```
.
. import excel "/Users/gokarndhaliwal/Downloads/Money, CPI and GDP- New (2).xlsx", sheet("Data") firstrow clear
(4 vars, 238 obs)

. rename GrowthRateofMoney gm

. rename InflationRate pi

. rename GrowthRateofGDP ggdp

. describe

Contains data
 Observations:           238
    Variables:             4
```

Variable name	Storage type	Display format	Value label	Variable label
Quarter	int	%td		**Quarter**
gm	double	%10.0g		**Growth Rate of Money**
pi	double	%10.0g		**Inflation Rate**
ggdp	double	%10.0g		**Growth Rate of GDP**

```
Sorted by:
     Note: Dataset has changed since last saved.
```

The variables were renamed as follows: Growth Rate of Money = gm, Inflation Rate = pi, and Growth Rate of GDP = ggdp.

```
. summarize gm pi ggdp
```

Variable	Obs	Mean	Std. dev.	Min	Max
gm	237	.0139652	.0129781	-.0180352	.07655
pi	237	.0091685	.0076542	-.0229019	.0394564
ggdp	237	.0075727	.0083058	-.0216381	.0386425

```
.
```

The average growth rate of money (gm) is 0.0139652. The average inflation rate (pi) is 0.0091685. The average growth rate of GDP (ggdp) is 0.0075727.

The standard deviation of the growth rate of money (gm) is 0.0129781. The standard deviation of the inflation rate (pi) is 0.0076542. The standard deviation of the growth rate of GDP (ggdp) is 0.0083058.

```
. summarize gm pi ggdp, detail
```

Growth Rate of Money

	Percentiles	Smallest		
1%	-.0119722	-.0180352		
5%	-.0055376	-.0137941		
10%	-.0014547	-.0119722	Obs	237
25%	.006218	-.010542	Sum of wgt.	237
50%	.0128917		Mean	.0139652
		Largest	Std. dev.	.0129781
75%	.0201553	.0423833		
90%	.0300485	.0435082	Variance	.0001684
95%	.037309	.0715386	Skewness	.9169153
99%	.0435082	.07655	Kurtosis	5.937604

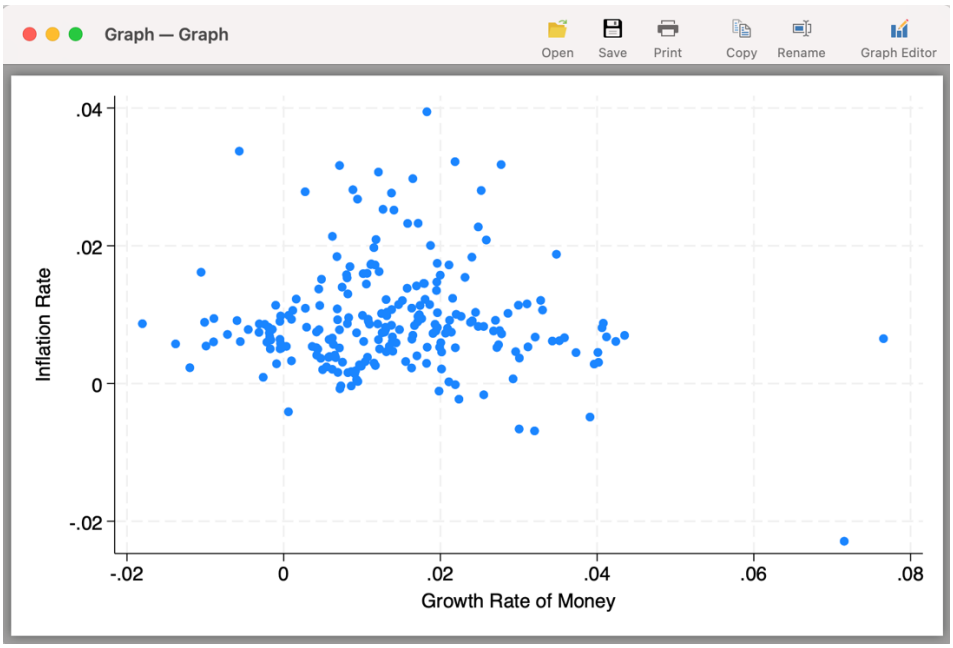
Inflation Rate

	Percentiles	Smallest		
1%	-.0066028	-.0229019		
5%	-.0001667	-.0068787		
10%	.0020619	-.0066028	Obs	237
25%	.0050505	-.0048677	Sum of wgt.	237
50%	.0078557		Mean	.0091685
		Largest	Std. dev.	.0076542
75%	.0113701	.0317919		
90%	.0184275	.0322129	Variance	.0000586
95%	.0267794	.033741	Skewness	.8932915
99%	.0322129	.0394564	Kurtosis	5.977137

