

```
# prompt: import the necessary libraries for data analysis
```

```
# Common libraries
```

```
import pandas as pd
```

```
import numpy as np
```

```
# Data visualization
```

```
import matplotlib.pyplot as plt
```

```
%matplotlib inline
```

```
import seaborn as sns
```

```
# Statistical analysis
```

```
from scipy import stats
```

```
# Machine learning
```

```
from sklearn import preprocessing
```

```
from sklearn.model_selection import train_test_split
```

```
from sklearn.linear_model import LinearRegression
```

```
from sklearn.metrics import mean_squared_error, r2_score
```

```
data=pd.read_csv("F:\datasets\indianEco.csv")
```

```
data
```

	Year	Country Name	GDP (current US\$)	GDP per capita (current
0	1960	India	3.702988e+10	
82				
1	1961	India	3.923244e+10	
85				
2	1962	India	4.216148e+10	
90				
3	1963	India	4.842192e+10	
101				
4	1964	India	5.648029e+10	
116				
..	
...				
56	2016	India	2.294798e+12	
1733				
57	2017	India	2.651473e+12	
1981				
58	2018	India	2.702930e+12	
1997				
59	2019	India	2.831552e+12	
2101				
60	2020	India	2.667688e+12	
1928				

	GDP growth (annual %)	Imports of goods and services (% of GDP)	\
0	0.00	6.83	

1	3.72	5.96
2	2.93	6.03
3	5.99	5.91
4	7.45	5.69
..
56	8.26	20.92
57	6.80	21.95
58	6.53	23.69
59	4.04	21.27
60	-7.25	19.10
Exports of goods and services (% of GDP) \		
0	4.46	
1	4.30	
2	4.17	
3	4.28	
4	3.73	
..	...	
56	19.16	
57	18.79	
58	19.93	
59	18.69	
60	18.71	
Total reserves (includes gold, current US\$) \		
0	6.745366e+08	
1	6.663571e+08	
2	5.127918e+08	
3	6.078625e+08	
4	4.991451e+08	
..	...	
56	3.616943e+11	
57	4.126138e+11	
58	3.991672e+11	
59	4.634699e+11	
60	5.902274e+11	
Inflation, consumer prices (annual %) Population, total \		
0	1.78	445954579
1	1.70	456351876
2	3.63	467024193
3	2.95	477933619
4	13.36	489059309
..
56	4.95	1338636340
57	3.33	1354195680
58	3.94	1369003306
59	3.73	1383112050
60	6.62	1396387127

	Population growth (annual %)	Life expectancy at birth, total (years)
0	2.31	
41.13		
1	2.33	
41.74		
2	2.34	
42.34		
3	2.34	
42.94		
4	2.33	
43.57		
..	...	
...		
56	1.19	
68.67		
57	1.16	
68.97		
58	1.09	
69.27		
59	1.03	
69.50		
60	0.96	
69.73		

[61 rows x 12 columns]

data.isnull().sum()

Year	0
Country Name	0
GDP (current US\$)	0
GDP per capita (current US\$)	0
GDP growth (annual %)	0
Imports of goods and services (% of GDP)	0
Exports of goods and services (% of GDP)	0
Total reserves (includes gold, current US\$)	0
Inflation, consumer prices (annual %)	0
Population, total	0
Population growth (annual %)	0
Life expectancy at birth, total (years)	0

dtype: int64

data.dtypes

Year	int64
Country Name	object
GDP (current US\$)	float64
GDP per capita (current US\$)	int64
GDP growth (annual %)	float64

```
Imports of goods and services (% of GDP)      float64
Exports of goods and services (% of GDP)      float64
Total reserves (includes gold, current US$)   float64
Inflation, consumer prices (annual %)         float64
Population, total                             int64
Population growth (annual %)                  float64
Life expectancy at birth, total (years)       float64
dtype: object
```

```
data.describe()
```

	Year	GDP (current US\$)	GDP per capita (current US\$)
\			
count	61.000000	6.100000e+01	61.000000
mean	1990.000000	6.584725e+11	575.557377
std	17.752934	8.129606e+11	584.079062
min	1960.000000	3.702988e+10	82.000000
25%	1975.000000	9.952590e+10	161.000000
50%	1990.000000	2.882084e+11	340.000000
75%	2005.000000	8.203816e+11	715.000000
max	2020.000000	2.831552e+12	2101.000000

	GDP growth (annual %)	Imports of goods and services (% of GDP)
\		
count	61.000000	61.000000
mean	4.938197	12.746393
std	3.344891	8.155110
min	-7.250000	3.710000
25%	3.720000	6.590000
50%	5.530000	8.570000
75%	7.450000	19.640000
max	9.630000	31.260000

	Exports of goods and services (% of GDP)	\
count	61.000000	

mean	10.885574
std	7.060458
min	3.310000
25%	5.200000
50%	7.050000
75%	18.690000
max	25.430000

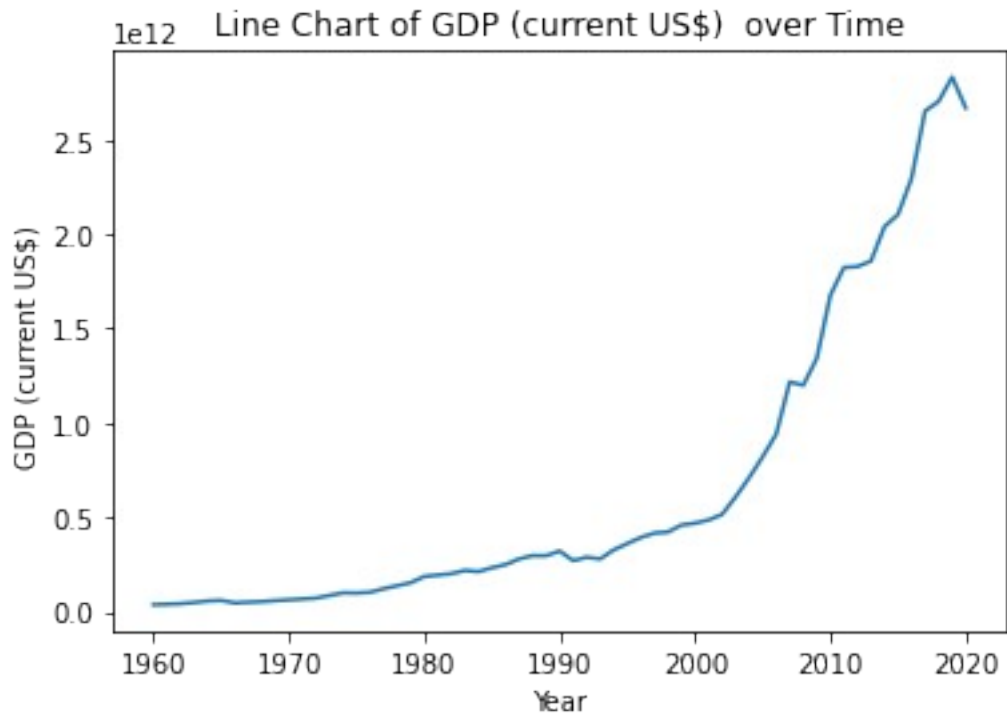
Total reserves (includes gold, current US\$) \	
count	6.100000e+01
mean	9.802227e+10
std	1.497102e+11
min	4.991451e+08
25%	2.324650e+09
50%	1.151174e+10
75%	1.378248e+11
max	5.902274e+11

Inflation, consumer prices (annual %) Population, total \	
count	61.000000 6.100000e+01
mean	7.413279 8.913946e+08
std	4.940153 2.974496e+08
min	-7.630000 4.459546e+08
25%	4.010000 6.235242e+08
50%	6.670000 8.704522e+08
75%	10.020000 1.154639e+09
max	28.600000 1.396387e+09

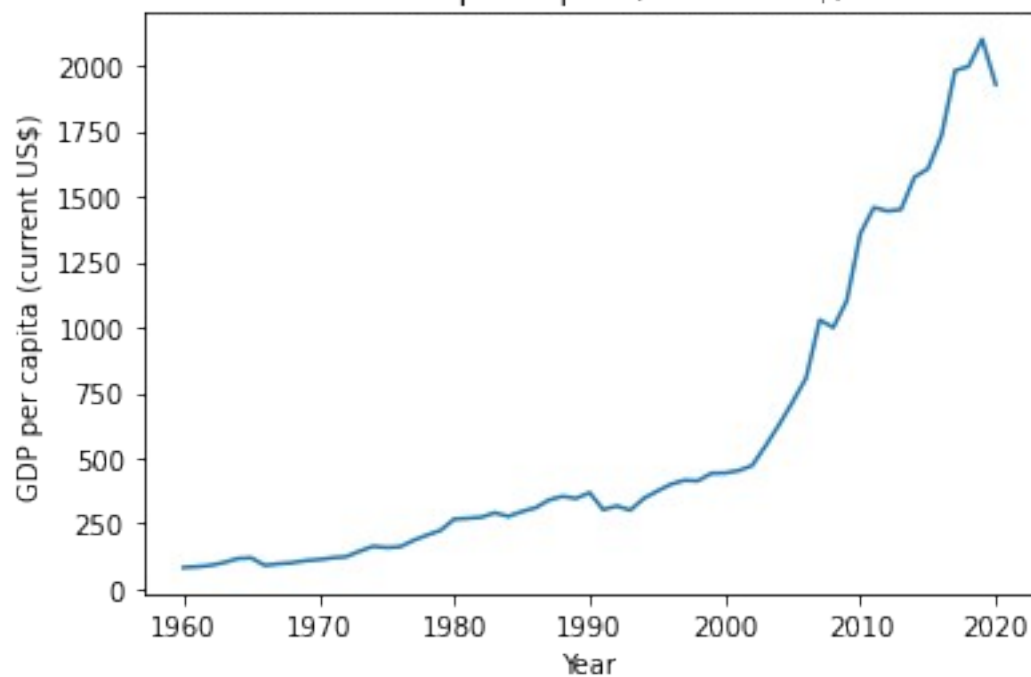
Population growth (annual %) Life expectancy at birth, total (years)	
count	61.000000
61.000000	
mean	1.927705
57.146230	
std	0.419024
8.459559	
min	0.960000
41.130000	
25%	1.620000
50.630000	
50%	2.150000
57.660000	
75%	2.260000
64.310000	
max	2.340000
69.730000	

prompt: plot the line chat of every column of the data with time except the column year

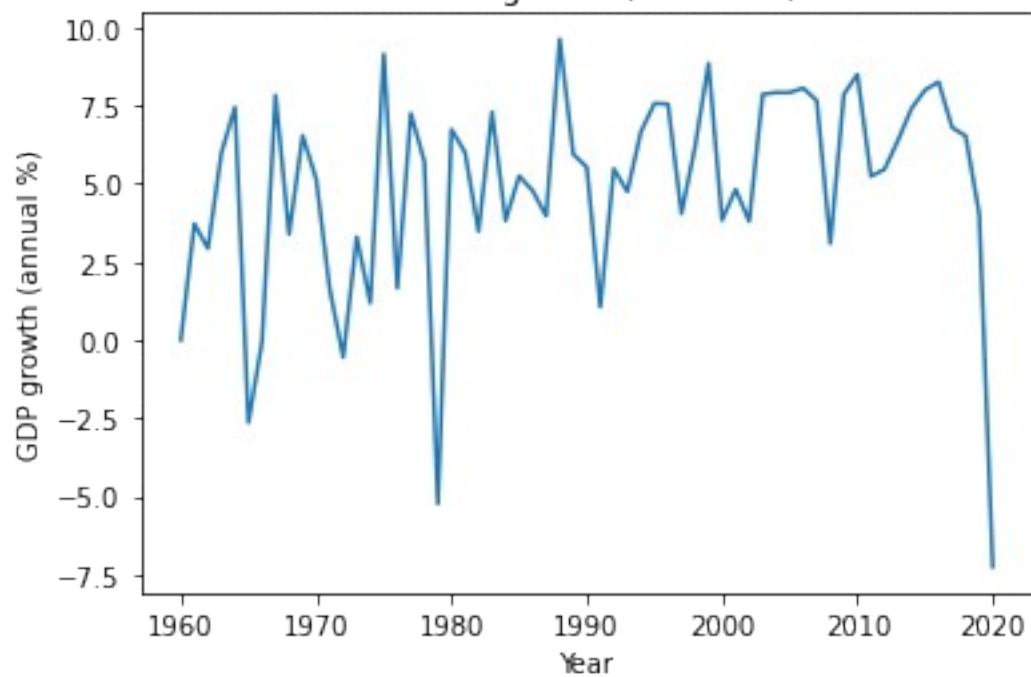
```
import matplotlib.pyplot as plt
for col in data.columns:
    if col not in ('Year', 'Country Name'):
        plt.plot(data['Year'], data[col])
        plt.xlabel('Year')
        plt.ylabel(col)
        plt.title(f'Line Chart of {col} over Time')
        plt.show()
```



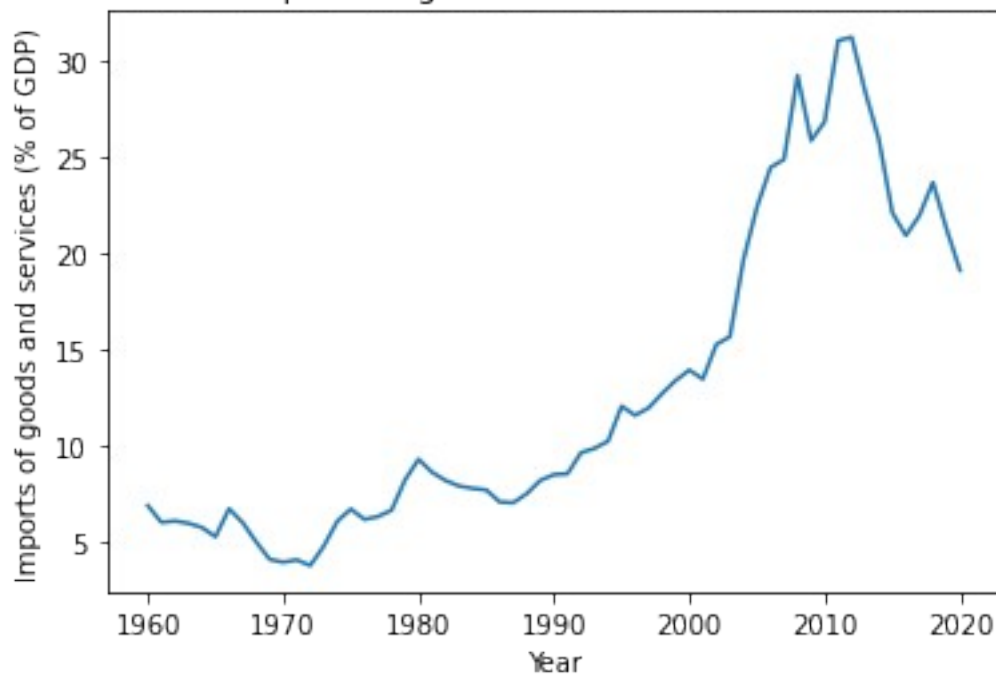
Line Chart of GDP per capita (current US\$) over Time



