

Table 3: Tests for Correlation of the Ex Post Real Rate (EPRR) with Other Variables, Original Equations, Germany, 1970-2000 (after Mishkin (1981))

		Dependent Variable: EPRR Estimation Method: Ordinary Least Squares n = 336 to 349, depending on adjustments for endpoints										Breusch-Godfrey Serial Correlation LM Test Probability	White Hetero- skedasticity Test Probability		
Equation	Other Explanatory Variable	Coefficient of								AdjustR^2	Std Error	Wald Test		Breusch-Godfrey Serial Correlation LM Test Probability	White Hetero- skedasticity Test Probability
		Constant	Inflation(-1)	Other Explanatory Variables								F-Statistic	Probability		
				-1	-2	-3	-6	-9	-12						
Equation 3.1	M3	1.677694		0.621249	0.873274	1.130309	2.296223	3.436087	4.238271	-0.000493	0.404537	0.972496	0.443783	0	0.944436
t-statistics		38.05932		0.2319	0.325234	0.421307	0.858851	1.291457	1.592735						
Equation 3.2	Inflation + M3	1.677733	-0.803678	0.618005	0.8822	1.118088	2.292442	3.439131	4.237421	-0.003502	0.405145	0.968921	0.446238	0	0.927765
t-statistics		38.002	-0.116302	0.230331	0.327932	0.415808	0.856087	1.290599	1.590021						
Equation 3.3	Industrial Production	1.741797		-2.479255	-2.974766	-2.205686	-0.269454	0.564361	0.164309	0.004646	0.418011	1.269968	0.27052	0	0.190374
t-statistics		76.48542		-2.153156	-2.279768	-1.910687	-0.269349	0.578418	0.171435						
Equation 3.4	Inflation + Industrial Production	1.74178	-1.964122	-2.484137	-2.982348	-2.218917	-0.274749	0.575202	0.178175	0.001945	0.418578	1.275209	0.268028	0	0.206538
t-statistics		76.38078	-0.277673	-2.154225	-2.281985	-1.917917	-0.274221	0.588262	0.185399						
Equation 3.5	Government Revenues	1.7275		0.159613	0.261614	0.188025	0.091428	0.122556	0.102902	-0.014791	0.422073	0.157033	0.987563	0	0.99966
t-statistics		74.01789		0.482527	0.665664	0.568692	0.350147	0.472002	0.390192						
Equation 3.6	Inflation + Government Revenues	1.727381	-1.762246	0.161016	0.26413	0.190618	0.093224	0.12787	0.106538	-0.017595	0.422655	0.162603	0.986361	0	0.993484
t-statistics		73.89518	-0.246106	0.486026	0.670912	0.575449	0.356394	0.490102	0.402792						
Equation 3.7	Government Expenditures	1.723981		0.331071	0.482148	0.424964	0.031834	0.171657	0.069928	-0.011985	0.421489	0.315069	0.928991	0	0.083455
t-statistics		73.29617		0.826224	1.084394	1.05294	0.096301	0.51995	0.210505						
Equation 3.8	Inflation + Government Expenditures	1.724002	-0.66497	0.328497	0.48401	0.423908	0.030716	0.168969	0.070397	-0.014936	0.422103	0.311466	0.930861	0	0.167285
t-statistics		73.18705	-0.092175	0.816633	1.085881	1.048375	0.092723	0.509086	0.211585						
Equation 3.9	Surplus/Deficit	1.978438		0.016111	0.015464	0.014406	0.012601	0.017124	0.013492	0.132305	0.390028	9.84376	0	0	0.754914
t-statistics		51.90464		2.049602	1.842214	1.744996	1.465621	2.067578	1.615068						
Equation 3.10	Inflation + (Surplus/Deficit)	1.978568	-1.722098	0.016157	0.015297	0.014439	0.012672	0.017163	0.013526	0.129934	0.39056	9.825201	0	0	0.444551
t-statistics		51.83288	-0.261105	2.052053	1.814535	1.746416	1.471135	2.069062	1.616798						
Equation 3.11	Unemployment	2.091746		0.221417	-0.147317	-0.006945	-0.010803	-0.015927	-0.105789	0.256438	0.360521	20.94542	0	0	0
t-statistics		47.02802		1.925032	-0.703788	-0.048117	-0.171741	-0.272461	-2.475802						
Equation 3.12	Inflation + Unemployment	2.091786	-1.807863	0.223818	-0.152387	-0.003947	-0.011167	-0.01595	-0.105742	0.254444	0.361004	20.89902	0	0	0
t-statistics		46.96577	-0.29658	1.938522	-0.724629	-0.027244	-0.17725	-0.272492	-2.471354						
Equation 3.13	Stock Market	1.763094		-0.000346	-0.000331	-0.0004	-0.000466	-0.000472	-0.000299	0.055278	0.412624	4.266944	0.000371	0	0
t-statistics		74.73811		-2.023042	-1.752407	-2.065223	-2.339813	-2.316905	-1.392412						
Equation 3.14	Inflation + Stock Market	1.763165	1.211037	-0.000346	-0.00033	-0.000402	-0.000469	-0.000473	-0.0003	0.052482	0.413234	4.257689	0.00038	0	0
t-statistics		74.61915	0.170837	-2.022079	-1.743923	-2.067722	-2.342593	-2.317572	-1.391389						
Equation 3.15	Leading Indicators	1.731328		-0.044235	-0.042635	-0.035016	-0.027172	-0.017241	-0.009769	0.057872	0.412057	4.429639	0.000252	0	0
t-statistics		76.97417		-2.37685	-2.267596	-1.87309	-1.484064	-0.942214	-0.536183						
Equation 3.16	Inflation + Leading Indicators	1.731329	0.142905	-0.0443	-0.042583	-0.035018	-0.027165	-0.017251	-0.009778	0.055	0.412684	4.414713	0.000261	0	0
t-statistics		76.85696	0.019827	-2.340735	-2.239207	-1.870316	-1.48111	-0.94097	-0.535696						