

ARTICLES

Grant Hillier

On the Conditional Likelihood Ratio Test for Several Parameters in IV Regression 305

Christian M. Hafner and Arie Preminger

Asymptotic Theory for a Factor GARCH Model 336

Andreea G. Halunga and Chris D. Orme

First-Order Asymptotic Theory for Parametric Misspecification Tests of GARCH Models 364

Alexander Aue, Lajos Horváth, Marie Hušková, and Shiqing Ling

On Distinguishing between Random Walk and Change in the Mean Alternatives 411

Enno Mammen, Bård Støve, and Dag Tjøstheim

Nonparametric Additive Models for Panels of Time Series 442

Tassos Magdalinos and Peter C.B. Phillips

Limit Theory for Cointegrated Systems with Moderately Integrated and Moderately Explosive Regressors 482

Richard J. Smith, A.M. Robert Taylor, and

Tomas del Barrio Castro

Regression-Based Seasonal Unit Root Tests 527

NOTES AND PROBLEMS

Juan Carlos Escanciano

Quasi-Maximum Likelihood Estimation of Semi-Strong GARCH Models 561

Dietmar Bauer

Almost Sure Bounds on the Estimation Error for OLS Estimators When the Regressors Include Certain MFI(1) Processes 571

ECONOMETRIC THEORY

Notes for Contributors

Contributions. Contributions are welcomed from all countries. They should be written in English.

Manuscripts. Manuscripts should be submitted by e-mail to:

Peter C.B. Phillips
Editor, *Econometric Theory*
Cowles Foundation for Research
in Economics
Yale University
P.O. Box 208281
New Haven, CT 06520-8281, USA
E-mail: econometric.theory@yale.edu

All submissions should be made electronically to econometric.theory@yale.edu.

Electronic submissions may be made directly to the above e-mail address. These should be in PDF format with all fonts (and graphics) embedded and should be accompanied by a letter of submission.

Manuscripts are accepted for review on the understanding that the same work has not been and will not be published nor is presently submitted elsewhere. While under editorial review, it is the responsibility of the authors to keep the Editor informed about submissions, publication plans, and actual publication of related research or abstracts thereof in other outlets, including letters, journals, review publications, journals in other disciplines, conference proceedings, and published dissertations. It is further understood that all persons listed as authors have given their approval for the submission of the article and that any person cited as a source of personal communication has approved such citation; written authorization may be required at the Editor's discretion. Authors are responsible for obtaining written permission to publish material for which they do not own the copyright. Articles and other material published in *Econometric Theory* represent the opinions of the authors and should not be construed to reflect the opinions of the Editor, Advisory Board, Editorial Board, or the Publisher.

Notes and Problems (NP). Each article in the NP series is a self-contained complete publication of a worked exercise or a research-level problem. Readers are invited to contribute different solutions for the problem, to be published one year later, again as a self-contained note. Proposed additional solutions will be selected on the basis of the correctness, conciseness, generality, elegance, and diversity of methods employed. Notes outlining interesting unsolved problems are welcome. All NP articles are refereed.

Submissions are only electronic; please submit articles intended for the NP Series to ET's NP Co-editor, Paolo Paruolo, at:

et@eco.uninsubria.it

NP articles should have a clear title, the author(s) name and affiliation(s), an abstract, and numbered sections that follow the suggested format: "Motivation and Results," "Proofs and Discussion," and "References." Additional material may be placed in a technical appendix. Following publication of an NP article, comments and alternative solutions may be submitted and should be self-contained (only a brief outline of the problem is necessary). Submission of all articles intended for the NP series should include both a PDF file and all the source files derived from any TeX program (LaTeX, Scientific Word, Plain TeX, AMS TeX), including graphics files.

Preparation of Manuscript. The *entire* manuscript (including notes and references) should be typed in 10 pt. or larger, double-spaced on $8\frac{1}{2} \times 11$ -inch or A4 white paper, with wide margins to accommodate copyediting. Manuscript pages should be numbered consecutively. *Page 1* should provide article title, author name(s) in the form preferred for publication, complete affiliation(s), and e-mail address(es). At the bottom of *Page 1* place any footnotes to the title or authors, indicated by superscripts *, **, etc. *Page 2* should contain a proposed running head (abbreviated title of no more than 40 characters) and the name of the author to whom proofs should be sent. *Page 2* should also contain a short abstract of the article in less than 150 words. The Abstract will appear at the head of the article when published in the Journal.

Equations. All equations should be typewritten and the numbers for displayed equations should be in parentheses in the right margin [e.g., (1), (2), etc.; for Appendix equations use (A.1), (A.2), etc.]. Text mentions of equations should simply use the form (2) or (A.3). Superscripts and subscripts should be typed clearly above and below the line, respectively. Theorem, lemma, and proposition statements should appear in italic print. End-of-proof signposts should appear as: ■. The Expectations operator E is set roman. Authors are encouraged to use the following order for enclosures, {[...]}.

Tables and Figures. Tables and figures should be numbered consecutively in the order in which they are mentioned in the text. They should be provided as a separate set of pages following all other pages. Every table or figure should have a title or caption and at least one reference in the text to indicate its appropriate location. Figures must be submitted ready for reproduction. Authors are encouraged to submit figures in electronic form, preferably TIFF (line drawings at least 600 dpi, grey scale at least 300 dpi) or EPS (with fonts embedded) format. Figures should be submitted as high-resolution files. TeX or LaTeX files of figures are not usable. TIFF, EPS, or PDF files must be provided for all figures. Figures should remain legible at a 50% reduction, and letters within a word should not touch one another. Figure labels should correspond to text notation as to italic or roman typeface, and superscripts and subscripts should be in superior and inferior positions.