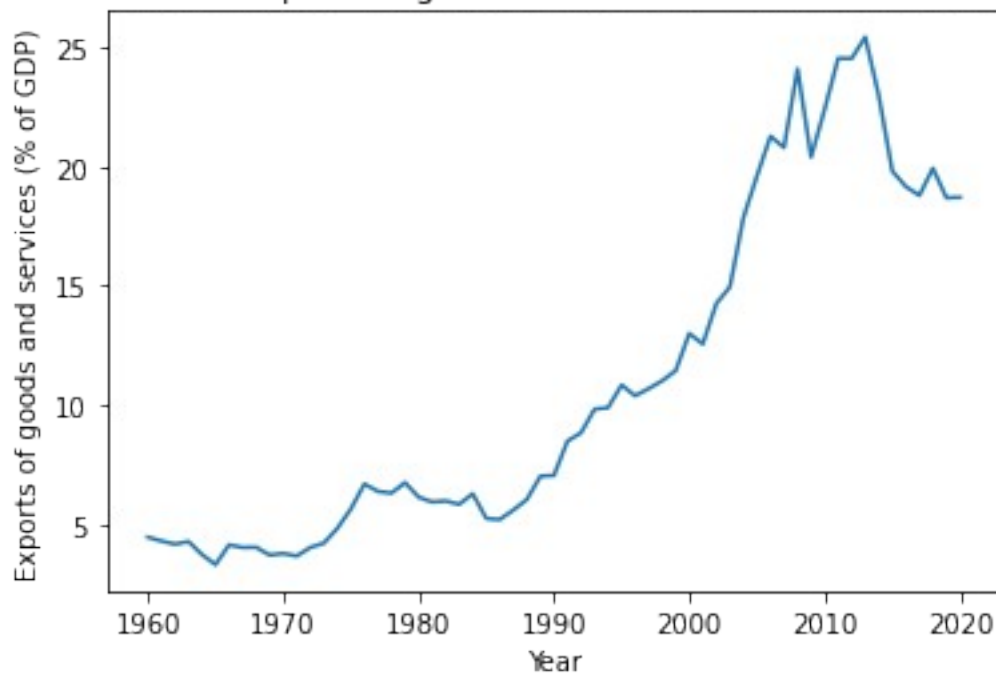
Line Chart of GDP growth (annual %) over Time



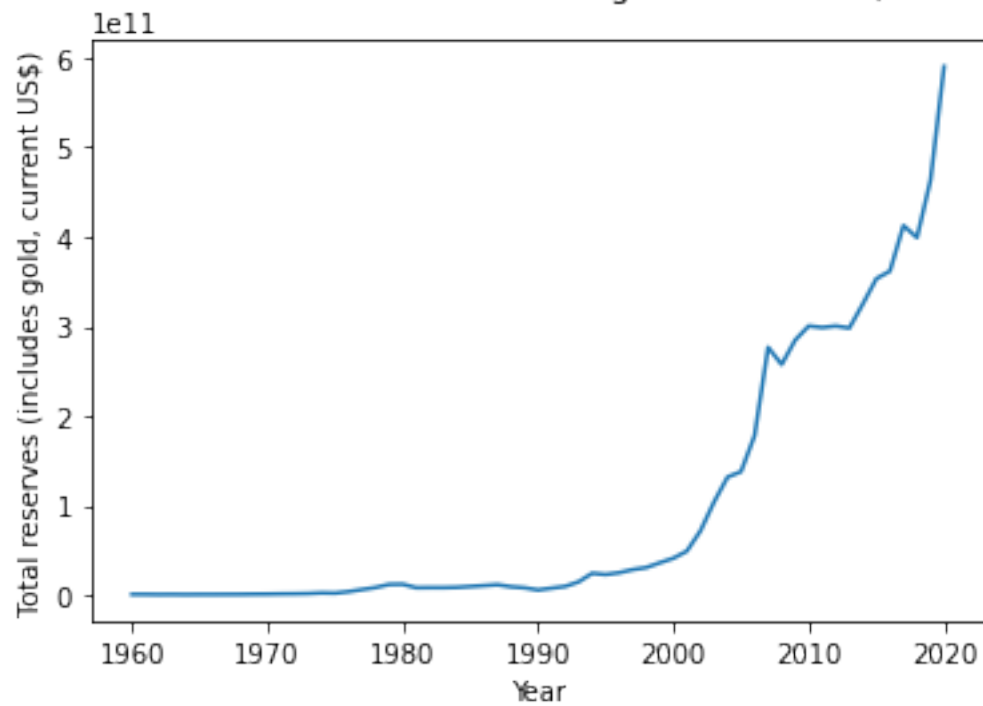
Line Chart of Imports of goods and services (% of GDP) over Time



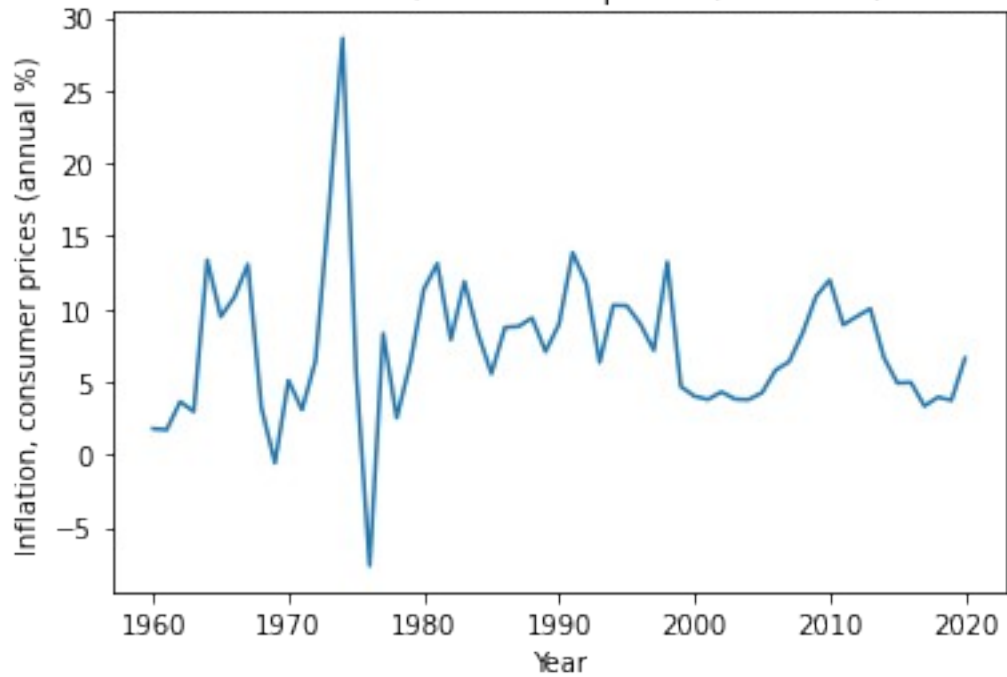
Line Chart of Exports of goods and services (% of GDP) over Time

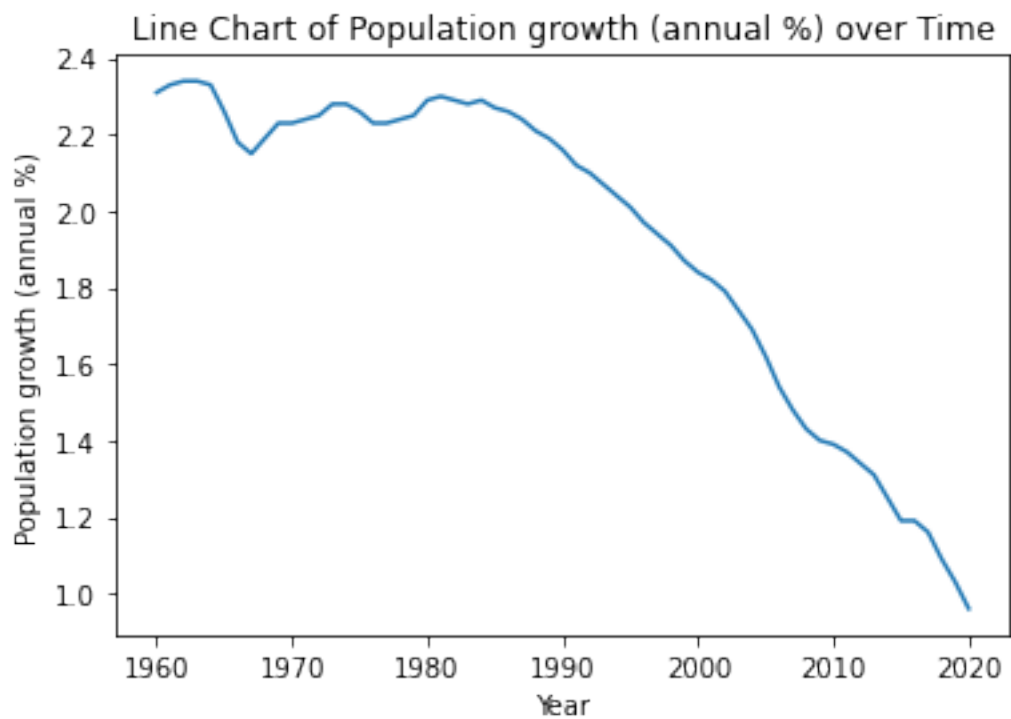
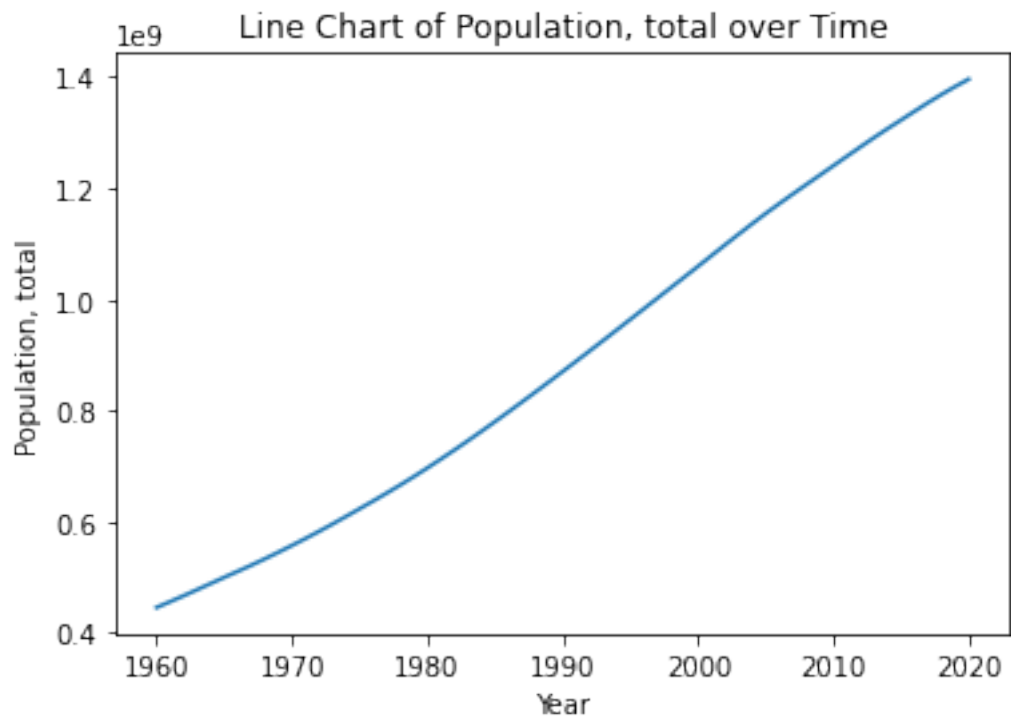


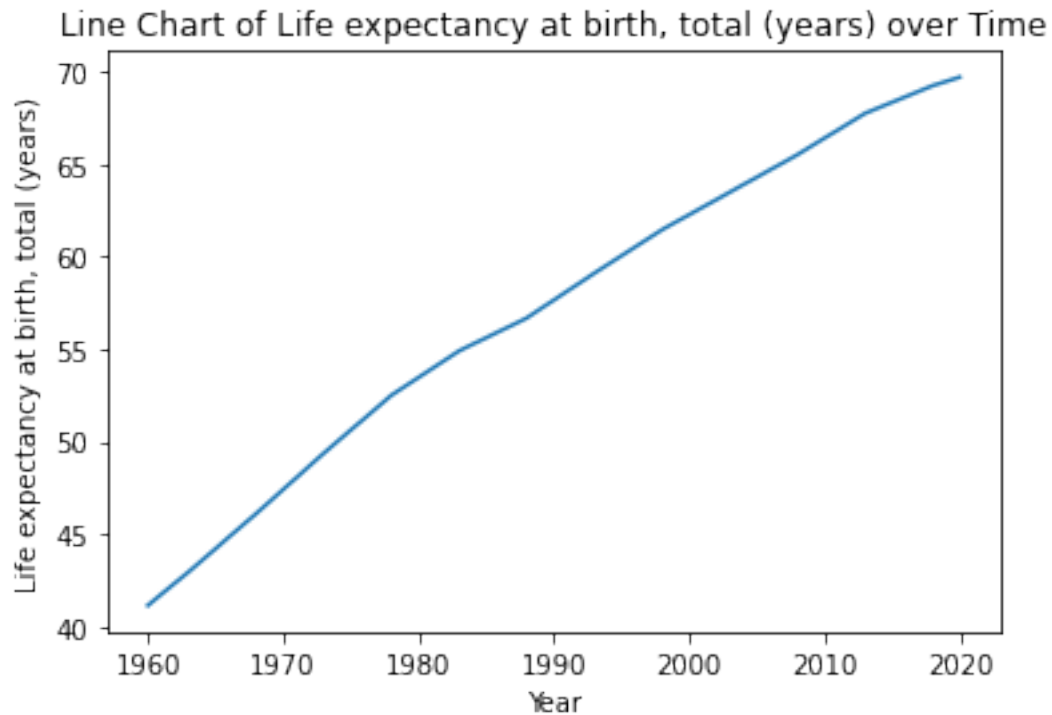
Line Chart of Total reserves (includes gold, current US\$) over Time