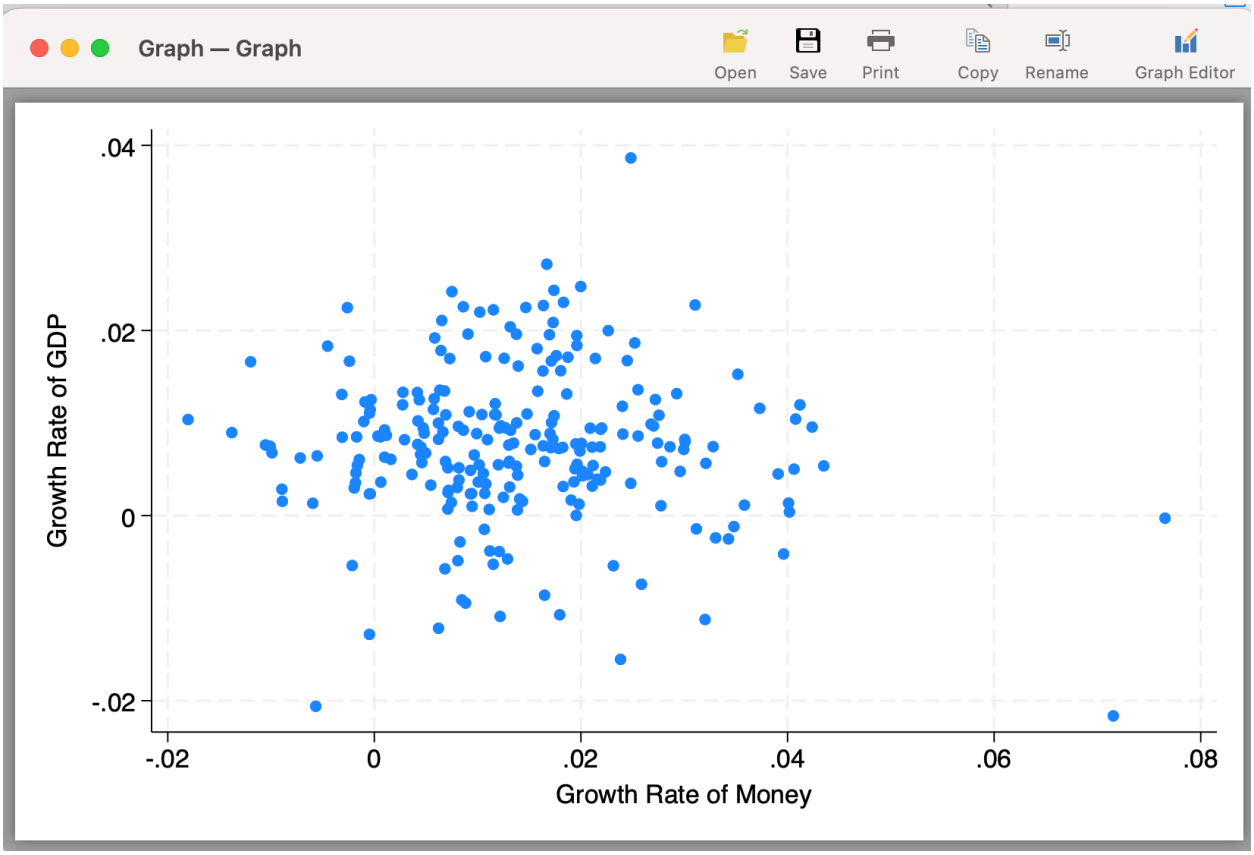
Growth Rate of GDP

	Percentiles	Smallest		
1%	-.0155354	-.0216381		
5%	-.0074108	-.0206048		
10%	-.0024044	-.0155354	Obs	237
25%	.0034162	-.0128343	Sum of wgt.	237
50%	.0075402		Mean	.0075727
		Largest	Std. dev.	.0083058
75%	.0115928	.0243423		
90%	.0183895	.0247481	Variance	.000069
95%	.0222327	.0271599	Skewness	-.1957387
99%	.0247481	.0386425	Kurtosis	4.49606

