

ECONOMETRIC THEORY



$(\hat{A}^+ - A)F = [A_T - B_T C_T]D_T^{-1} F' F$

Editor:
Peter C.B. Phillips
Yale University

$$\beta' y_t = U_{1t} = \underbrace{\beta' \varepsilon_t}_{u_{1t}} + \underbrace{(-G(F - I)y_{2t-1})}_{\tilde{u}_{1t}}$$

$$\beta' \Delta y_t = \Delta U_{1t} = \underbrace{\beta' \Delta \varepsilon_t}_{\Delta u_{1t}} + \underbrace{(-G(F - I)^2 y_{2t-2} - G(F - I)\varepsilon_{2t-1})}_{\Delta \tilde{u}_{1t}}$$

$$T^{-1} \sum_{t=1}^T \varepsilon_t y_{2t-1}' (I + G'G) \Rightarrow \begin{pmatrix} \Sigma_{11}^{1/2} & \int_0^1 dW_1 J_C' \Sigma_{22}^{1/2} \\ \Sigma_{22}^{1/2} & \int_0^1 dW_2 J_C \Sigma_{22}^{1/2} \end{pmatrix} (I + G'G)$$

ECONOMETRIC THEORY

Editor

Peter C.B. Phillips

Cowles Foundation for Research in Economics

Yale University

Co-Editors

M. Cattaneo (*Princeton University*), G. Cavaliere (*University of Bologna*), X. Cheng (*University of Pennsylvania*), D. Chetverikov (*University of California, Los Angeles*), I. Fernandez-Val (*Boston University*), P. Guggenberger (*Pennsylvania State University*), M. Jansson (*University of California, Berkeley*), D. Kristensen (*University College London*), G. Kuersteiner (*University of Maryland*), S. Lee (*Columbia University*), A. Lewbel (*Boston College*), A. Mikusheva (*Massachusetts Institute of Technology*), B.M. Pötscher (*University of Vienna*), E. Renault (*University of Warwick*), L. Su (*Tsinghua University*), Y. Sun (*University of California, San Diego*), A.M.R. Taylor (*University of Essex*), V. Todorov (*Northwestern University*), Y.-J. Whang (*Seoul National University*)

Advisory Board

M. Deistler (*Technische Universität Wien*), R.J. Smith (*University of Cambridge*)

Associate Editors

K. Abadir (*Imperial College London*), F. Bandi (*Johns Hopkins University*), A. Belloni (*Duke University*), M. Carrasco (*Université de Montréal*), T. Christensen (*New York University*), V. Corradi (*University of Surrey*), J. Duffy (*University of Oxford*), X. D'Haultfoeuille (*CREST*), J.C. Escanciano (*Universidad Carlos III de Madrid*), J. Gao (*Monash University*), L. Giraitis (*Queen Mary, University of London*), E. Guerre (*Queen Mary, University of London*), C. Han (*Korea University*), P. Hansen (*University of North Carolina, Chapel Hill*), S. Hoderlein (*Boston College*), R. Ibragimov (*Imperial College London*), Z. Liao (*University of California, Los Angeles*), D. Li (*University of York*), J. Li (*Singapore Management University*), O. Lieberman (*Bar-Ilan University*), T. Magdalinos (*University of Southampton*), H.R. Moon (*University of Southern California*), M. Nielsen (*Queen's University*), A. Onatskiy (*University of Cambridge*), T. Otsu (*London School of Economics*), J. Pinkse (*Pennsylvania State University*), I.R. Prucha (*University of Maryland*), A. Rahbek (*University of Copenhagen*), O. Scaillet (*Université de Genève and Swiss Finance Institute*), S. Schennach (*Brown University*), X. Shi (*University of Wisconsin, Madison*), G. Tripathi (*University of Luxembourg*), C. Velasco (*Universidad Carlos III de Madrid*), T. Vogelsang (*Michigan State University*), Z. Xiao (*Boston College*), J. Yu (*Singapore Management University*), J.-M. Zakoian (*CREST*)

ET E-mail: econometric.theory@yale.edu

ET Yale Website: <http://korora.econ.yale.edu/et>

Subscriptions: *Econometric Theory* (ISSN 0266-4666) is published bimonthly by Cambridge University Press, One Liberty Plaza, Floor 20, New York, NY 10006 / Cambridge University Press, University Printing House, Shaftesbury Road, Cambridge CB2 8BS, UK.