Line Chart of Inflation, consumer prices (annual %) over Time







```
data = data.drop('Country Name', axis=1)
```

```
data.corr()
```

	Year	GDP (current
US\$) \		
Year	1.000000	
0.846589		
GDP (current US\$)	0.846589	
1.000000		
GDP per capita (current US\$)	0.865053	
0.998605		
GDP growth (annual %)	0.278268	
0.119174		
Imports of goods and services (% of GDP)	0.873956	
0.835933		
Exports of goods and services (% of GDP)	0.909573	
0.847781		
Total reserves (includes gold, current US\$)	0.814619	
0.980297		
Inflation, consumer prices (annual %)	-0.037177	-
0.105585		
Population, total	0.997523	
0.863530		
Population growth (annual %)	-0.907750	-
0.957492		

Life expectancy at birth, total (years)	0.995487
0.803927	

GDP per capita

(current US\$) \	
Year	

0.865053	
----------	--

GDP (current US\$)	
--------------------	--

0.998605	
----------	--

GDP per capita (current US\$)	
-------------------------------	--

1.000000	
----------	--

GDP growth (annual %)	
-----------------------	--

0.142764	
----------	--

Imports of goods and services (% of GDP)	
--	--

0.853837	
----------	--

Exports of goods and services (% of GDP)	
--	--

0.863811	
----------	--

Total reserves (includes gold, current US\$)	
--	--

0.977189	
----------	--

Inflation, consumer prices (annual %)	-
---------------------------------------	---

0.091981	
----------	--

Population, total	
-------------------	--

0.880301	
----------	--

Population growth (annual %)	-
------------------------------	---

0.959680	
----------	--

Life expectancy at birth, total (years)	
---	--

0.825702	
----------	--

GDP growth (annual

%) \	
------	--

Year	0.278268
------	----------

GDP (current US\$)	0.119174
--------------------	----------

GDP per capita (current US\$)	0.142764
-------------------------------	----------

GDP growth (annual %)	1.000000
-----------------------	----------

Imports of goods and services (% of GDP)	0.280289
--	----------

Exports of goods and services (% of GDP)	0.269356
--	----------

Total reserves (includes gold, current US\$)	0.049946
--	----------

Inflation, consumer prices (annual %)	0.007843
---------------------------------------	----------

Population, total	0.276103
-------------------	----------

Population growth (annual %)	-0.168449
------------------------------	-----------

Life expectancy at birth, total (years)	0.294472
---	----------

Imports of goods and

services (% of GDP) \

Year

0.873956

GDP (current US\$)

0.835933

GDP per capita (current US\$)

0.853837

GDP growth (annual %)

0.280289

Imports of goods and services (% of GDP)

1.000000

Exports of goods and services (% of GDP)

0.989499

Total reserves (includes gold, current US\$)

0.841084

Inflation, consumer prices (annual %)

-0.034099

Population, total

0.894541

Population growth (annual %)

-0.912249

Life expectancy at birth, total (years)

0.849597

Exports of goods and

services (% of GDP) \

Year

0.909573

GDP (current US\$)

0.847781

GDP per capita (current US\$)

0.863811

GDP growth (annual %)

0.269356

Imports of goods and services (% of GDP)

0.989499

Exports of goods and services (% of GDP)

1.000000

Total reserves (includes gold, current US\$)

0.851635

Inflation, consumer prices (annual %)

-0.073604

Population, total

0.927934

Population growth (annual %)

-0.935063

Life expectancy at birth, total (years)
0.886921

Total reserves

(includes gold, current US\$) \

Year
0.814619
GDP (current US\$)
0.980297
GDP per capita (current US\$)
0.977189
GDP growth (annual %)
0.049946
Imports of goods and services (% of GDP)
0.841084
Exports of goods and services (% of GDP)
0.851635
Total reserves (includes gold, current US\$)
1.000000
Inflation, consumer prices (annual %)
-0.107925
Population, total
0.835249
Population growth (annual %)
-0.957013
Life expectancy at birth, total (years)
0.767909

Inflation, consumer

prices (annual %) \

Year
-0.037177
GDP (current US\$)
-0.105585
GDP per capita (current US\$)
-0.091981
GDP growth (annual %)
0.007843
Imports of goods and services (% of GDP)
-0.034099
Exports of goods and services (% of GDP)
-0.073604
Total reserves (includes gold, current US\$)
-0.107925
Inflation, consumer prices (annual %)
1.000000
Population, total
-0.053939
Population growth (annual %)

0.123497
Life expectancy at birth, total (years)
-0.014927

	Population, total \
Year	0.997523
GDP (current US\$)	0.863530
GDP per capita (current US\$)	0.880301
GDP growth (annual %)	0.276103
Imports of goods and services (% of GDP)	0.894541
Exports of goods and services (% of GDP)	0.927934
Total reserves (includes gold, current US\$)	0.835249
Inflation, consumer prices (annual %)	-0.053939
Population, total	1.000000
Population growth (annual %)	-0.928431
Life expectancy at birth, total (years)	0.987134

	Population growth
(annual %) \	
Year	-
0.907750	
GDP (current US\$)	-
0.957492	
GDP per capita (current US\$)	-
0.959680	
GDP growth (annual %)	-
0.168449	
Imports of goods and services (% of GDP)	-
0.912249	
Exports of goods and services (% of GDP)	-
0.935063	
Total reserves (includes gold, current US\$)	-
0.957013	
Inflation, consumer prices (annual %)	
0.123497	
Population, total	-
0.928431	
Population growth (annual %)	
1.000000	
Life expectancy at birth, total (years)	-
0.868766	

	Life expectancy at
birth, total (years)	
Year	
0.995487	
GDP (current US\$)	
0.803927	
GDP per capita (current US\$)	
0.825702	

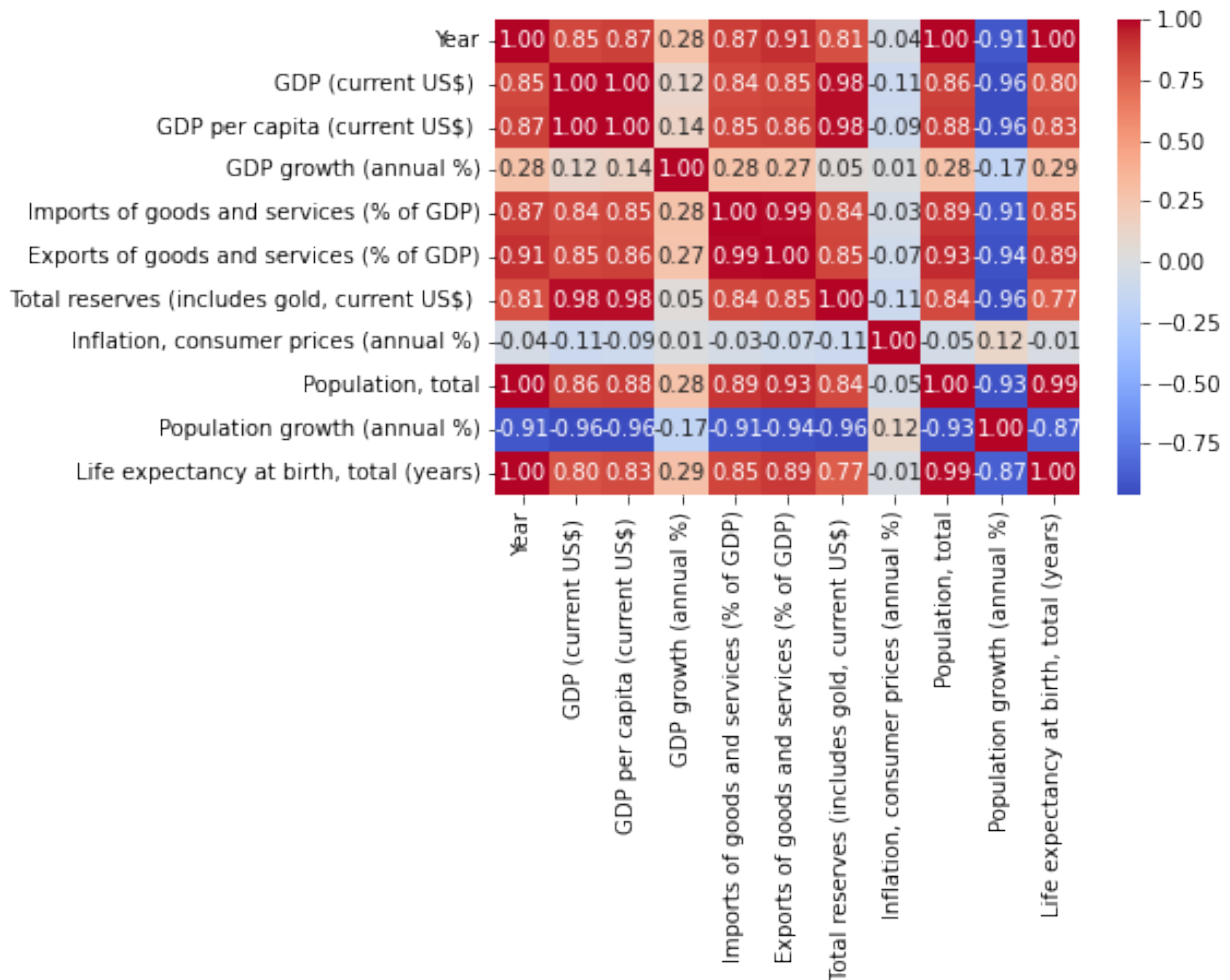
```
GDP growth (annual %)
0.294472
Imports of goods and services (% of GDP)
0.849597
Exports of goods and services (% of GDP)
0.886921
Total reserves (includes gold, current US$)
0.767909
Inflation, consumer prices (annual %)
-0.014927
Population, total
0.987134
Population growth (annual %)
-0.868766
Life expectancy at birth, total (years)
1.000000

import seaborn as sns

# Create the heatmap
sns.heatmap(data.corr(), annot=True, cmap="coolwarm", fmt=".2f",
            xticklabels=data.columns, yticklabels=data.columns)

# Set large figure size
plt.figure(figsize=(20, 20))

# Show the heatmap
plt.show()
```

<Figure size 1440x1440 with 0 Axes>

```
# Iterate through each column except 'Year'
for col in data.columns:
    if col not in ('Year'):
        plt.figure()
        sns.distplot(data[col])
        plt.title(f'Distribution Plot of {col}')
        plt.show()
```

C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:
UserWarning:

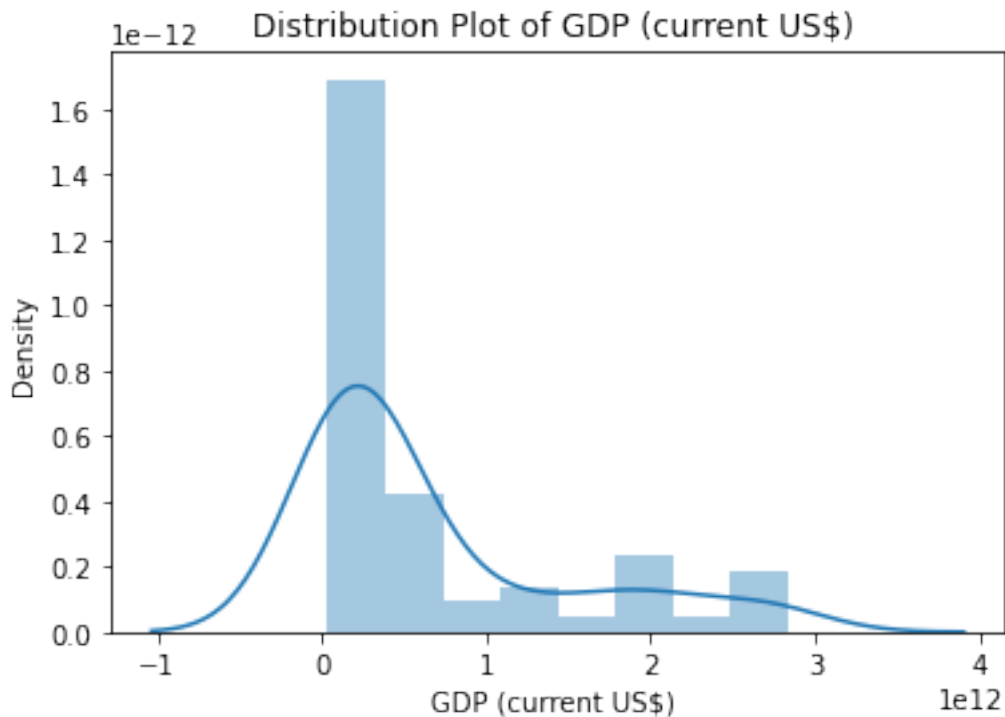
`distplot` is a deprecated function and will be removed in seaborn v0.14.0.

