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Appendix A

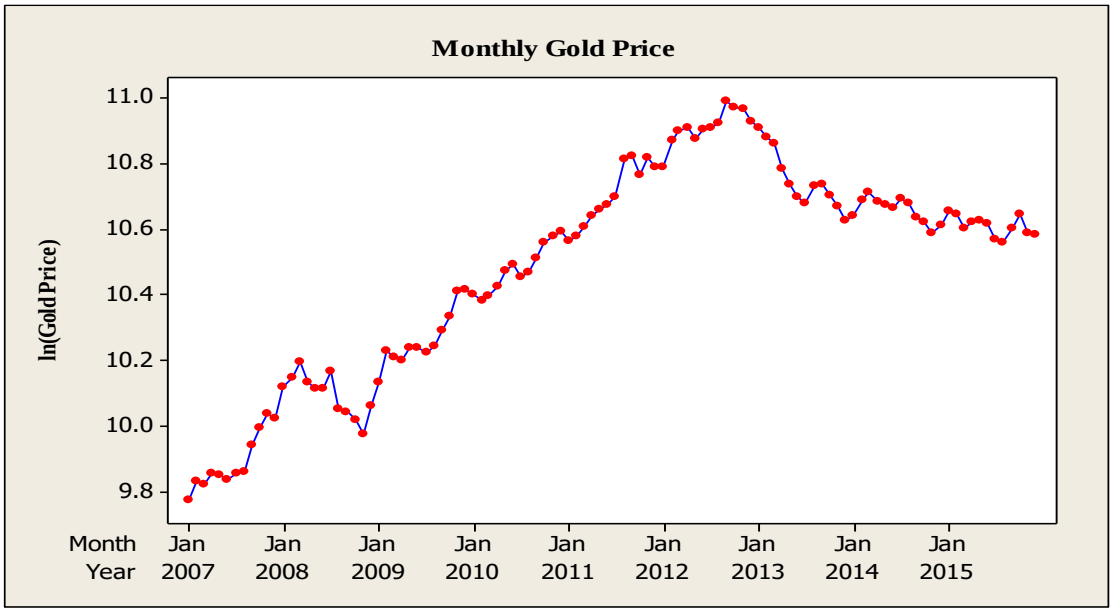


Figure A1: Log value of monthly gold price

ncluded observations: 104
Q-statistic probabilities adjusted for 2 ARMA term(s)

Autocorrelation	Partial Correlation		AC	PAC	Q-Stat	Prob
		1	0.181	0.181	3.5024	
		2	-0.074	-0.111	4.0983	
		3	-0.021	0.015	4.1448	0.042
		4	-0.024	-0.033	4.2095	0.122
		5	0.139	0.156	6.3669	0.095
		6	0.199	0.144	10.806	0.029
		7	0.055	0.018	11.151	0.048
		8	-0.100	-0.092	12.303	0.056
		9	-0.054	-0.008	12.644	0.081
		10	0.071	0.065	13.229	0.104
		11	0.145	0.086	15.732	0.073
		12	0.046	-0.030	15.991	0.100
		13	-0.117	-0.110	17.650	0.090
		14	-0.079	-0.003	18.410	0.104
		15	0.001	0.014	18.411	0.143
		16	0.076	0.028	19.136	0.160
		17	0.072	-0.003	19.787	0.180

