Economics Bulletin

Volume 28, Issue 8

Research Announcement

Temporal Aggregation and the Akaike and Schwarz Model Selection Criteria. Some Monte Carlo Results

George Xanthos
Technological Educational Institute of Crete

Kostantinos Gilas
University of Crete Department of Economics

Dikaios Tserkezos
University of Crete Department of Economics

Abstract

This short paper demonstrates that the use of temporally aggregated data may affect the performance of the well known Akaike and Schwarz model selection criteria. These two criteria are widely used for model selection in linear and nonlinear models. Using Monte Carlo techniques, we find that temporal aggregation could affect seriously the performance of the two aforementioned criteria.

Completed draft available on request from:
George Xanthos
Technological Educational Institute of Crete
xanthosg@ret.forthnet.gr
Retymnon, 74100, Greece
+302810379613(Phone)

Citation: George Xanthos and Kostantinos Gilas and Dikaios Tserkezos, (2007) "Temporal Aggregation and the Akaike and Schwarz Model Selection Criteria. Some Monte Carlo Results", *Economics Bulletin*, Vol. 28 no.8 p.A1.
Submitted: October 04, 2007 **Published:** October 08, 2007.
URL: http://www.accessecon.com/pubs/EB/2007/Volume28/EB-07AA0016A.pdf