Readme for xtvar.ado v1.0.1 Cagala & Glogowsky, October 1 2012

Friedrich-Alexander University Erlangen-Nürnberg

Tobias Cagala & Ulrich Glogowsky, October 2012.

XTVAR estimates a panel vector autoregression, using a least squares dummy variable estimator. The estimator fits a multivariate panel regression of each dependent variable on lags of itself and on lags of all the other dependent variables. The program also produces Forecast Error Variance Decompositions and Impulse Response Functions. For inference, bootstrap and Monte-Carlo methods are implemented.

- For an application see Cagala et al. (2014): Cooperation and Trustworthiness in Repeated Interaction.
- The code comes with no support or warranties.
- You can use the tool as follows:

  1) Copy the files xtvar.txt and xtvar.sthlp into your local ado-file folder.
  2) Restart Stata or type adoupdate.
  3) Use the program by typing: xtvar `varlist'. There are a plenty of options.

- See xtvar_sample.do for an example and the help file for more details.
- If you use the program in a paper, please cite the tool as:
  Cagala, T. and Glogowsky, U. (2014). Panel Vector Autoregressions for Stata (xtvar).