Figure A2: Correlogram of $D[GOLD\ PRICE]$

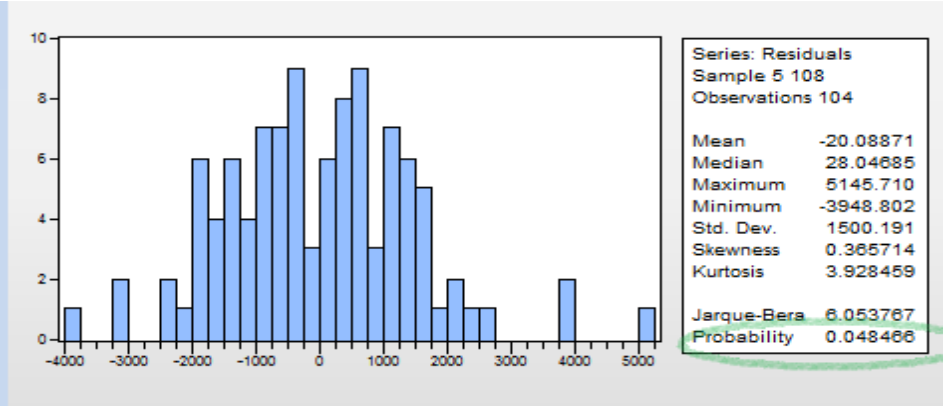


Figure A3: The histogram of residuals of $D[GOLD\ PRICE]$

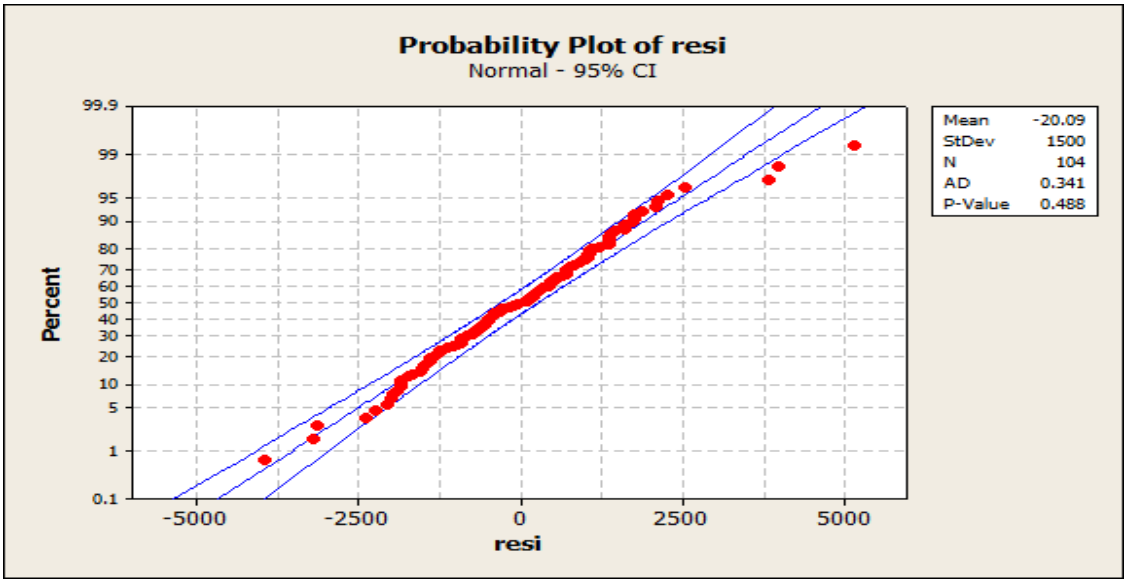
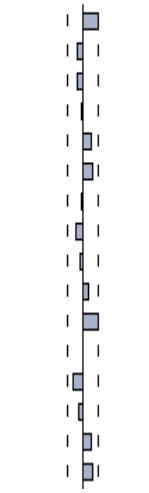


Figure A4: Normal probability plot of residuals of $D[GOLD\ PRICE]$

Sample: 4 108
Included observations: 105
Q-statistic probabilities adjusted for 2 ARMA term(s)



Autocorrelation	Partial Correlation		AC	PAC	Q-Stat	Prob
		1	0.199	0.199	4.2728	
		2	-0.068	-0.112	4.7814	
		3	-0.080	-0.044	5.4789	0.019
		4	-0.014	0.005	5.5012	0.064
		5	0.111	0.107	6.8748	0.076
		6	0.124	0.079	8.6256	0.071
		7	-0.013	-0.042	8.6439	0.124
		8	-0.096	-0.062	9.7178	0.137
		9	-0.027	0.016	9.8041	0.200
		10	0.070	0.055	10.383	0.239
		11	0.195	0.152	14.912	0.093
		12	0.002	-0.074	14.913	0.135
		13	-0.132	-0.081	17.046	0.107
		14	-0.057	0.014	17.454	0.133
		15	0.099	0.099	18.685	0.133
		16	0.124	0.035	20.632	0.111

