User's Guide for Denton (1971) Method for EViews 7

See:

Denton, Frank T. "Adjustment of Monthly or Quarterly Series to Annual Totals: An Approach Based on Quadratic Minimization". *Journal of the American Statistical Association.* March 1971, Volume 66, Number 333.

Step 1.

Create a text file called ANNUAL.txt which will contain the data you wish to bring to quarters. The file must contain only the data (no dates column and no header). Save this file in a folder of your choice.

Step 2.

Create a text file called QUARTER.txt which will contain the ad hoc quarter variable which will be used to bring the annual data to quarters. The file must contain the header "quarter" (without the quotation marks) as a first line, then the data. Save the file in the same folder you used for ANNUAL.txt

Step 3.

Make sure the file QUARTER.txt contains the same period as the file ANNUAL.txt. That is, 4 times the number of years.

Step 4.

Open the program Denton_Method_Interface.prg using EViews 7 (or paste the content of the code in a New Program) and make it run, either by clicking the "Run" button in the program window or by using the short-cut Alt+F+R, then press Enter.

Step 5.

Once you have clicked OK on the first dialog box, go on to the directory setting (second dialog box). Here you must paste the path of the folder where you placed the files ANNUAL.txt and QUARTER.txt.

Step 6.

In the third dialog box, you must type the number of years you wish to bring to quarters.

Step 7.

Double click on the series "quarter_series" which EViews 7 will display in the window Workfile:UNTITLED. Copy these series in the software of your choice and make sure that the series you pasted on ANNUAL equal the sum of the corresponding quarter for each year (i.e. year1 = quarter1 + quarter2 + quarter3 + quarter4).