

Mai nCodeV2PDmCPI 2

```
output file = H:\SecYearPaper0125\OrdRates\DMtest\Results03\PriceResCPI 2V201. txt
reset; outwidth 255; output on;
format /MA1 /LD 12, 9;
```

```
load rawData[528, 132] = H:\SecYearPaper0125\OrdRates\SWData03. txt;
load codes[132, 1] = H:\SecYearPaper0125\OrdRates\TCodes. txt;
```

```
{vecPxyASe} = Forecast_PxyA_DMp(rawData, codes, rawData[. , 115], 2/3, 1, 2);
{vecPxyMSe} = Forecast_PxyM_DMp(rawData, codes, rawData[. , 115], 2/3, 1, 2);
{vecExAnASe, vecExAnAARv1Se, vecExAnAPxy} =
Forecast_PxyExAnA_DMp(rawData, codes, rawData[. , 115], 1/3, 1, 2);
{vecExAnMSe, vecExAnMARv1Se, vecExAnMPxy} =
Forecast_PxyExAnM_DMp(rawData, codes, rawData[. , 115], 1/3, 1, 2);
{vecFacSe} = Factor_AR_FcstRtP_DM(rawData, codes, rawData[. , 115], 2/3, 1);
```

```
PxyADm = DMTest(vecFacSe, vecPxyASe, 1);
PxyMDm = DMTest(vecFacSe, vecPxyMSe, 1);
ExAnAARv1Dm = DMTest(vecFacSe, vecExAnAARv1Se, 1);
```

```
ExAnADm = DMTest(vecFacSe, vecExAnASe, 1);
ExAnMDm = DMTest(vecFacSe, vecExAnMSe, 1);
ExAnMARv1Dm = DMTest(vecFacSe, vecExAnMARv1Se, 1);
```

```
print " FORECAST OF INFLATION: 1-Step Ahead ";
print "-----";
print "";
print "Proxy_A(j) DM Stat is " PxyADm ", " meanc(vecPxyASe);
print "Proxy_M(j) DM Stat is " PxyMDm ", " meanc(vecPxyMSe);
print "";
print "ExAnte_A(j) DM Stat is " ExAnADm ", " meanc(vecExAnASe);
print "ExAnte_M(j) DM Stat is " ExAnMDm ", " meanc(vecExAnMSe);
print "";
print "ExAnte_A(j) ARv1 DM Stat is " ExAnAARv1Dm ", " meanc(vecExAnAARv1Se);
print "ExAnte_M(j) ARv1 DM Stat is " ExAnMARv1Dm ", " meanc(vecExAnMARv1Se);
print "";
print "A(j) proxies are " vecExAnAPxy';
print "M(j) proxies are " vecExAnMPxy';
print "";
print "";
print "";
```

```
{vecPxyASe} = Forecast_PxyA_DMp(rawData, codes, rawData[. , 115], 2/3, 3, 2);
{vecPxyMSe} = Forecast_PxyM_DMp(rawData, codes, rawData[. , 115], 2/3, 3, 2);
{vecExAnASe, vecExAnAARv1Se, vecExAnAPxy} =
Forecast_PxyExAnA_DMp(rawData, codes, rawData[. , 115], 1/3, 3, 2);
{vecExAnMSe, vecExAnMARv1Se, vecExAnMPxy} =
Forecast_PxyExAnM_DMp(rawData, codes, rawData[. , 115], 1/3, 3, 2);
{vecFacSe} = Factor_AR_FcstRtP_DM(rawData, codes, rawData[. , 115], 2/3, 3);
```

```
PxyADm = DMTest(vecFacSe, vecPxyASe, 3);
PxyMDm = DMTest(vecFacSe, vecPxyMSe, 3);
ExAnAARv1Dm = DMTest(vecFacSe, vecExAnAARv1Se, 3);
```

```
ExAnADm = DMTest(vecFacSe, vecExAnASe, 3);
ExAnMDm = DMTest(vecFacSe, vecExAnMSe, 3);
ExAnMARv1Dm = DMTest(vecFacSe, vecExAnMARv1Se, 3);
```

```
print " FORECAST OF INFLATION: 3-Step Ahead ";
print "-----";
print "";
print "Proxy_A(j) DM Stat is " PxyADm ", " meanc(vecPxyASe);
```

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print "Proxy_M(j) DM Stat is " PxyMDm ", " meanc(vecPxyMSe);
print "";
print "ExAnte_A(j) DM Stat is " ExAnADm ", " meanc(vecExAnASe);
print "ExAnte_M(j) DM Stat is " ExAnMDm ", " meanc(vecExAnMSe);
print "";
print "ExAnte_A(j) ARv1 DM Stat is " ExAnAARv1Dm ", " meanc(vecExAnAARv1Se);
print "ExAnte_M(j) ARv1 DM Stat is " ExAnMARv1Dm ", " meanc(vecExAnMARv1Se);
print "";
print "A(j) proxies are " vecExAnAPxy';
print "M(j) proxies are " vecExAnMPxy';
print "";
print "";
print "";

```