References. First text citation of each reference should include all authors' last names (and the year); use "et al." thereafter. Complete bibliographic information for each citation should be included in the list of references. References should be typed in alphabetical order in the style of the following examples:

- Bergstrom, A.R. (1976) *Statistical Inference in Continuous Time Economic Models*. North-Holland.
- Giraitis, L. & D. Surgailis (1986) Multivariate Appell polynomials and the central limit theorem. In E. Eberlein & M.S. Taqqu (eds.), *Dependence in Probability and Statistics: A Survey of Recent Results*, pp. 21–72. Birkhauser.
- Gregory, A.W. & G.W. Smith (1995) Business cycle theory and econometrics. *Economic Journal* 105, 1597–1608.

Wooldridge, J.M. (in press) On the limits of GLM for specification testing: A comment on Gurmu and Trivedi. *Econometric Theory*.

Journal names should *not* be abbreviated.

Footnotes. When more than a simple source citation is called for, footnotes may be used. These should be numbered consecutively throughout the article and listed together at the end of the text, before the references. Source citations within footnotes follow the same style as citations in the text.

Copyediting and Proofreading. The publisher reserves the right to copyedit and proofread all articles accepted for publication, but authors will be asked to review their manuscripts if changes have been substantial. Proofs will be sent (as PDF files attached to e-mail) to the corresponding author for corrections of typographical errors only.

Offprints. Authors may purchase offprints if they are ordered at the proof stage (an order form will be sent with proofs). Contributors will be asked to assign their copyrights, on certain conditions, to Cambridge University Press.

EDITORIAL POLICY. Since its inception *Econometric Theory* has aimed to endow econometrics with an innovative and authoritative journal dedicated to advance theoretical research in econometrics. It provides a centralized professional outlet for original theoretical contributions in all of the major areas of econometrics and seeks to foster the multidisciplinary features of econometrics that extend beyond the subject of economics. Among the many aspects of econometrics to come within the scope of *ET* are the statistical theory of estimation, testing, prediction, and decision procedures in traditionally active areas of research such as linear and nonlinear modeling, simultaneous equations theory, time series, studies of robustness, nonparametric methods, inference under misspecification, finite sample econometrics, limited dependent variable models, the treatment of panel data, and models of discrete choice. *ET* will provide a receptive arena for theoretical studies that open up new fields of research in econometrics and whose application potential is on a longer term horizon. Particularly welcome are articles that promote original econometric research in relation to modern developments in mathematical statistics and probability theory. Contributions that exposit methodological and technical advances in these fields and that illustrate their potential in econometric research are actively encouraged. Articles that unify earlier econometric work either in productive ways or by the use of more elegant methods also lie within the scope of the Journal.

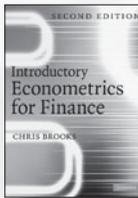
As well as articles that embody original theoretical research, *ET* publishes historical studies on the evolution of econometric thought and interviews with the subject's leading scholars. *ET* also serves an educational role by the inclusion of a "Notes and Problems Series" and by the publication of pedagogical articles that deal explicitly with educational issues.

Outstanding New Titles from Cambridge

Introductory Econometrics for Finance

Chris Brooks

\$160.00: Hb: 978-0-521-87306-2
\$65.00: Pb: 978-0-521-69468-1:
674 pp.



RATS Handbook to Accompany Introductory Econometrics for Finance

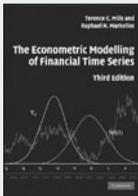
Chris Brooks

\$99.00: Hb: 978-0-521-89695-5
\$39.99: Pb: 978-0-521-72168-4:
214 pp.

The Econometric Modelling of Financial Time Series

Terence C. Mills and Raphael N. Markellos

\$130.00: Hb: 978-0-521-88381-8
\$48.00: Pb: 978-0-521-71009-1:
468 pp.



Now in Paperback!

Theory of Financial Risk and Derivative Pricing From Statistical Physics to Risk Management

Jean-Philippe Bouchaud and Marc Potters

\$58.00: Pb: 978-0-521-74186-6:
400 pp.

Communication in Mechanism Design

A Differential Approach

Steven R. Williams

\$75.00: Hb: 978-0-521-85131-2:
216 pp.

Price and Quantity Index Numbers

Models for Measuring Aggregate Change and Difference

Bert Balk

\$85.00: Hb: 978-0-521-88907-0:
300 pp.

Stochastic Approximation

A Dynamical Systems

Viewpoint

Vivek S. Borkar

\$70.00: Hb: 978-0-521-51592-4:
176 pp.

Probability and Statistics by Example

Volume 2 - Markov Chains: A Primer in Random Processes and their Applications

Yuri Suhov and Mark Kelbert

\$140.00: Hb: 978-0-521-84767-4
\$60.00: Pb: 978-0-521-61234-0:
498 pp.

Generalized Linear Models for Insurance Data

Piet de Jong and Gillian Z. Heller

International Series on Actuarial Science

\$70.00: Hb: 978-0-521-87914-9:
206 pp.

Cambridge Series in Statistical and Probabilistic Mathematics

Model Selection and Model Averaging

Gerda Claeskens and Nils Lid Hjort

\$70.00: Hb: 978-0-521-85225-8:
320 pp.

Design of Comparative Experiments

R. A. Bailey

\$130.00: Hb: 978-0-521-86506-7
\$52.00: Pb: 978-0-521-68357-9:
348 pp.

Now in Paperback!

Statistical Models

A. C. Davison

\$50.00: Pb: 978-0-521-73449-3:
736 pp.

Symmetry Studies

An Introduction to the Analysis of Structured Data in Applications

Marlos A. G. Viana

\$60.00: Hb: 978-0-521-84103-0:
248 pp.

Prices subject to change.

