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This folder contains three files:

1. `qlr.ado` is the stata `.ado` file to implement the Quandt Likelihood Ratio Test. This `.ado` file has to be in the current working directory in order for stata to recognize the command. The syntax is:

```
qlr y x1 x2 if tin(time1, time2), graph type(pdf)
```

The `graph` option produces a graph of F -statistics testing for a break in the coefficients and intercept in the regression, plotted as a function of the break date, for all possible break dates in the middle 70% of the sample by default. The `type(pdf)` option saves the graph as a `.pdf`.

One can specify the level of trimming using the `trim` option. The default is 15%, i.e., `trim(0.15)`.

The program will display the largest five F -statistics to the screen. One can specify the number of F -statistics to report to the screen using the `display` option. The default is 5, i.e., `display(5)`.

The default uses a HAC variance-covariance matrix. To change to a HR variance-covariance matrix, use the `regress` option.

2. `qlr_example.dta` is a data set used in `example.do`. The original time series are from FRED.
3. `example.do` is an example `.do` file that uses `qlr.ado` and `qlr_example.dta` to
 - a. estimate an ADL(4,3) model forecasting employment growth and
 - b. perform the QLR test for this regression.