Figure A5: Correlogram of $D[Ln[GOLD\ PRICE]]$- Model 1

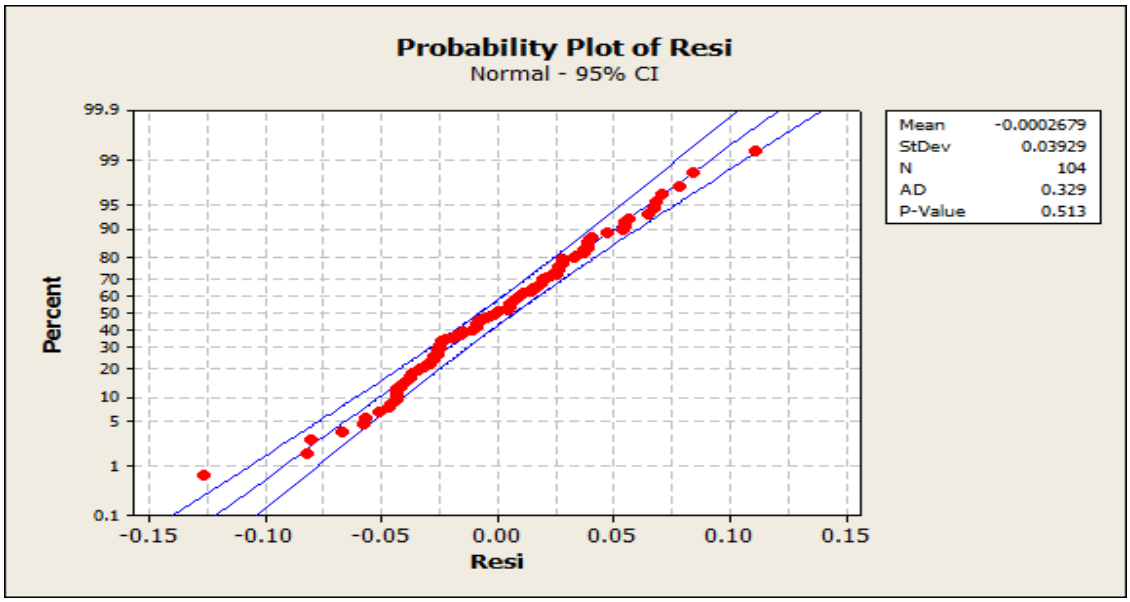


Figure A6: Normal probability plot of residuals of $D[Ln[GOLD\ PRICE]]$-Model 1

Appendix B

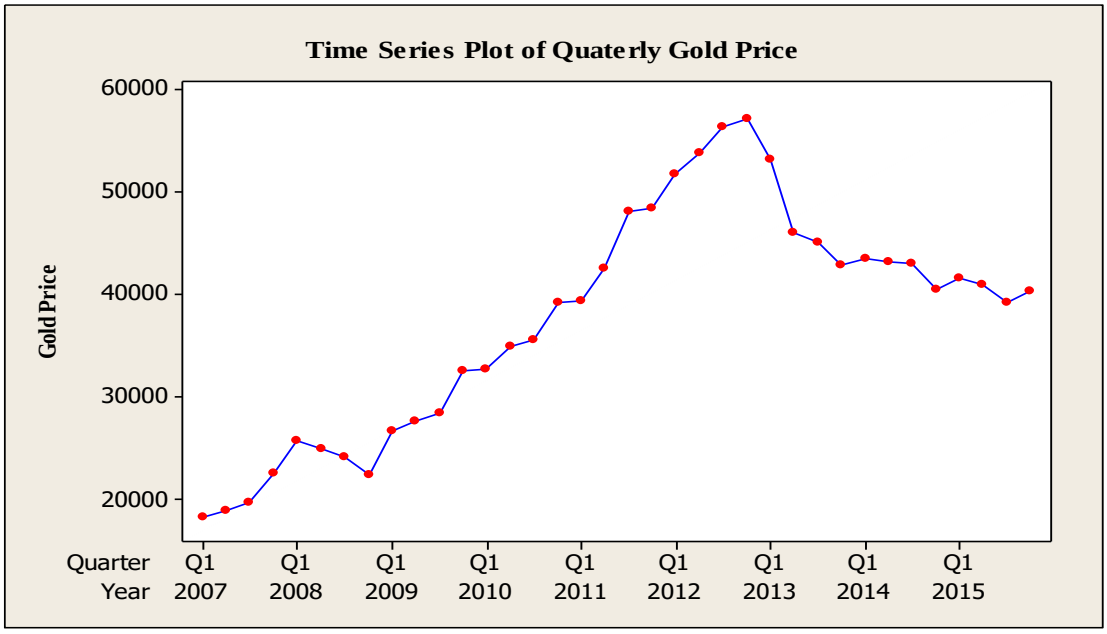


Figure:B1 Time Series plot of quarterly gold price from 2007, January to 2015, December

