

APPENDIX C

COINTEGRATION TEST RESULTS

Table C1

Johansen Cointegration Test Results: Rubber products

Trend Assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 5				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.432119	82.15462*	47.85613	0.0000
$r \leq 1$	0.306235	38.01878*	29.79707	0.0045
$r \leq 2$	0.092870	9.500221	15.49471	0.3211
$r \leq 3$	0.024035	1.897593	3.841466	0.1683
Trace test indicates 2 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = 0.31 + 0.81c - 0.20erd + 0.28pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C2
Johansen cointegration test: Canned seafood

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 5				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.391691	70.10060*	47.85613	0.0001
$r \leq 1$	0.224345	31.32899*	29.79707	0.0331
$r \leq 2$	0.135855	11.51332	15.49471	0.1818
$r \leq 3$	0.001591	0.124178	3.841466	0.7245
Trace test indicates 2 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = 1.17 + 0.98c - 0.65erd + 0.27pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C3
Johansen cointegration test: Iron & steels

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 5				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.319262	60.80000*	47.85613	0.0019
$r \leq 1$	0.218869	30.80289*	29.79707	0.0382
$r \leq 2$	0.119597	11.53590	15.49471	0.1806
$r \leq 3$	0.020312	1.600621	3.841466	0.2058
Trace test indicates 2 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = -2.36 + 1.35c - 0.07erd + 0.18pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C4
Johansen cointegration test: Furniture and parts

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 3				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.586659	93.03037*	47.85613	0.0000
$r \leq 1$	0.194976	22.35179	29.79707	0.2793
$r \leq 2$	0.058284	5.001116	15.49471	0.8087
$r \leq 3$	0.002459	0.196953	3.841466	0.6572
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = 5.16 - 1.054c - 0.12erd + 1.05pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C5
Johansen cointegration test: Motor cars, parts and accessories

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 6				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.350897	60.62326*	47.85613	0.0020
$r \leq 1$	0.180656	27.34670	29.79707	0.0934
$r \leq 2$	0.140403	12.00432	15.49471	0.1567
$r \leq 3$	0.004598	0.354889	3.841466	0.5514
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = -4.91 + 2.04c - 0.40erd + 0.31pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C6
Johansen cointegration test: Garments

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 2				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.277368	53.71516*	47.85613	0.0127
$r \leq 1$	0.165586	27.40186	29.79707	0.0922
$r \leq 2$	0.116184	12.73882	15.49471	0.1247
$r \leq 3$	0.033199	2.734785	3.841466	0.0982
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = 3.75 - 0.21c - 0.18erd + 0.53pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C7
Johansen cointegration test: Plastic products

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 3				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.351084	55.06462*	47.85613	0.0091
$r \leq 1$	0.160325	20.46851	29.79707	0.3916
$r \leq 2$	0.073679	6.489303	15.49471	0.6377
$r \leq 3$	0.004571	0.366537	3.841466	0.5449
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level.				
The long-run relationship: $pxd = 0.70 + 0.75c - 0.04erd + 0.13pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C8
Johansen cointegration test: Chemical products

Trend assumption: Linear deterministic trend				
Lags interval (in first differences): 1 to 4				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.318083	46.37387	47.85613	0.0684
$r \leq 1$	0.136037	16.12891	29.79707	0.7032
$r \leq 2$	0.055508	4.577089	15.49471	0.8520
$r \leq 3$	0.000830	0.065588	3.841466	0.7979
Trace test indicates no cointegration at the 0.05 level.				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values

Table C9
Johansen cointegration test: Plastic products (Asymmetric Pass-Through)

Linear deterministic trend				
Lags interval (in first differences): 1 to 3				
<i>Null Hypothesis</i>	<i>Eigenvalue</i>	<i>Trace statistic</i>	<i>0.05 Critical Value</i>	<i>Prob**</i>
$r=0$	0.441320	87.74980*	69.81889	0.0010
$r \leq 1$	0.196950	41.17553	47.85613	0.1831
$r \leq 2$	0.194120	23.62845	29.79707	0.2166
$r \leq 3$	0.071811	6.362818	15.49471	0.6526
Trace test indicates 1 cointegrating eqn(s) at the 0.05 level				
Long-run relationship: $p_{xd} = 2.96 + 0.81c - 0.35erd + 0.18erd^D - 0.18pc$				

Notes: * Denotes rejection of the hypothesis at the 0.05 level

**MacKinnon-Haug-Michelis (1999) p-values