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Time-varying parameter regressions

by

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Abstract

Multivariate time series models in which correlations change over time can be reformulated as regression models with time-varying parameters. Relative to standard methods, the multivariate approach yields models with more satisfactory properties and generalization is more straightforward. Although models can be set up in a parameter driven framework, the recently developed dynamic conditional score approach is more tractable. Simulation experiments on estimating such models and testing for parameter constancy are reported.

*** Joint work with Stephen Thiele.**

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