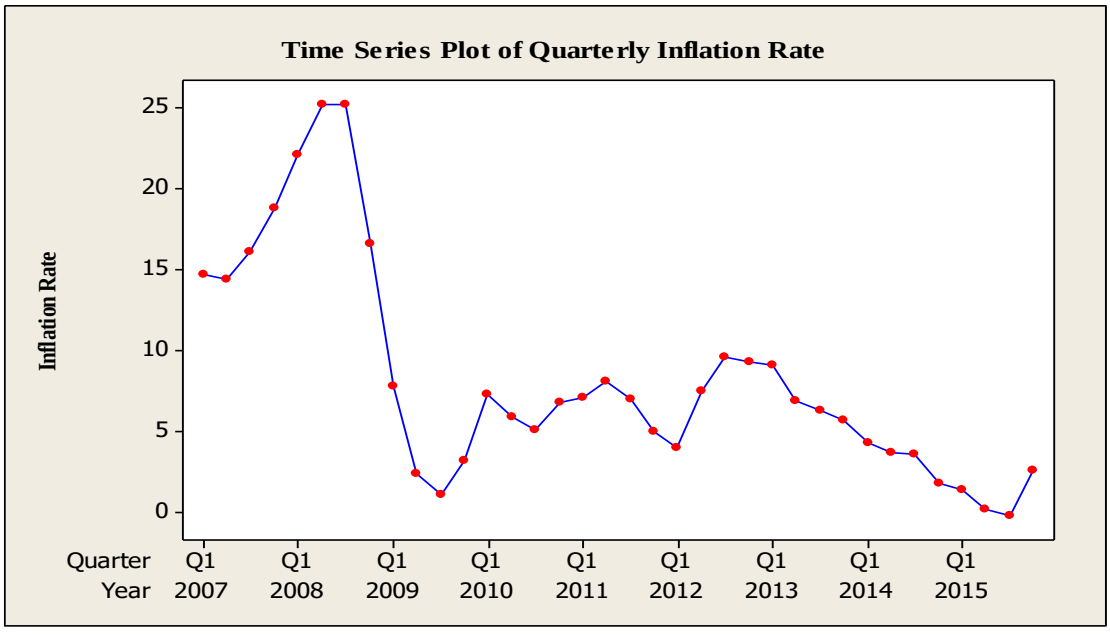


Figure:B2 Time Series plot of quarterly of inflation rate from 2007, January to 2015, December

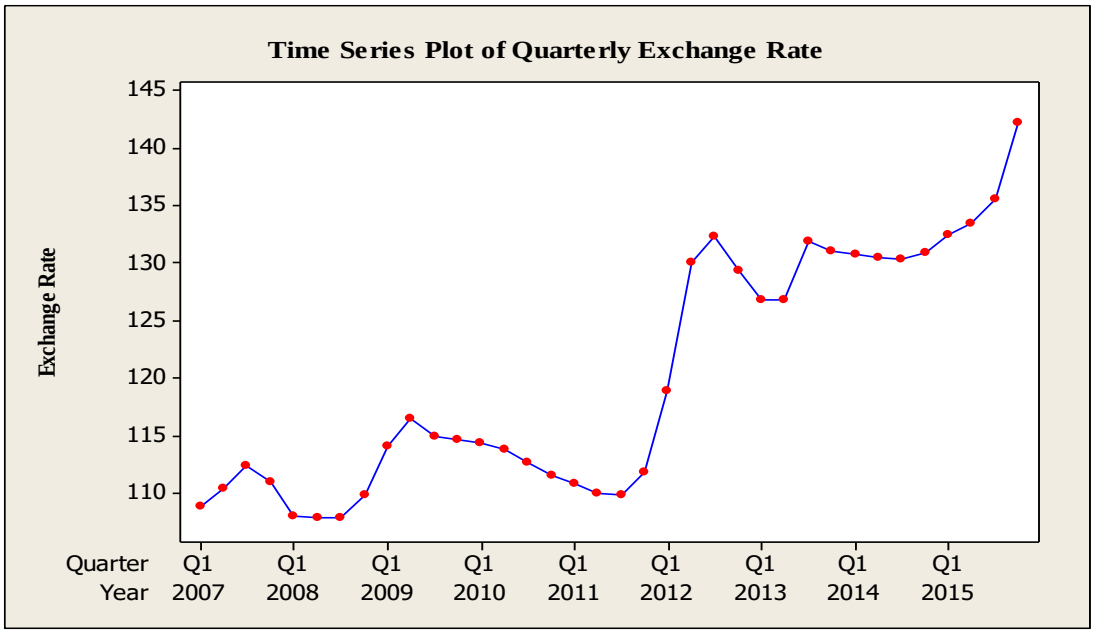


Figure:B3 Time Series plot of quarter values of exchange rate from 2007, January to 2015, December

