

Differencing in the ARIMA Procedure

1) first difference	$(1 - B) y_t \rightarrow i \text{ var} = \text{djm}(1)$
2) second difference	$(1 - B)^2 y_t \rightarrow i \text{ var} = \text{djm}(1,1)$
3) span-2 difference	$(1 - B^2) y_t \rightarrow i \text{ var} = \text{djm}(2)$
4) first and span-12 difference	$(1 - B)(1 - B^{12}) y_t \rightarrow i \text{ var} = \text{djm}(1,12)$