Please adapt your code to use either `displot` (a figure-level function with similar flexibility) or `histplot` (an axes-level function for

```
histograms).
```

For a guide to updating your code to use the new functions, please see <https://gist.github.com/mwaskom/de44147ed2974457ad6372750bbe5751>

```
sns.distplot(data[col])
```



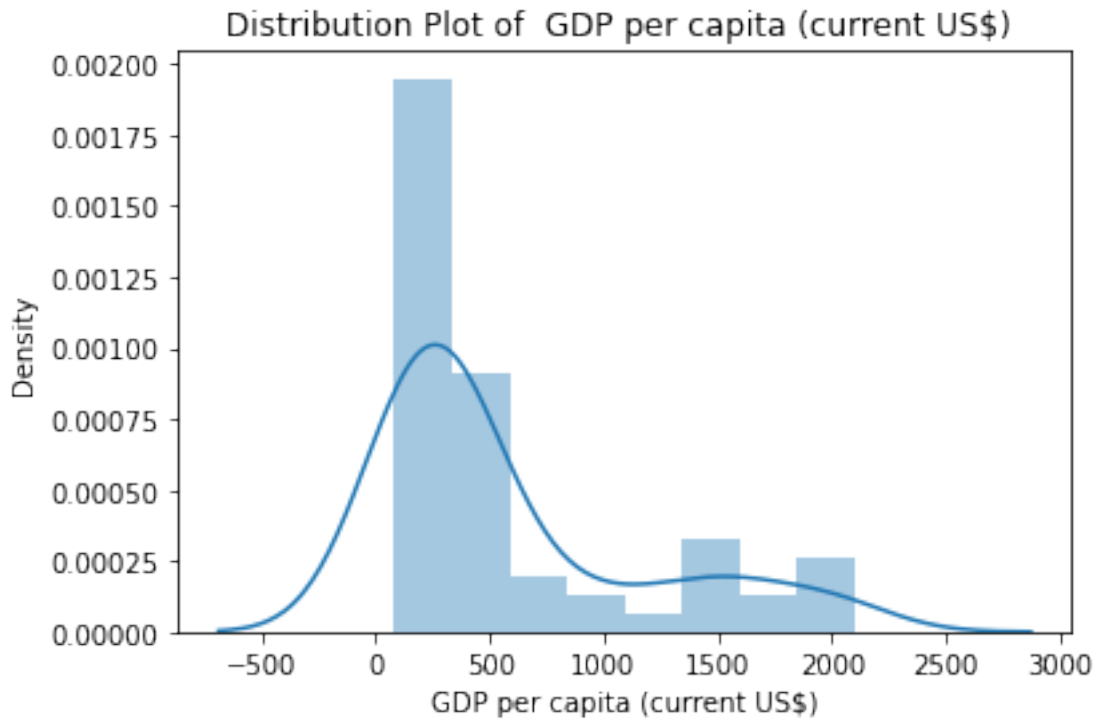
C:\Users\LEN0V0\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:
UserWarning:

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```
sns.distplot(data[col])
```



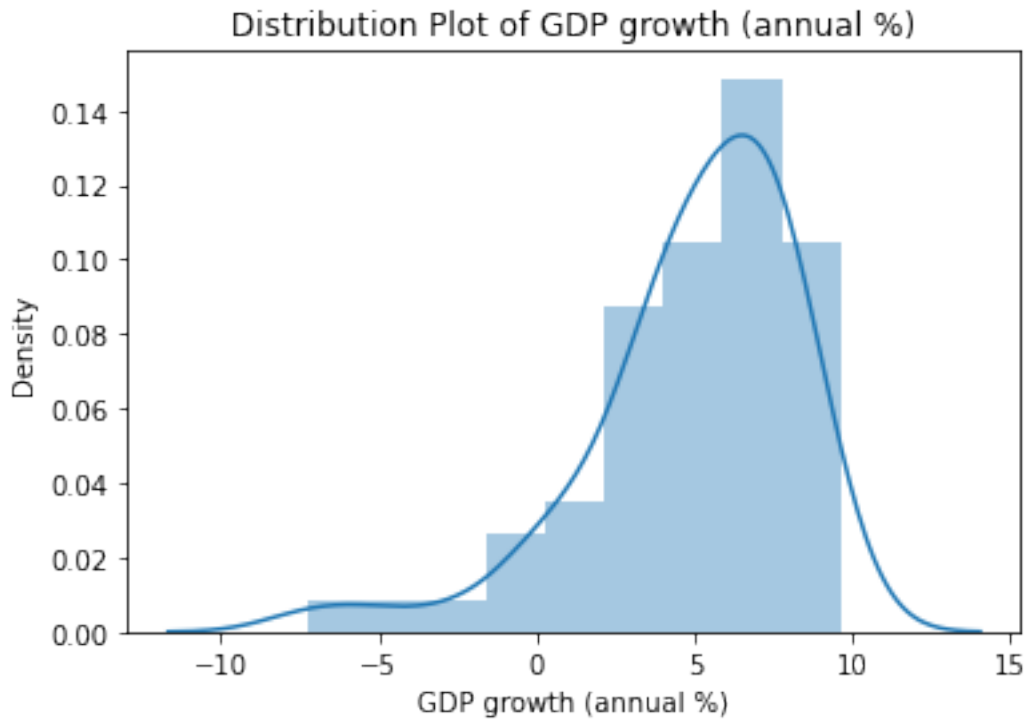
C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:
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```
sns.distplot(data[col])
```



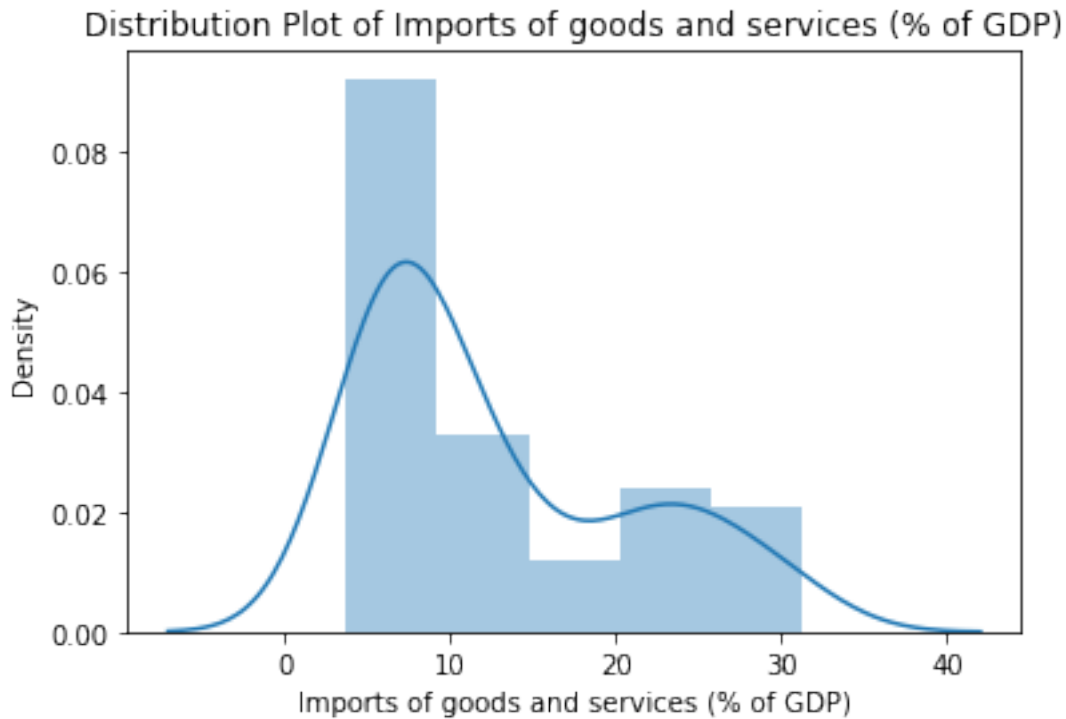
```
C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:  
UserWarning:
```

```
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```
sns.distplot(data[col])
```



```
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```
sns.distplot(data[col])
```



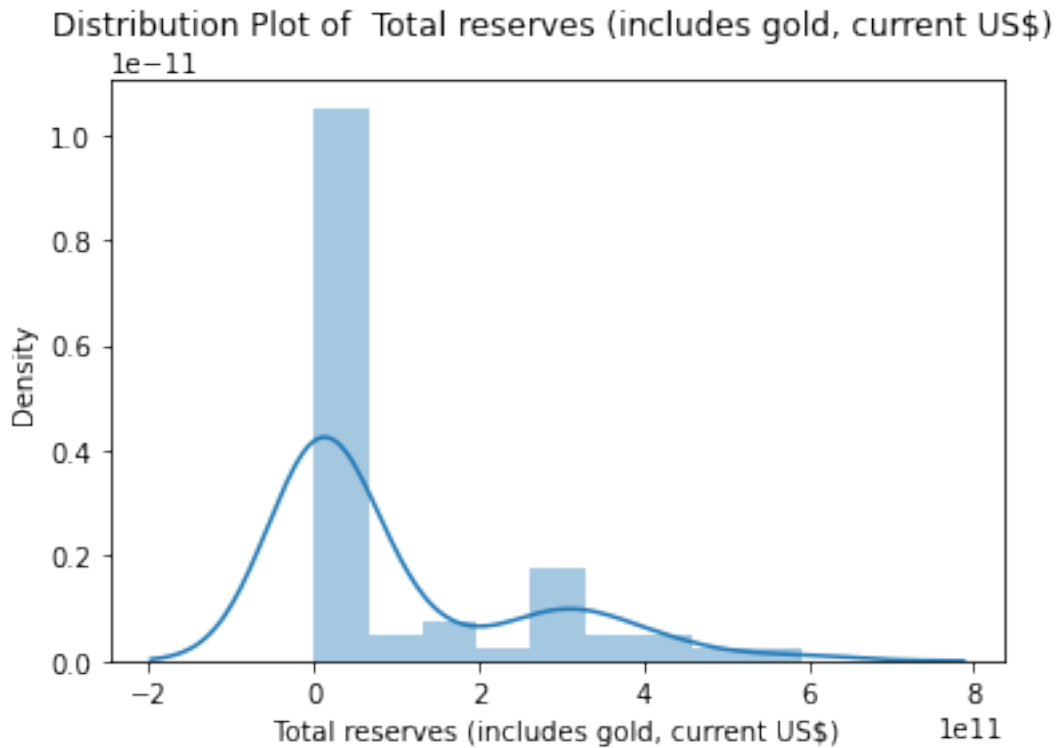
```
C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:  
UserWarning:
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```
sns.distplot(data[col])
```



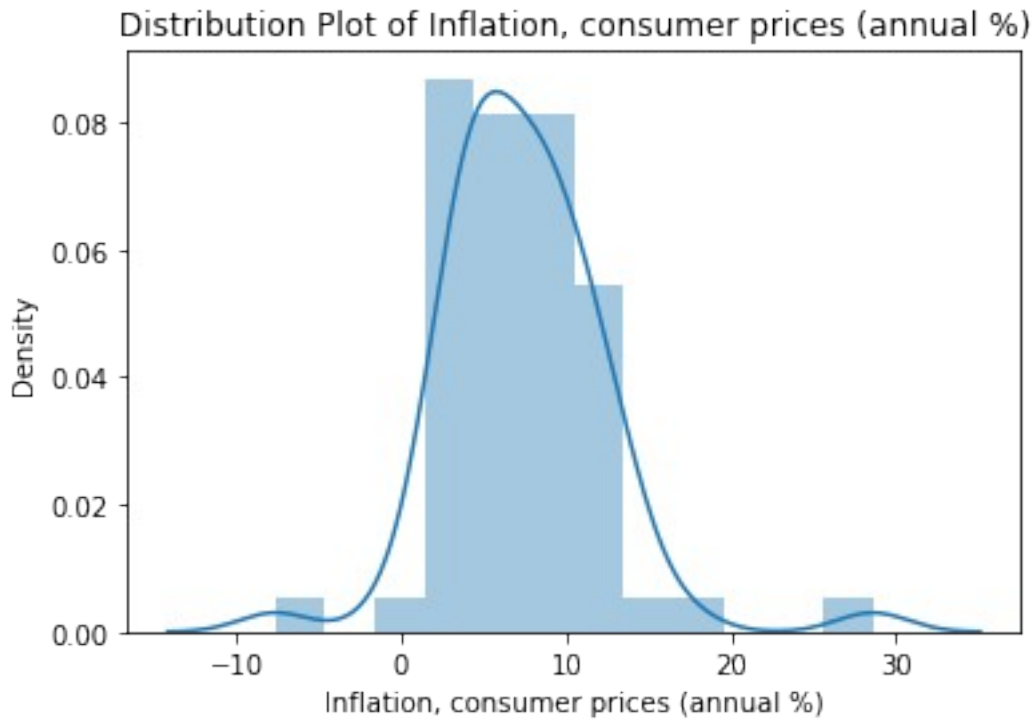
C:\Users\LEN0V0\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:
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```
sns.distplot(data[col])
```



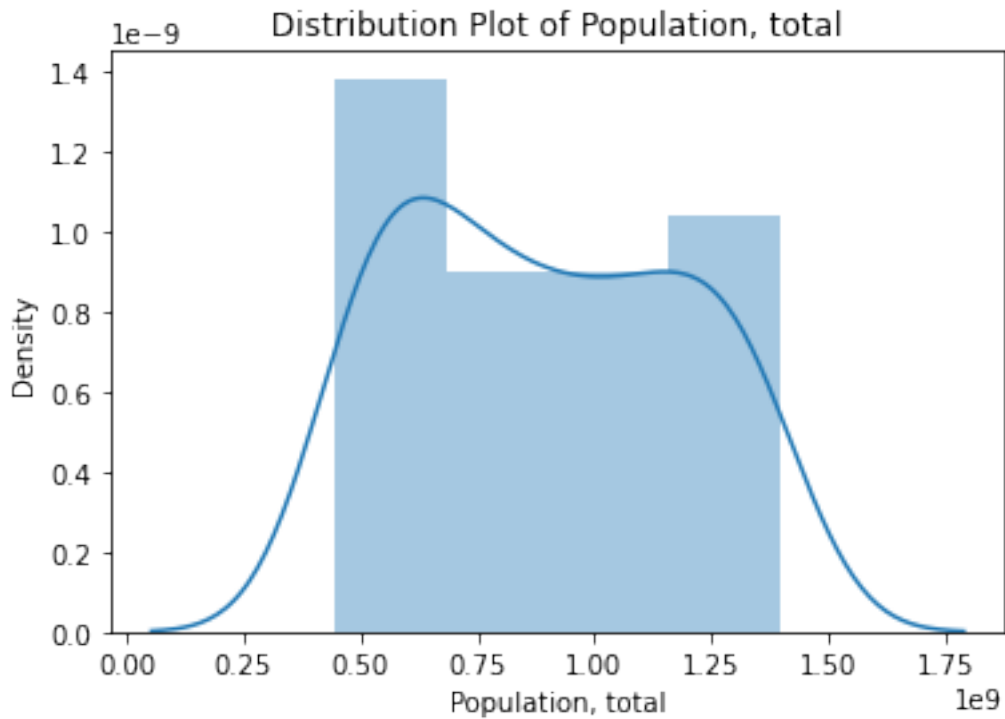
```
C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:  
UserWarning:
```