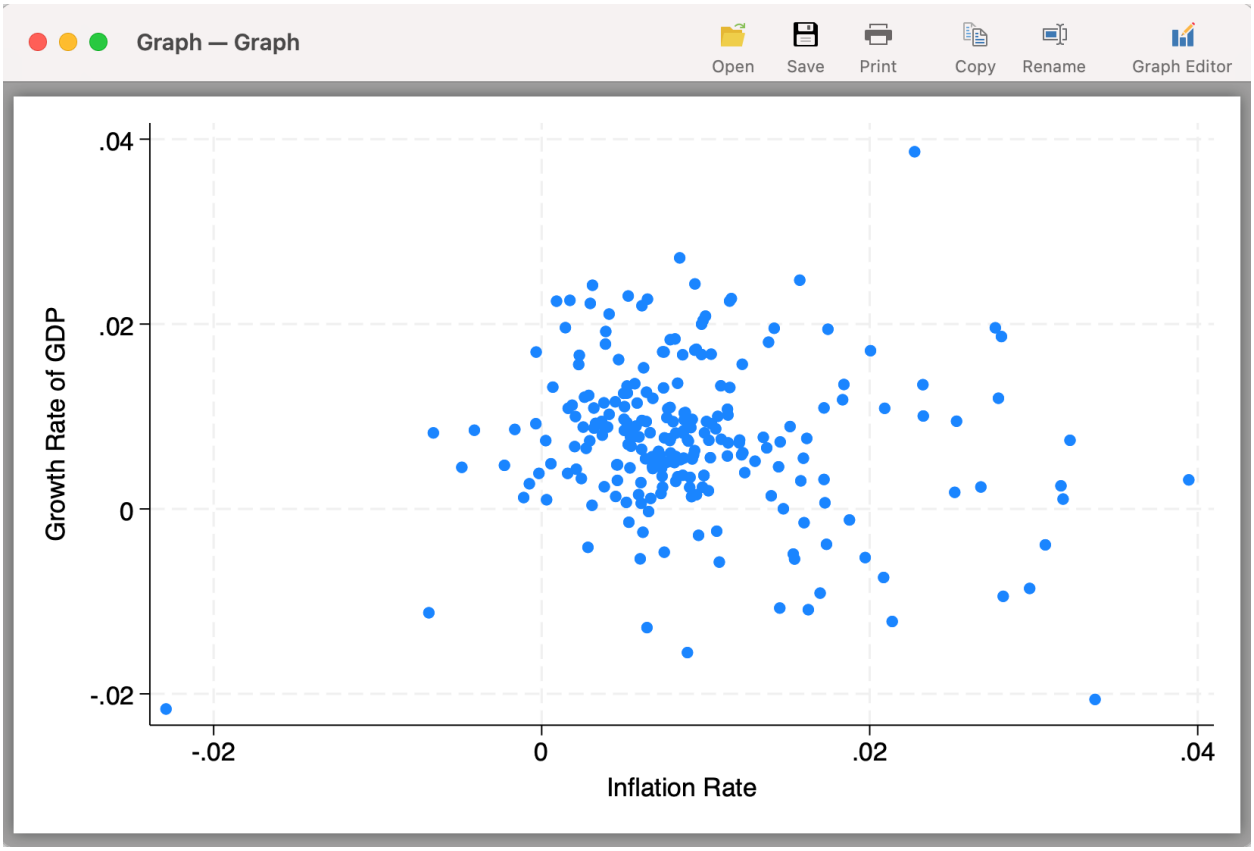
```
. scatter pi gm
```




```
. scatter ggdp gm
```



```
. scatter ggdp pi
```



Question 2

```
. reg pi gm
```

Source	SS	df	MS	Number of obs	=	237
				F(1, 235)	=	1.76
Model	.000102675	1	.000102675	Prob > F	=	0.1861
Residual	.013723774	235	.000058399	R-squared	=	0.0074
				Adj R-squared	=	0.0032
Total	.013826449	236	.000058587	Root MSE	=	.00764

pi	Coefficient	Std. err.	t	P>|t|	[95% conf.	interval]
gm	-.0508237	.0383298	-1.33	0.186	-.1263377	.0246902
_cons	.0098782	.00073	13.53	0.000	.00844	.0113165

```
. reg ggdp gm
```

Source	SS	df	MS	Number of obs	=	237
				F(1, 235)	=	1.90
Model	.00013063	1	.00013063	Prob > F	=	0.1693
Residual	.0161503	235	.000068725	R-squared	=	0.0080
				Adj R-squared	=	0.0038
Total	.01628093	236	.000068987	Root MSE	=	.00829

ggdp	Coefficient	Std. err.	t	P>|t|	[95% conf.	interval]
gm	-.0573265	.0415806	-1.38	0.169	-.1392448	.0245918
_cons	.0083733	.0007919	10.57	0.000	.0068131	.0099335

```
. reg ggdp pi
```

Source	SS	df	MS	Number of obs	=	237
				F(1, 235)	=	2.17
Model	.000148991	1	.000148991	Prob > F	=	0.1420
Residual	.016131939	235	.000068647	R-squared	=	0.0092
				Adj R-squared	=	0.0049
Total	.01628093	236	.000068987	Root MSE	=	.00829

ggdp	Coefficient	Std. err.	t	P>|t|	[95% conf.	interval]
pi	-.1038066	.0704618	-1.47	0.142	-.2426242	.035011
_cons	.0085245	.0008408	10.14	0.000	.0068679	.010181

The coefficient on inflation is negative (-0.1038066), which suggests that higher inflation is associated with lower GDP growth. However, the p-value is 0.142, which is greater than 0.05.

Conclusion: There is not enough statistical evidence at the 5% significance level to conclude that higher inflation harms GDP growth. Although the estimated relationship is negative, it is not statistically significant.