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-19731.58	22630.05	-0.871920	0.3896
EX	504.9510	176.5174	2.860629	0.0073
IR	-414.7010	272.3866	-1.522472	0.1374

R-squared	0.422910	Mean dependent var	37515.66
Adjusted R-squared	0.387935	S.D. dependent var	11143.27
S.E. of regression	8717.890	Akaike info criterion	21.06380
Sum squared resid	2.51E+09	Schwarz criterion	21.19576
Log likelihood	-376.1484	Hannan-Quinn criter.	21.10985
F-statistic	12.09173	Durbin-Watson stat	0.136598
Prob(F-statistic)	0.000115		

Figure:B4 Regression model results for quarterly values of three variables

Appendix C

Critical Values of the Durbin–Watson Statistic

Sample Size	Probability in Lower Tail (Significance Level = α)	k = Number of Regressors (Excluding the Intercept)									
		1		2		3		4		5	
		d_L	d_U	d_L	d_U	d_L	d_U	d_L	d_U	d_L	d_U
	0.01	0.81	1.07	0.70	1.25	0.59	1.46	0.49	1.70	0.39	1.96
15	0.025	0.95	1.23	0.83	1.40	0.71	1.61	0.59	1.84	0.48	2.09
	0.05	1.08	1.36	0.95	1.54	0.82	1.75	0.69	1.97	0.56	2.21
	0.01	0.95	1.15	0.86	1.27	0.77	1.41	0.63	1.57	0.60	1.74
20	0.025	1.08	1.28	0.99	1.41	0.89	1.55	0.79	1.70	0.70	1.87
	0.05	1.20	1.41	1.10	1.54	1.00	1.68	0.90	1.83	0.79	1.99
	0.01	1.05	1.21	0.98	1.30	0.90	1.41	0.83	1.52	0.75	1.65
25	0.025	1.13	1.34	1.10	1.43	1.02	1.54	0.94	1.65	0.86	1.77
	0.05	1.20	1.45	1.21	1.55	1.12	1.66	1.04	1.77	0.95	1.89
	0.01	1.13	1.26	1.07	1.34	1.01	1.42	0.94	1.51	0.88	1.61
30	0.025	1.25	1.38	1.18	1.46	1.12	1.54	1.05	1.63	0.98	1.73
	0.05	1.35	1.49	1.28	1.57	1.21	1.65	1.14	1.74	1.07	1.83
	0.01	1.25	1.34	1.20	1.40	1.15	1.46	1.10	1.52	1.05	1.58
40	0.025	1.35	1.45	1.30	1.51	1.25	1.57	1.20	1.63	1.15	1.69
	0.05	1.44	1.54	1.39	1.60	1.34	1.66	1.29	1.72	1.23	1.79
	0.01	1.32	1.40	1.28	1.45	1.24	1.49	1.20	1.54	1.16	1.59
50	0.025	1.42	1.50	1.38	1.54	1.34	1.59	1.30	1.64	1.26	1.69
	0.05	1.50	1.59	1.46	1.63	1.42	1.67	1.38	1.72	1.34	1.77
	0.01	1.38	1.45	1.35	1.48	1.32	1.52	1.28	1.56	1.25	1.60
60	0.025	1.47	1.54	1.44	1.57	1.40	1.61	1.37	1.65	1.33	1.69
	0.05	1.55	1.62	1.51	1.65	1.48	1.69	1.44	1.73	1.41	1.77
	0.01	1.47	1.52	1.44	1.54	1.42	1.57	1.39	1.60	1.36	1.62
80	0.025	1.54	1.59	1.52	1.62	1.49	1.65	1.47	1.67	1.44	1.70
	0.05	1.61	1.66	1.59	1.69	1.56	1.72	1.53	1.74	1.51	1.77
	0.01	1.52	1.56	1.50	1.58	1.48	1.60	1.45	1.63	1.44	1.65
100	0.025	1.59	1.63	1.57	1.65	1.55	1.67	1.53	1.70	1.51	1.72
	0.05	1.65	1.69	1.63	1.72	1.61	1.74	1.59	1.76	1.57	1.78