```
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```
sns.distplot(data[col])
```

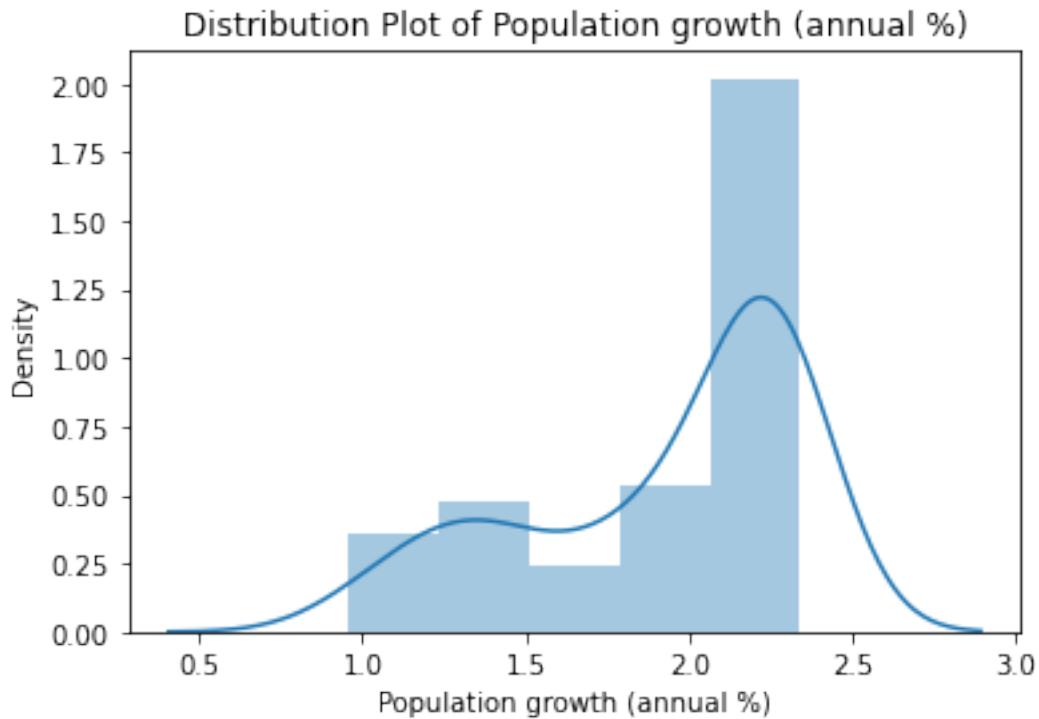
C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:
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```
sns.distplot(data[col])
```



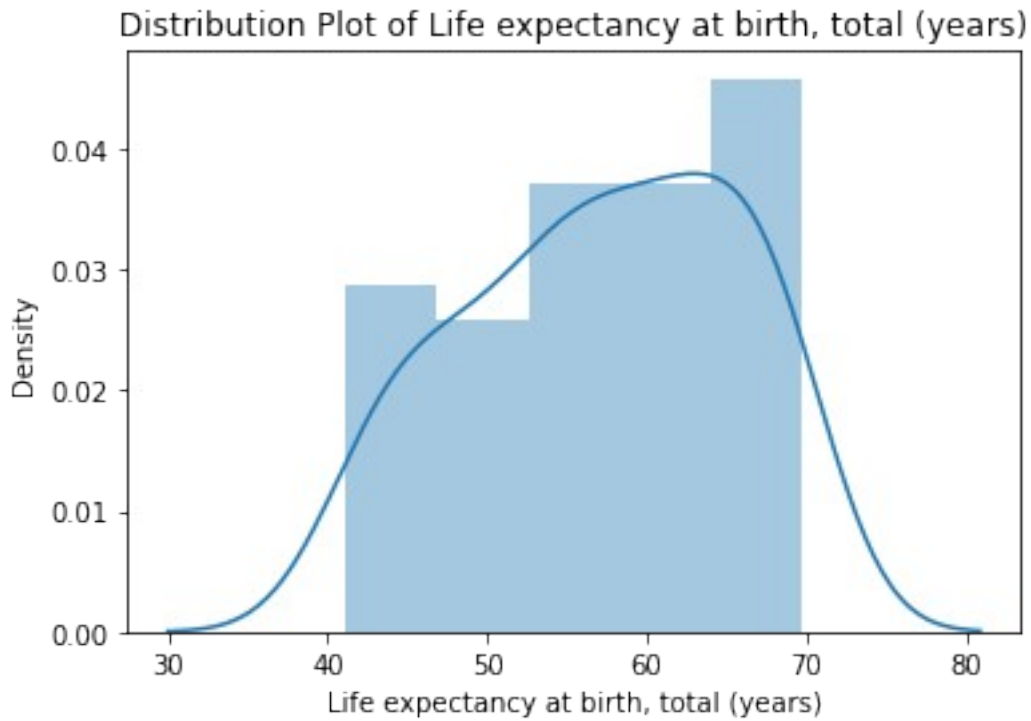
C:\Users\LENOVO\AppData\Local\Temp\ipykernel_6448\4234885766.py:5:
UserWarning:

``distplot`` is a deprecated function and will be removed in seaborn v0.14.0.

Please adapt your code to use either ``displot`` (a figure-level function with similar flexibility) or ``histplot`` (an axes-level function for histograms).

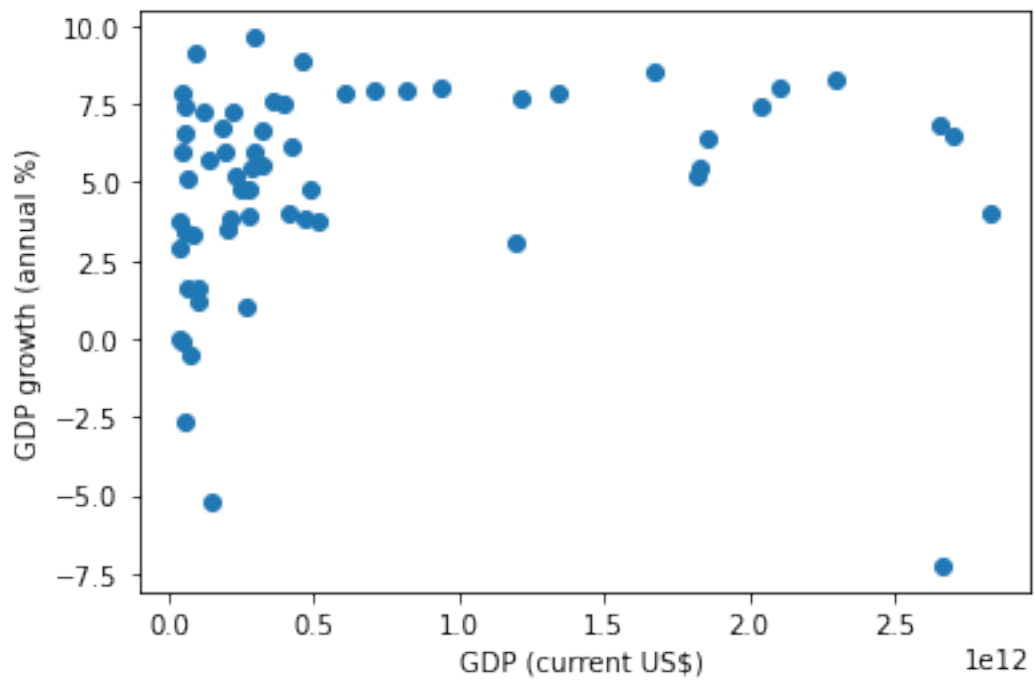
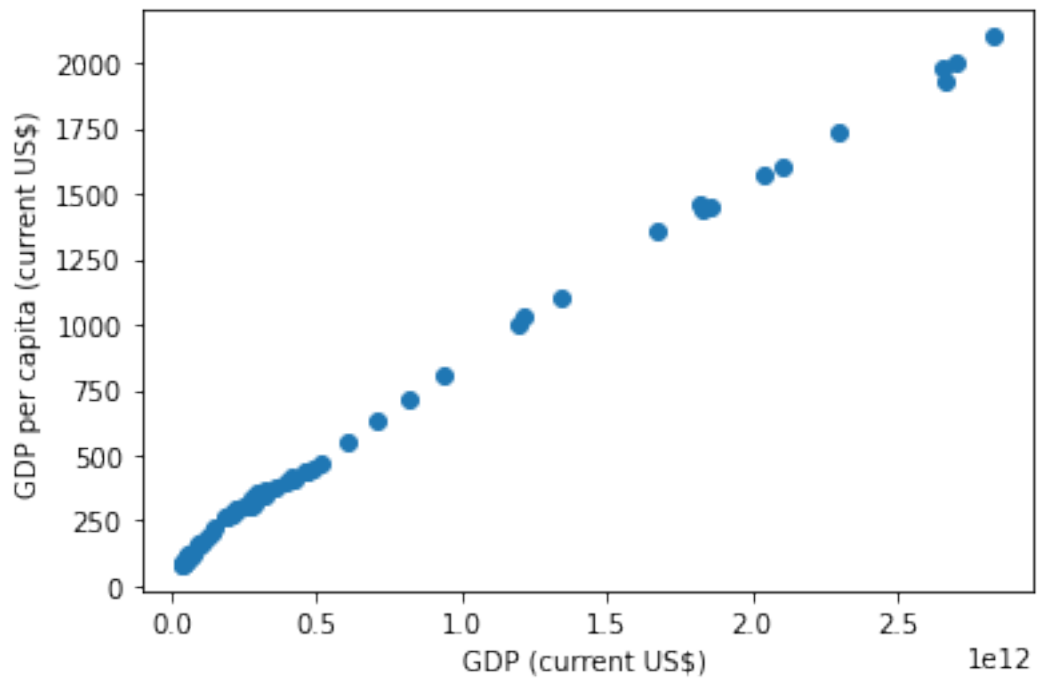
For a guide to updating your code to use the new functions, please see <https://gist.github.com/mwaskom/de44147ed2974457ad6372750bbe5751>

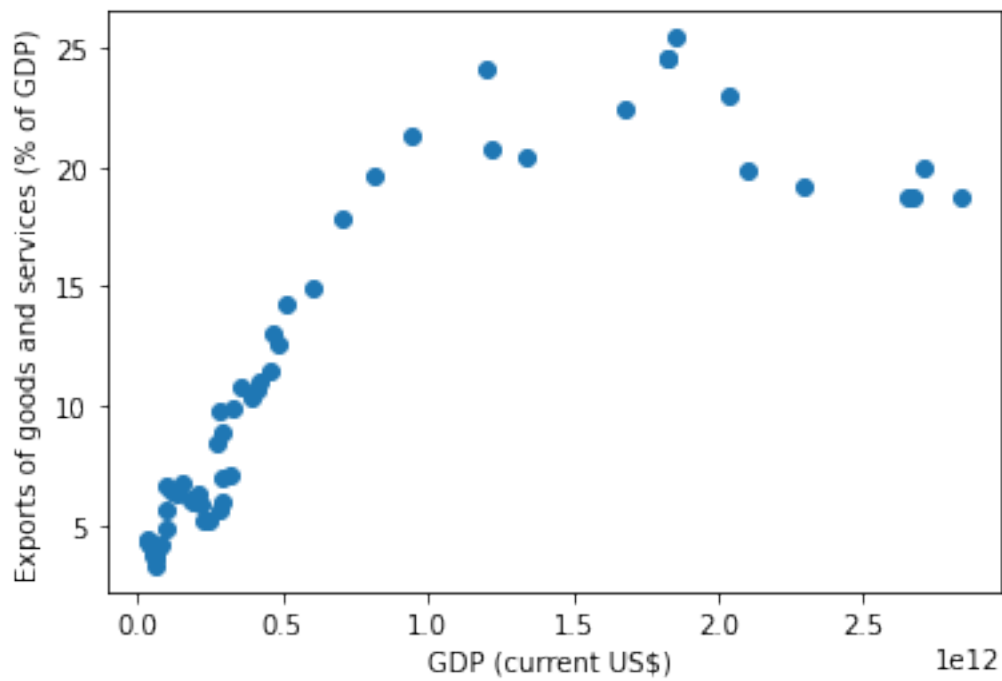
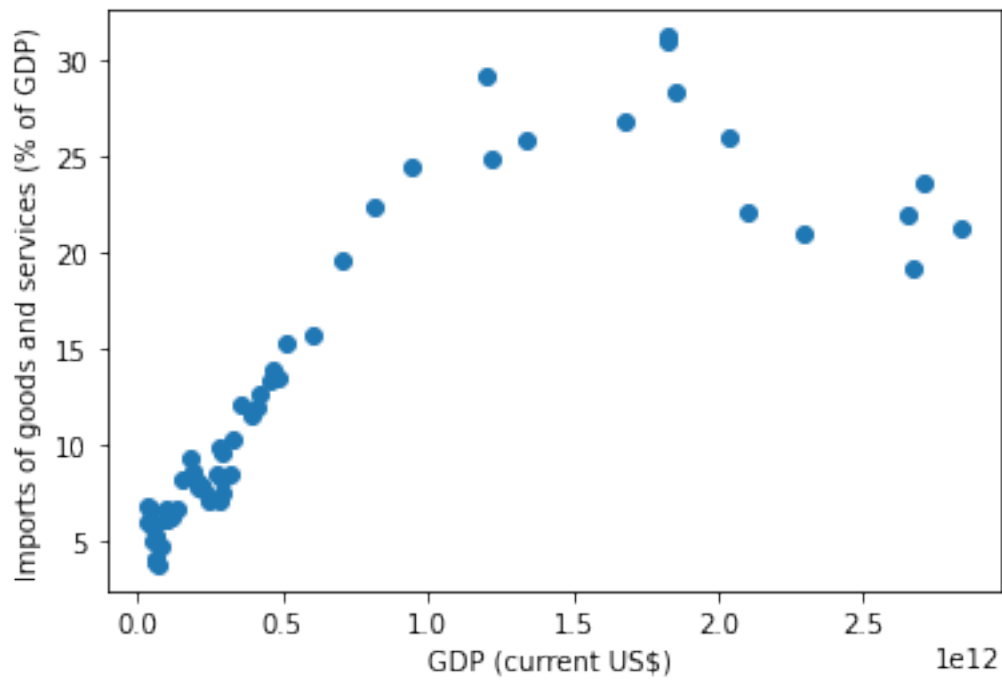
```
sns.distplot(data[col])
```