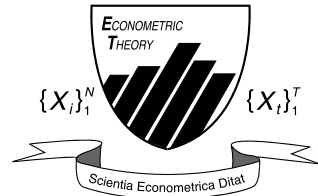
Rates for 2021: Institutions, print plus online, US \$1647.00 in the US, Canada, and Mexico; UK £980.00 + VAT elsewhere. Institutions, online only: US \$1335.00 in the US, Canada, and Mexico; UK £789.00 + VAT elsewhere. Individuals, print plus online: US \$439.00 in the US, Canada, and Mexico; UK £257.00 + VAT elsewhere (prepayment by personal check or credit card only). Prices include postage and insurance; air mail or registered mail extra. Back volume prices upon request.

Periodicals postage paid New York, NY and additional mailing offices. Postmaster: send address changes in the USA, Canada, and Mexico to: *Econometric Theory*, Journals Department, Cambridge University Press, One Liberty Plaza, Floor 20, New York, NY 10006.

Institutional orders may be sent to a bookseller, subscription agent, or directly to Cambridge University Press, One Liberty Plaza, Floor 20, New York, NY 10006 or outside the U.S.A., Canada, and Mexico to Cambridge University Press, University Printing House, Shaftesbury Road, Cambridge CB2 8BS, England. Claims for missing issues should be made immediately after receipt of the next issue.

Special student rate: \$128.00 (€79.00). Proof of student status must accompany your order.

This journal is part of the Cambridge Core service. Access to online tables of contents and article



abstracts is available to all researchers at no cost. Institutional subscribers: Access to full-text articles online is currently included with the cost of the print subscription. Subscriptions must be activated; see <http://www.cambridge.org/ect> for details.

Copyright: © Cambridge University Press 2021. All rights reserved. No part of this publication may be reproduced, in any form or by any means, electronic, photocopy, or otherwise, without permission in writing from Cambridge University Press. For further information see <http://us.cambridge.org/information/rights/> or <http://www.cambridge.org/uk/information/rights/>

Copying: *Photocopying information for users in the USA:* The Item-Fee Code for this publication indicates that copying for internal or personal use beyond that permitted by Sec. 107 or 108 of the US Copyright Law is authorized for users duly registered with the Copyright Clearance Center (CCC), provided that the appropriate remittance of \$15.00 per article is paid directly to: CCC, 222 Rosewood Drive, Danvers, MA 01923. Specific written permission must be obtained for all other copying: Contact your nearest Cambridge University Press office. *The Item-Fee Code* for this journal is: 0266-4666/15 \$15.00.

ISI Tearsheet Service, 3501 Market Street, Philadelphia, PA 19104, U.S.A., is authorized to supply single copies of separate articles for private use only.

Article Reprints are available from the authors. For orders of 50 or more reprints, contact the Production Office.

Advertising: Inquiries about advertising should be sent to the Journals Promotion Department of the New York or Cambridge offices of Cambridge University Press. UK: ad_sales@cambridge.org. US: USAdSales@cambridge.org.

Instructions for Contributors are provided at the back of the journal.

Econometric Theory is indexed in Social Sciences Citation Index; Current Contents/Social & Behavioral Sciences; *Journal of Economic Literature*; Index of Economic Articles; Economic Literature Index; *Statistical Theory and Method Abstracts*; and *Zentralblatt für Mathematik*.