

On random processes as an implicit solution of equations

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To describe observed data in economics, several convenient models were introduced. Large family of such models provides an implicit description of a random process. It is required the random process is a solution of a given system of equations. And, an additional requirement is that the considered process must be causal and stationary.

Widely used processes as AR, MA, ARMA, ARCH, GARCH, etc. belong to this class. We will present a discussion on uniqueness of the solution together with a numerical study.

References

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