we provide an illustration by applications to a commodity price and to an unemployment rate.