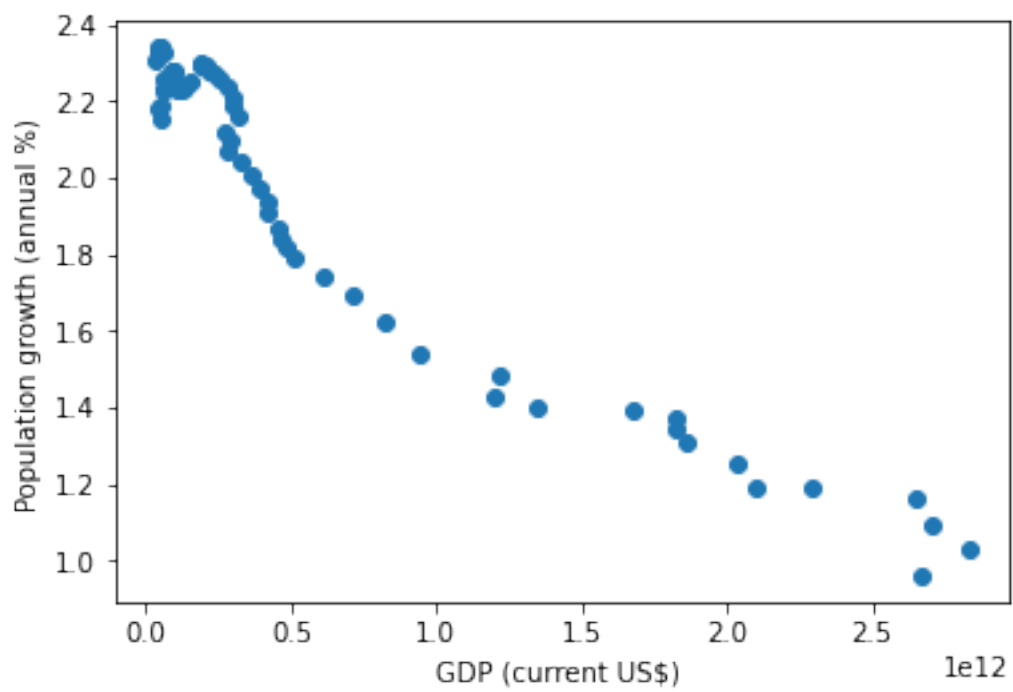
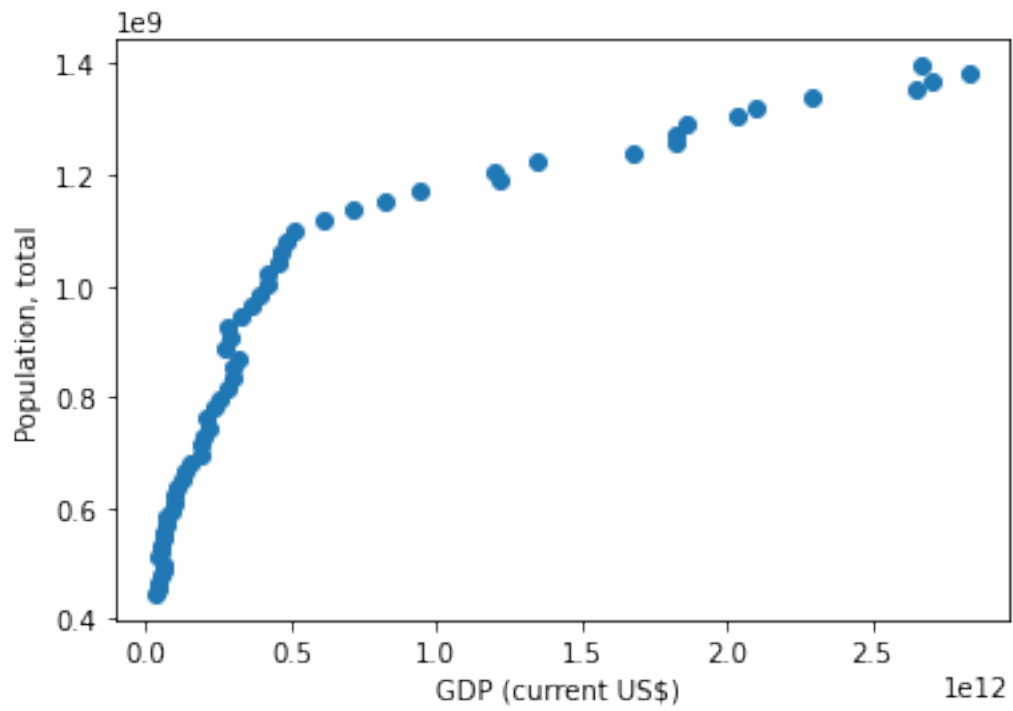


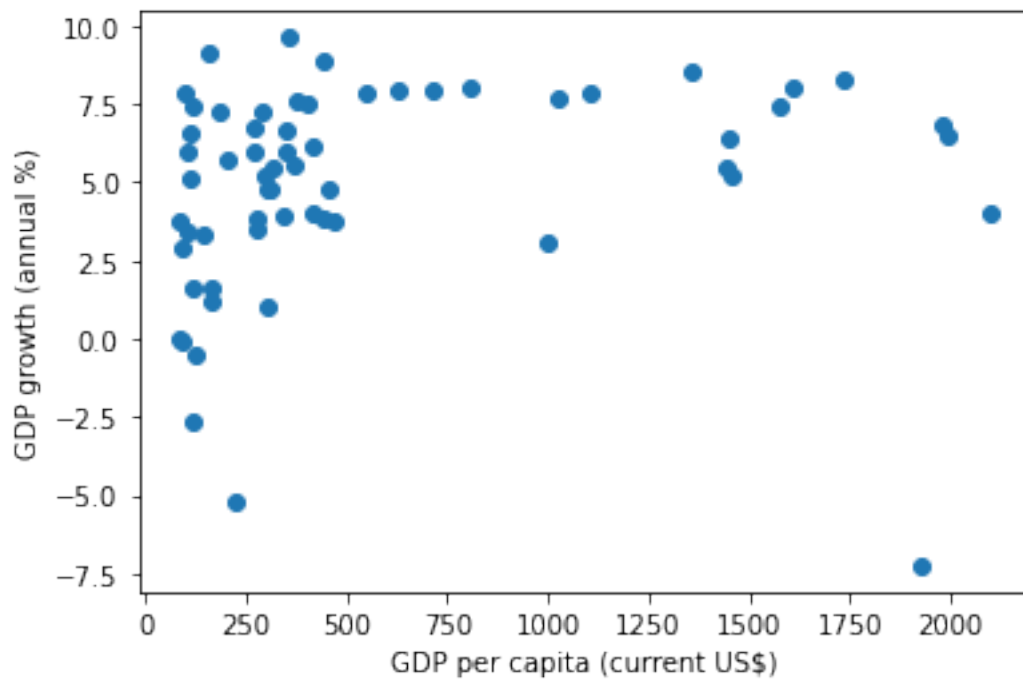
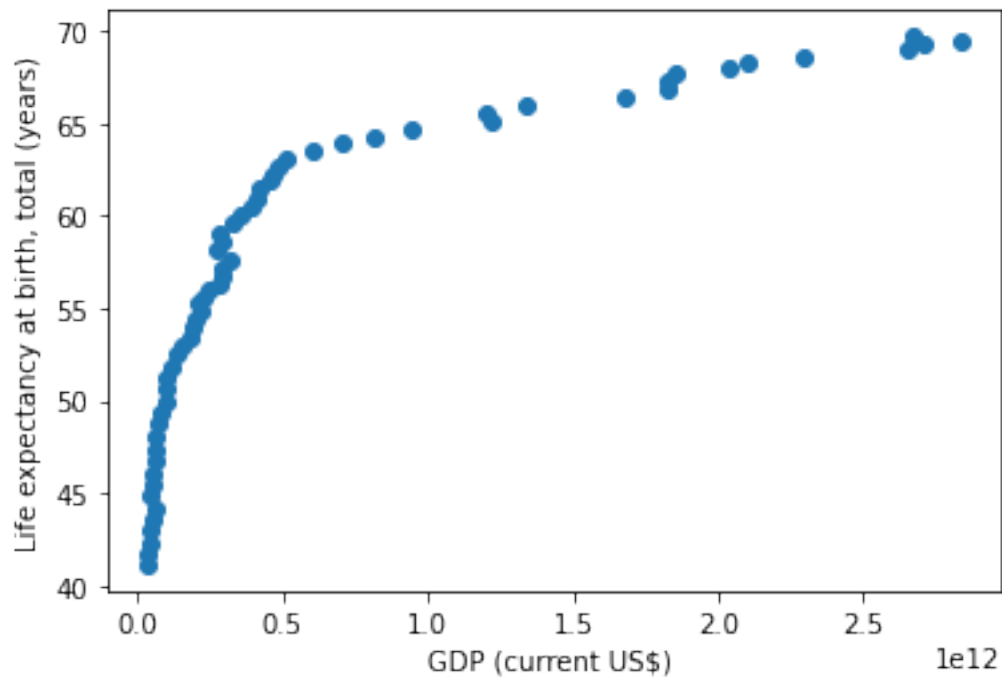
prompt: make scatter plot with each columns without using pairplot

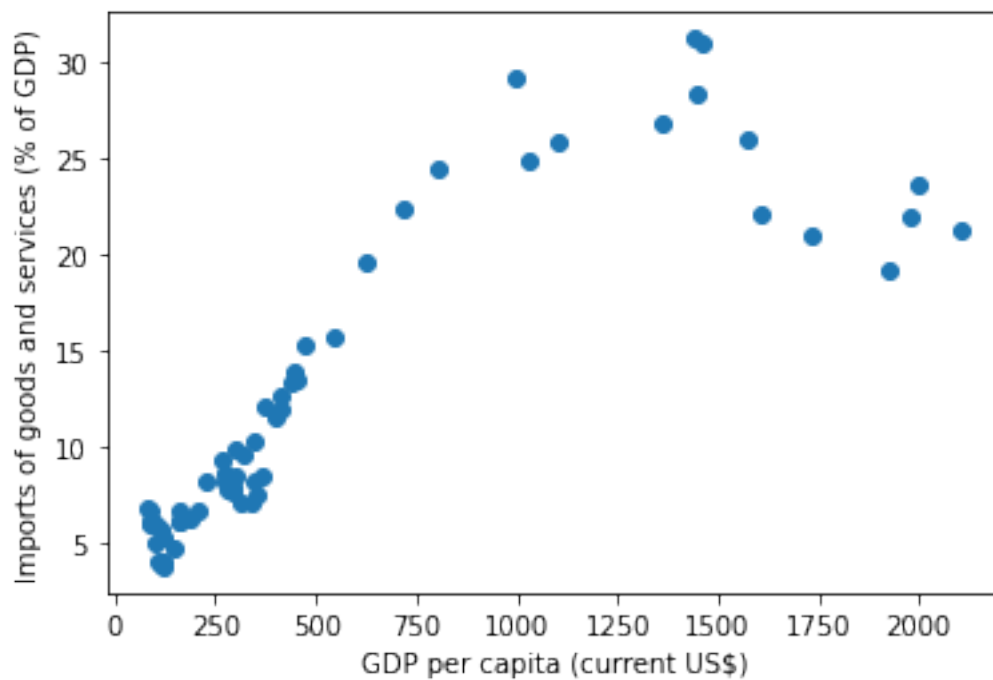
```
import matplotlib.pyplot as plt
for i in range(1, len(data.columns)):
    for j in range(i + 1, len(data.columns)):
        plt.scatter(data.iloc[:, i], data.iloc[:, j])
        plt.xlabel(data.columns[i])
        plt.ylabel(data.columns[j])
        plt.show()
```

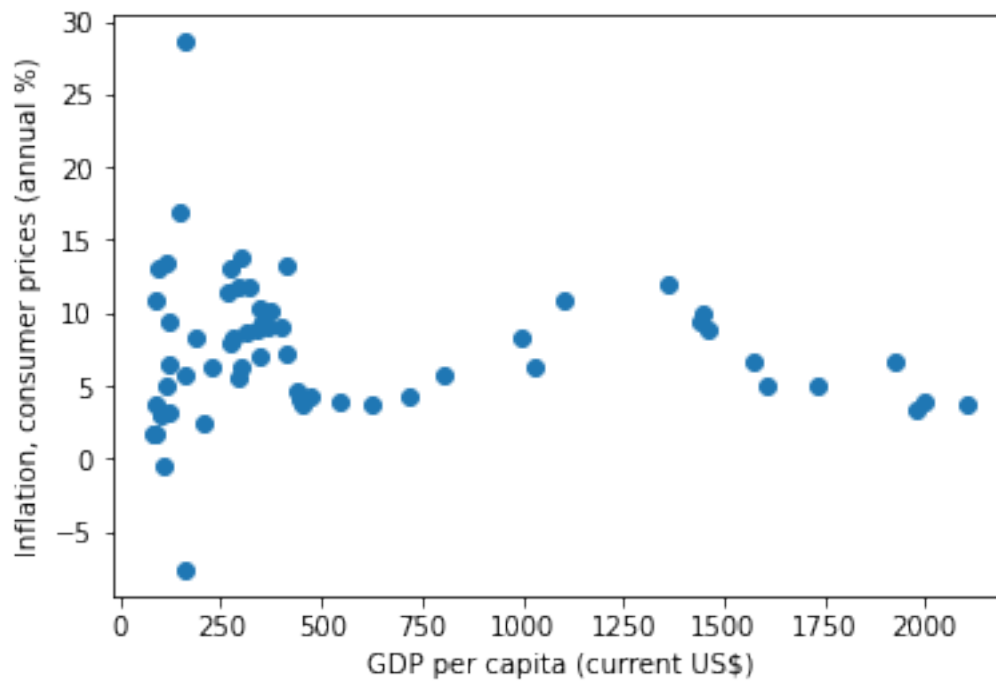
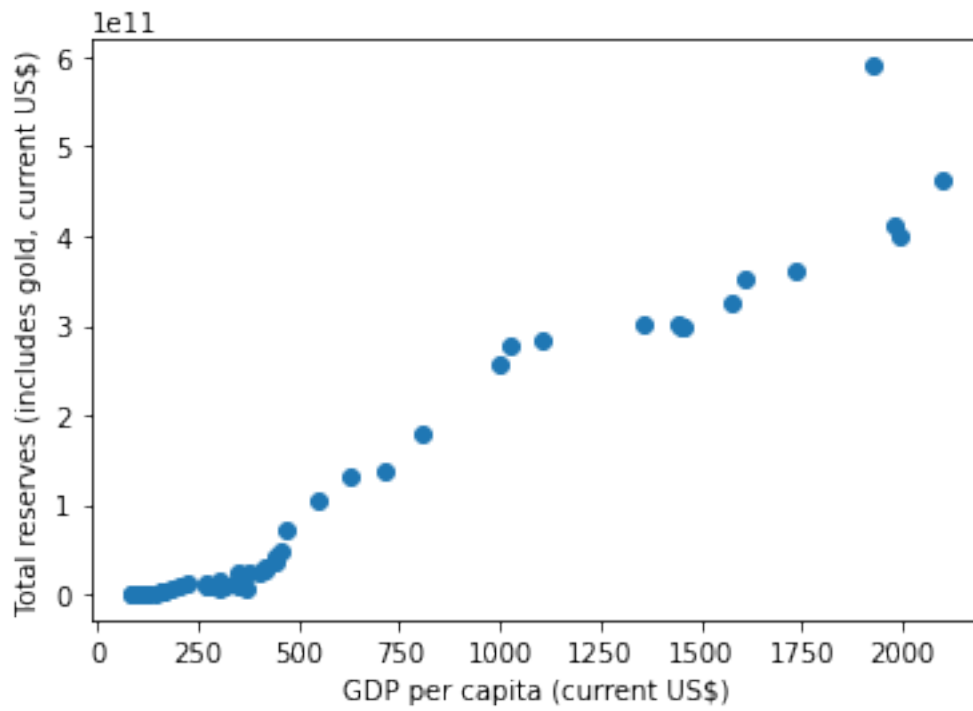


