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# Bayesian Unit Root Test for Time Series Models with Structural Break in Variance

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ABSTRACT

The present article considers Bayesian unit root test for autoregressive model involving structural break in variance. The posterior odds ratio for testing of unit root hypothesis against the alternative of break in variance has been derived under appropriate prior assumptions for the parameters. The theoretical results are applied to export data of selected ASEAN countries.

**JEL Classification:** C11, C12, C18, C22.
**Keywords**: Autoregressive model, break in variance, prior distribution, posterior odds ratio.

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