

## Introduction to EViews 4.1 - Interactive

### Data Input

Mainly, we are going to work on a *Workfile* which including objects (series, equations, models, and matrices.) Before creating a workfile, we will have to create a data file with Excel (or text, lotus ...) so that we can export the data in Excel to workfile in EViews.

- **Create a data file with Excel**
  1. Open MS Excel application
  2. Place the floppy diskette (I have prepared) to A drive (a:)
  3. Retrieve Mydata.xls from your A drive (normally you will have to create your own data set)
  4. Look at how I set up the data in spread sheet
  5. Pay attention to cell **B2** please (workfile in EViews will pick up the data from this cell)
  6. **Close this file in Excel (crucial action!!! Otherwise, the data in this file cannot be able to export to EViews' workfile)**
  
- **Create a workfile in EViews**
  1. Click on **File – New – Workfile**
  2. Specify the workfile frequency
    - Click on **Annual**
    - Enter **1973** in **Start date** box
    - Enter **1996** in **End data** box
    - Hit **OK**
  
- **Import data from excel file into workfile**
  1. Click on **File – Import – Read text-lotus-excel...**
  2. Retrieve **Mydata.xls** file from your A drive
  3. Enter **P E** (names of variables) two variables in the box of '**Name for series or Number of series if names in file...**' (Note that EViews is not case sensitive)
  4. EViews workfile will pick up the data from cell **B2** (therefore, you can rename the variables!!!)
  5. Now, double-click on variables p and e to examine your data (crucial)
  6. Click on **Save** icon to save your workfile and name it **myworkfile.wfl**

### Graphical Analysis of the Data

- Create a data graph

1. Double-click on **p** variable
2. Click on **View – Line Graph**
3. Click on **Objects – View Options – Add text**
4. Enter Figure 1: Australian Auto Price
5. Hit **OK**
6. Repeat step 1. to 3 with variable **e**.
7. Enter Figure 2: Australian Exchange Rates
8. Hit **OK**

- **Export the graphs into your favorite word processor**

1. Click on **Edit – Copy – OK** (if you would like to keep the color on your graphs: **Edit – Copy – click on use Color – OK**)
2. **Open your favorite word processor, say MS Word, and Click on Paste icon**

#### **Descriptive Statistics of the Data**

1. **Double-click on e variable**
2. **Click on View – Descriptive Statistics – Histogram and Stats**
3. **Export the results to your favorite word processor**

#### **Plot two Variables**

1. **Click on p variable – hold Ctrl key while clicking on e variable**
2. **Point your cursor on the highlighted variables and right-click on the mouse – Click on Open – as Group**
3. **Click on View – Graph – Scatter – Scatter with Regression**
4. **Export the results into your favorite word processor**

#### **Data Transformation**

- **log transformation**

1. **On the workfile, click on Genr**
2. **Enter your equation such as  $\ln p = \log(p)$  and click on OK**
3. **Again, click on Genr**
4. **Enter  $\ln e = \log(e)$  and click on OK**
5. **Click on Save**

#### **Simple Regression – OLS (Ordinary Least Squares)**

1. **Click on  $\ln p$  variable – hold Ctrl key while clicking on  $\ln e$  variable**
2. **Point your cursor on the highlighted variables and right-click on the mouse – Click on Open – as Group**
3. **Click on Procs – Make Equations – OK**
4. **Export the results into your favorite word processor**

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