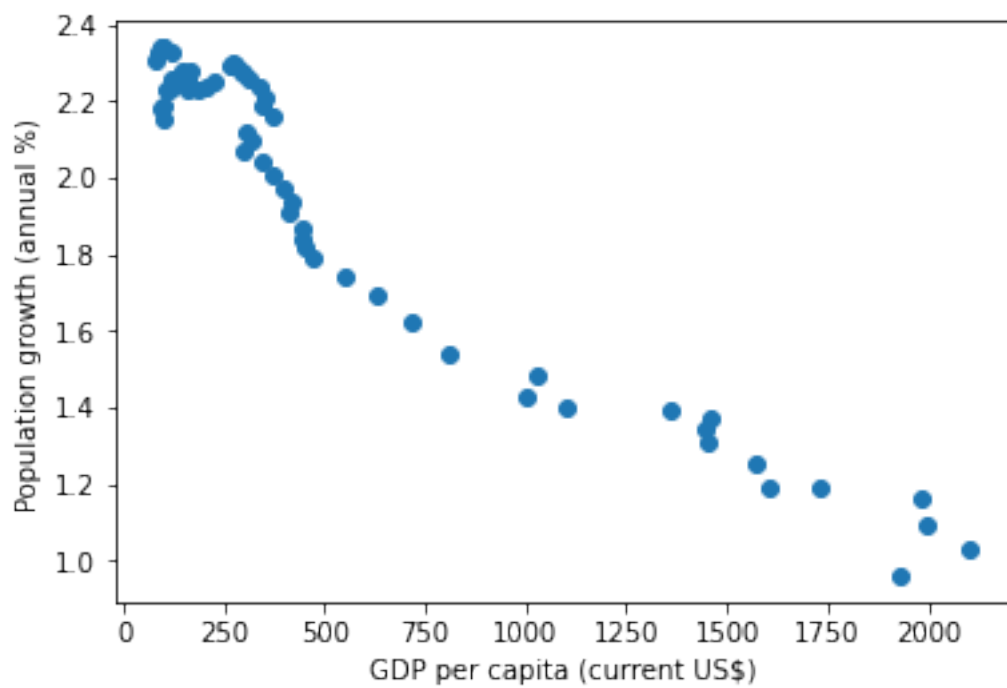
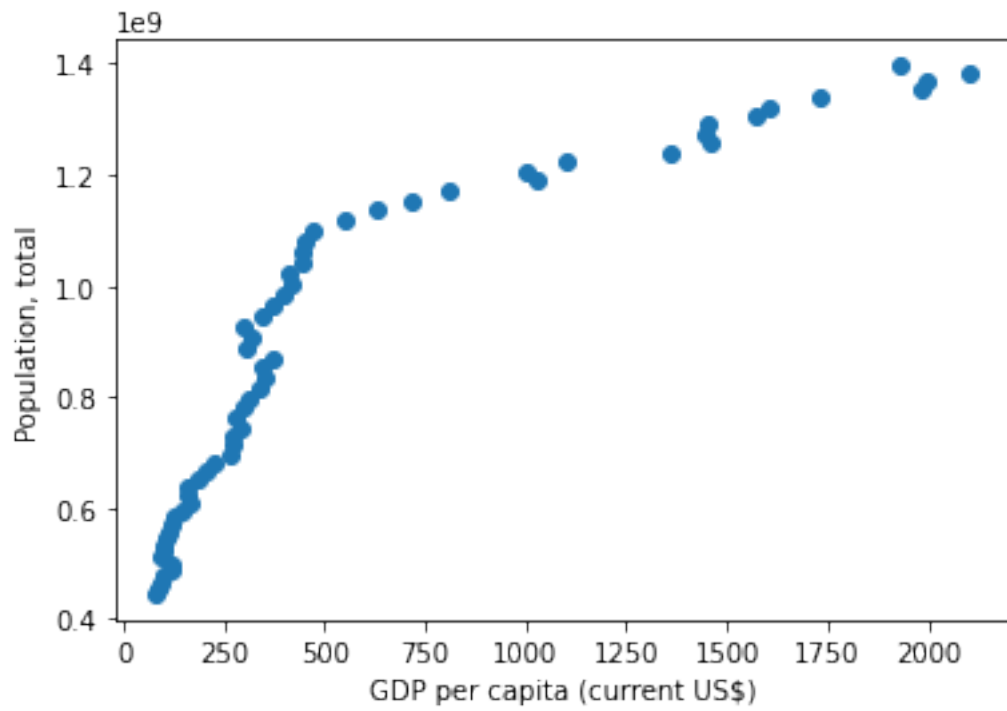


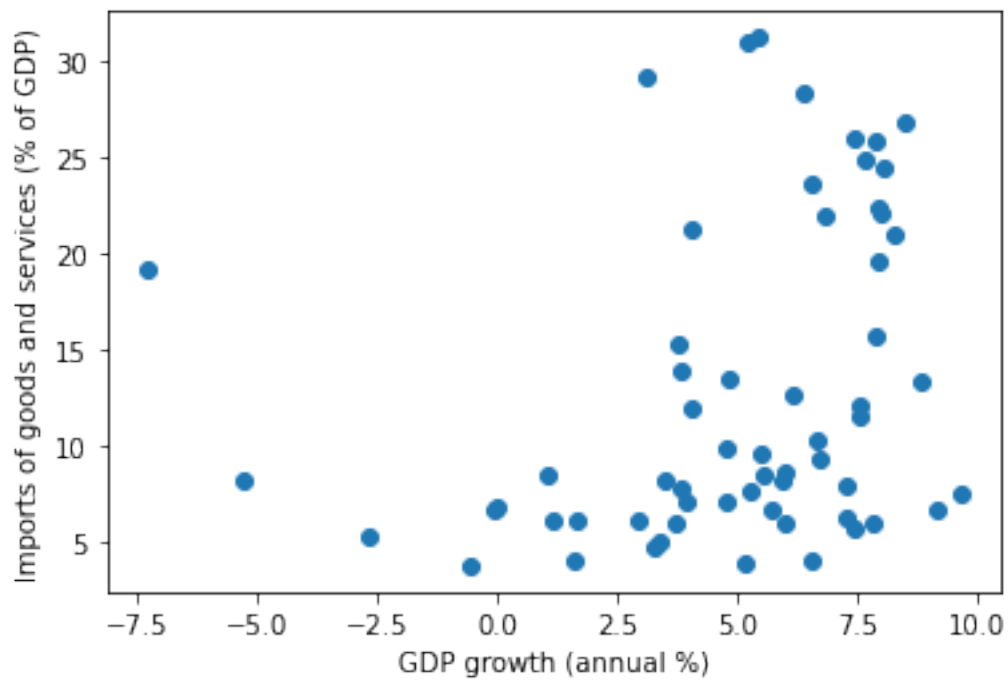
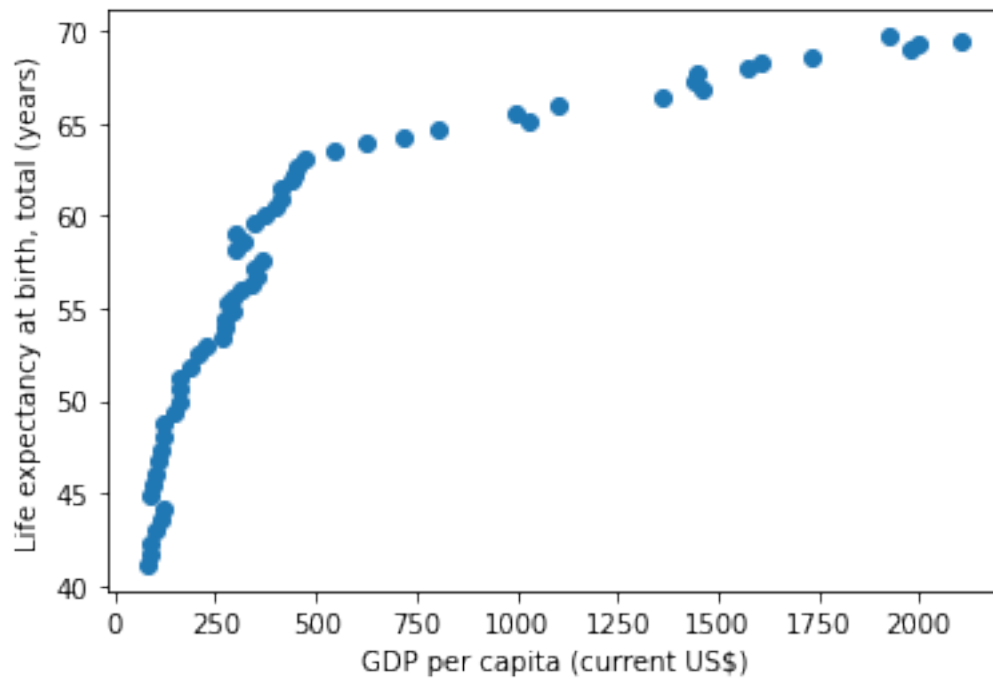


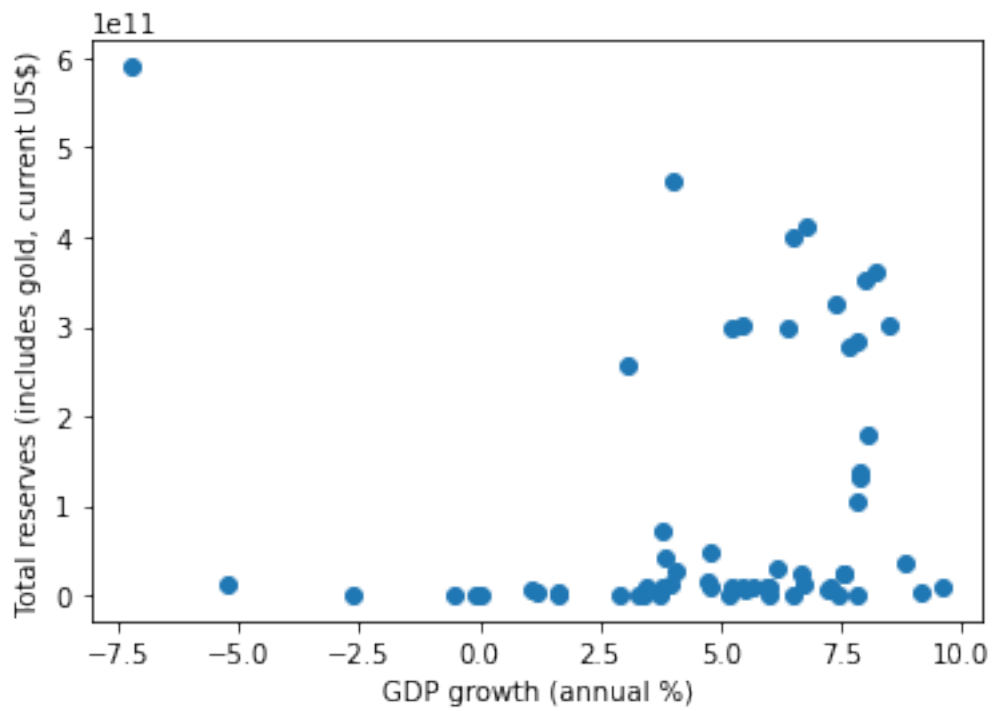
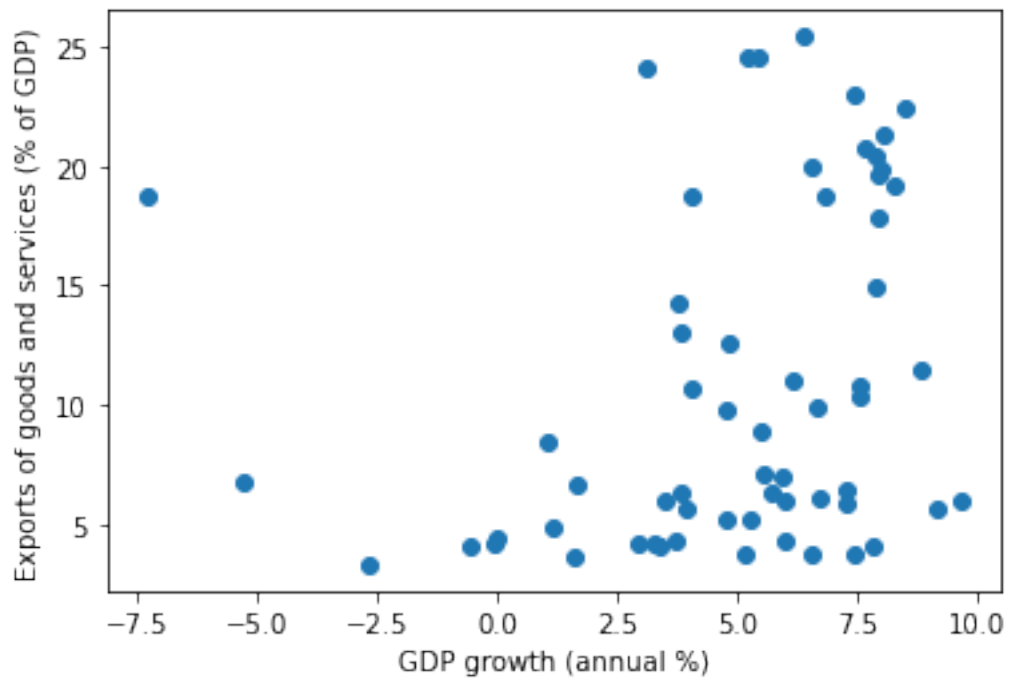


