

**TABLE 4**

PRELIMINARY DATA ANALYSIS  
 QUARTERLY DATA: 1953:2–1985:3

*Average Yield Spreads and Real Consumption Growth*

Variable <sup>a</sup>	Obs.	Mean	Std. Dev.	$\rho_1$	$\rho_2$	$\rho_3$	$\rho_4$	$\rho_8$	$\rho_{12}$
<i>One Quarter Measures 1959:1–1985:2</i>									
Cons. Growth	105	.00490	.00534	.23	.15	.25	.11	-.17	-.01
Expected Spread	105	.00155	.00096	.52	.18	.13	.10	.16	.05
<i>Two Quarter Measures 1959:4–1985:1</i>									
Cons. Growth	101	.00969	.00854	.65	.33	.32	.12	-.11	-.02
Expected Spread	101	.00334	.00275	.62	.27	.17	.11	.00	-.10
<i>Three Quarter Measures 1953:2–1984:4</i>									
Cons. Growth	126	.01398	.01118	.81	.55	.25	.11	-.14	.01
Expected Spread	126	.00472	.00372	.67	.36	.29	.22	.06	-.07

<sup>a</sup> Cons. Growth = Real per capita growth in Consumption of Non-Durables and Services, Expected Spread = Spread calculated as the difference between expected real rates of interest (annualized) on instruments that have different time to maturity.