```

{vecPxyASe} = Forecast_PxyA_DMp(rawData, codes, rawData[. , 115], 2/3, 12, 2);
{vecPxyMSe} = Forecast_PxyM_DMp(rawData, codes, rawData[. , 115], 2/3, 12, 2);
{vecExAnASe, vecExAnAARv1Se, vecExAnAPxy} =
Forecast_PxyExAnA_DMp(rawData, codes, rawData[. , 115], 1/3, 12, 2);
{vecExAnMSe, vecExAnMARv1Se, vecExAnMPxy} =
Forecast_PxyExAnM_DMp(rawData, codes, rawData[. , 115], 1/3, 12, 2);
{vecFacSe} = Factor_AR_FcstRtP_DM(rawData, codes, rawData[. , 115], 2/3, 12);

```

```

PxyADm = DMTTest(vecFacSe, vecPxyASe, 12);
PxyMDm = DMTTest(vecFacSe, vecPxyMSe, 12);
ExAnAARv1Dm = DMTTest(vecFacSe, vecExAnAARv1Se, 12);

```

```

ExAnADm = DMTTest(vecFacSe, vecExAnASe, 12);
ExAnMDm = DMTTest(vecFacSe, vecExAnMSe, 12);
ExAnMARv1Dm = DMTTest(vecFacSe, vecExAnMARv1Se, 12);

```

```

print " FORECAST OF INFLATION: 12-Step Ahead ";
print "-----";
print "";
print "Proxy_A(j) DM Stat is " PxyADm ", " meanc(vecPxyASe);
print "Proxy_M(j) DM Stat is " PxyMDm ", " meanc(vecPxyMSe);
print "";
print "ExAnte_A(j) DM Stat is " ExAnADm ", " meanc(vecExAnASe);
print "ExAnte_M(j) DM Stat is " ExAnMDm ", " meanc(vecExAnMSe);
print "";
print "ExAnte_A(j) ARv1 DM Stat is " ExAnAARv1Dm ", " meanc(vecExAnAARv1Se);
print "ExAnte_M(j) ARv1 DM Stat is " ExAnMARv1Dm ", " meanc(vecExAnMARv1Se);
print "";
print "A(j) proxies are " vecExAnAPxy';
print "M(j) proxies are " vecExAnMPxy';
print "";
print "";
print "";

```

```

{vecPxyASe} = Forecast_PxyA_DMp(rawData, codes, rawData[. , 115], 2/3, 24, 2);
{vecPxyMSe} = Forecast_PxyM_DMp(rawData, codes, rawData[. , 115], 2/3, 24, 2);
{vecExAnASe, vecExAnAARv1Se, vecExAnAPxy} =
Forecast_PxyExAnA_DMp(rawData, codes, rawData[. , 115], 1/3, 24, 2);
{vecExAnMSe, vecExAnMARv1Se, vecExAnMPxy} =
Forecast_PxyExAnM_DMp(rawData, codes, rawData[. , 115], 1/3, 24, 2);
{vecFacSe} = Factor_AR_FcstRtP_DM(rawData, codes, rawData[. , 115], 2/3, 24);

```

```

PxyADm = DMTTest(vecFacSe, vecPxyASe, 24);
PxyMDm = DMTTest(vecFacSe, vecPxyMSe, 24);
ExAnAARv1Dm = DMTTest(vecFacSe, vecExAnAARv1Se, 24);

```

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```
ExAnADm = DMTest(vecFacSe, vecExAnASe, 24);
ExAnMDm = DMTest(vecFacSe, vecExAnMSe, 24);
ExAnMARv1Dm = DMTest(vecFacSe, vecExAnMARv1Se, 24);

print " FORECAST OF INFLATION: 24-Step Ahead ";
print "-----";
print "";
print "Proxy_A(j) DM Stat is " PxyADm ", " meanc(vecPxyASe);
print "Proxy_M(j) DM Stat is " PxyMDm ", " meanc(vecPxyMSe);
print "";
print "ExAnte_A(j) DM Stat is " ExAnADm ", " meanc(vecExAnASe);
print "ExAnte_M(j) DM Stat is " ExAnMDm ", " meanc(vecExAnMSe);
print "";
print "ExAnte_A(j) ARv1 DM Stat is " ExAnAARv1Dm ", " meanc(vecExAnAARv1Se);
print "ExAnte_M(j) ARv1 DM Stat is " ExAnMARv1Dm ", " meanc(vecExAnMARv1Se);
print "";
print "A(j) proxies are " vecExAnAPxy';
print "M(j) proxies are " vecExAnMPxy';
print "";
print "";
print "";

output off;
```