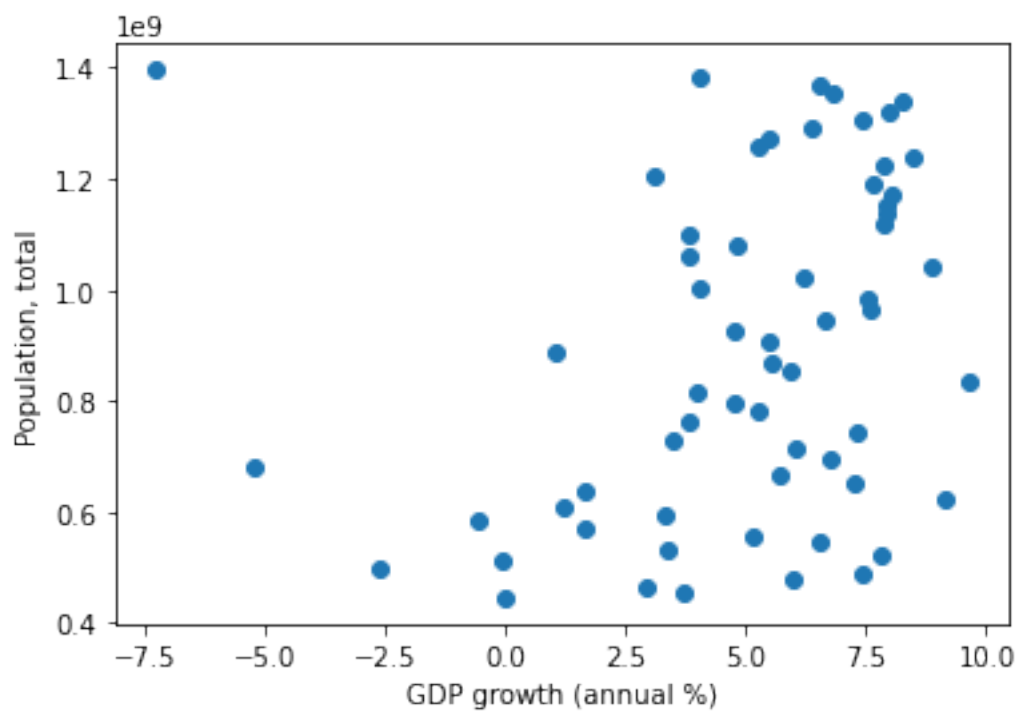
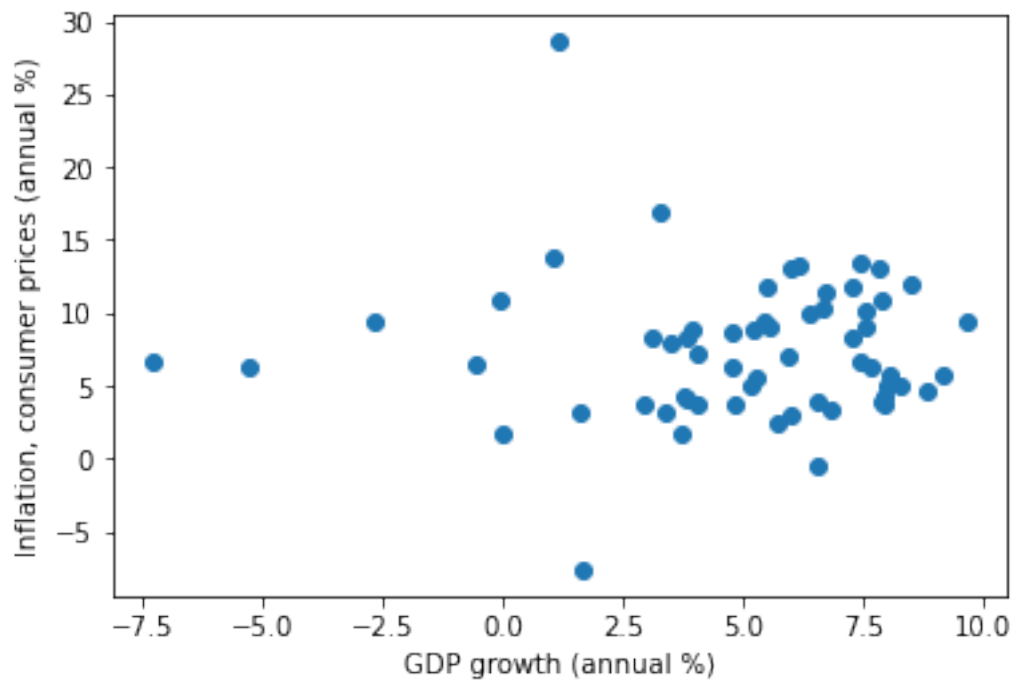


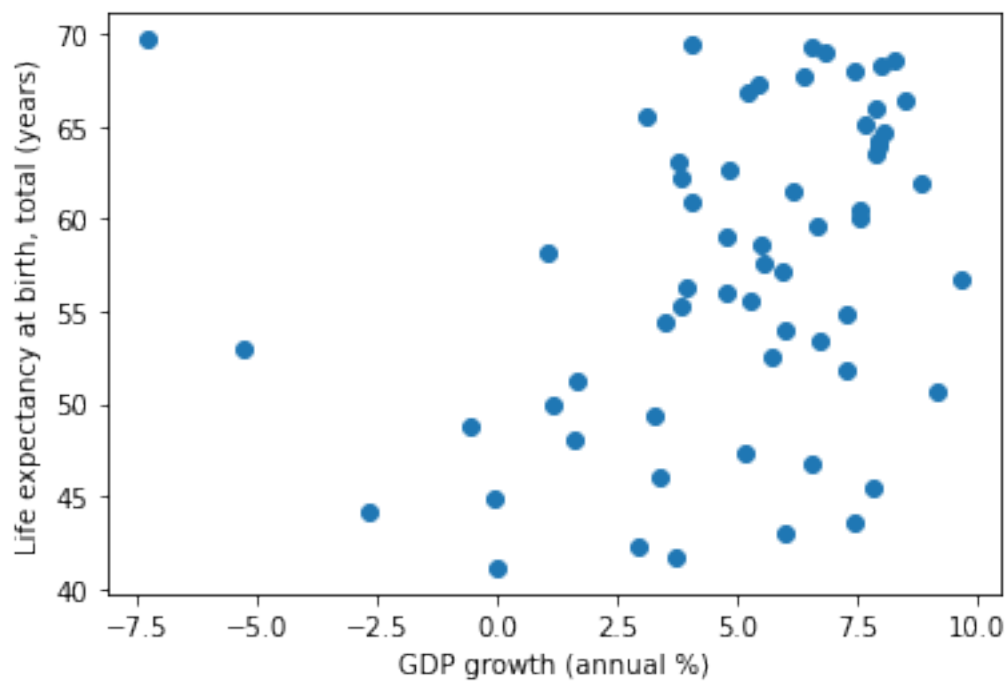
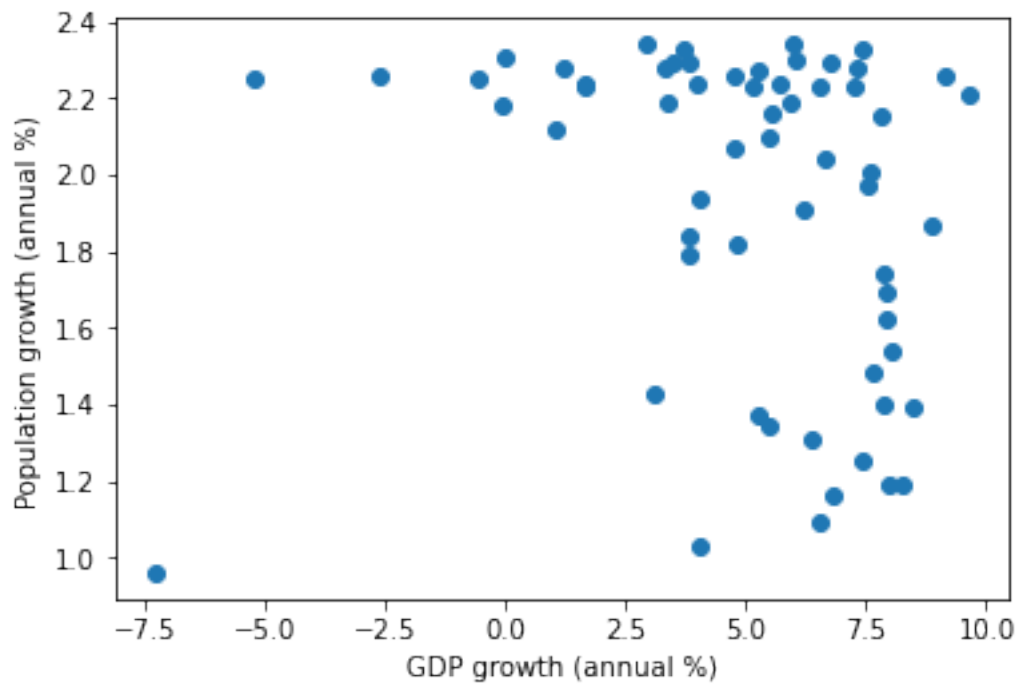


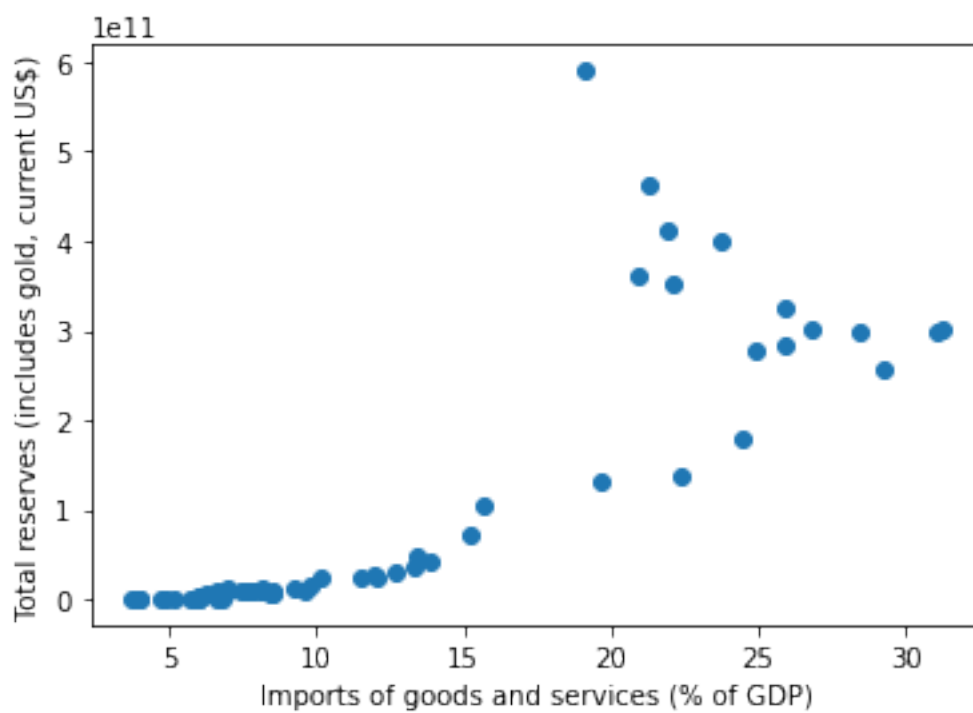
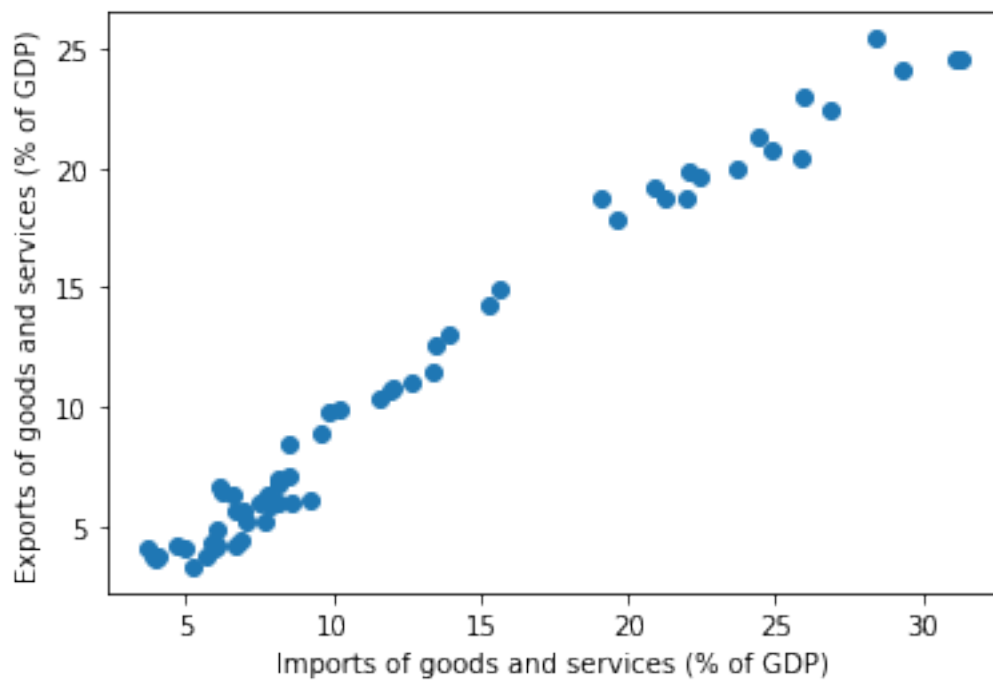


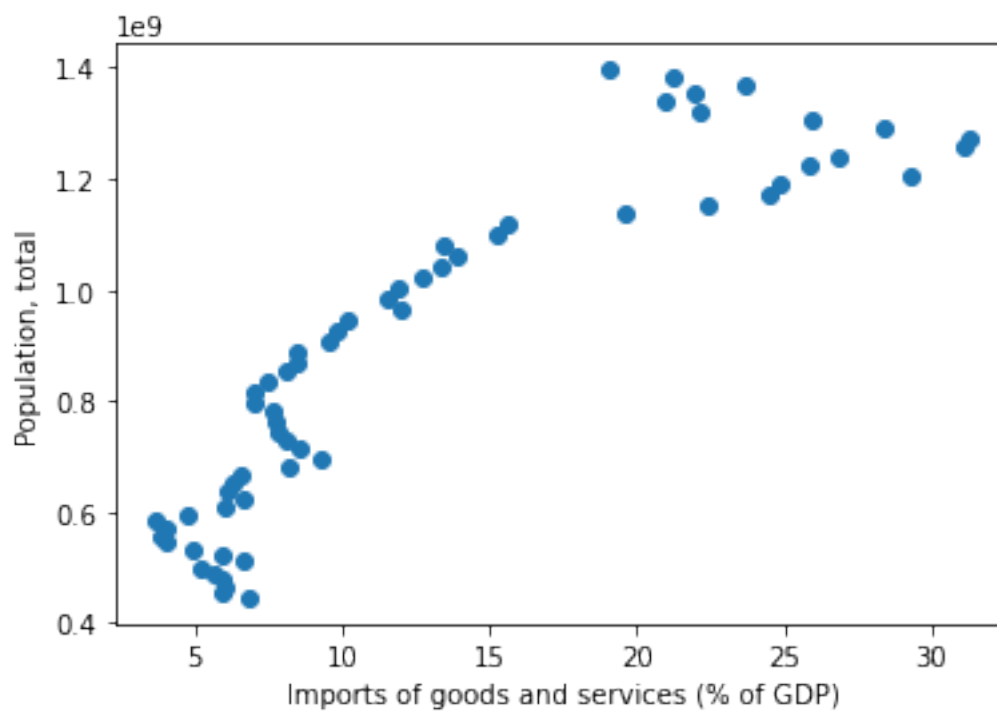
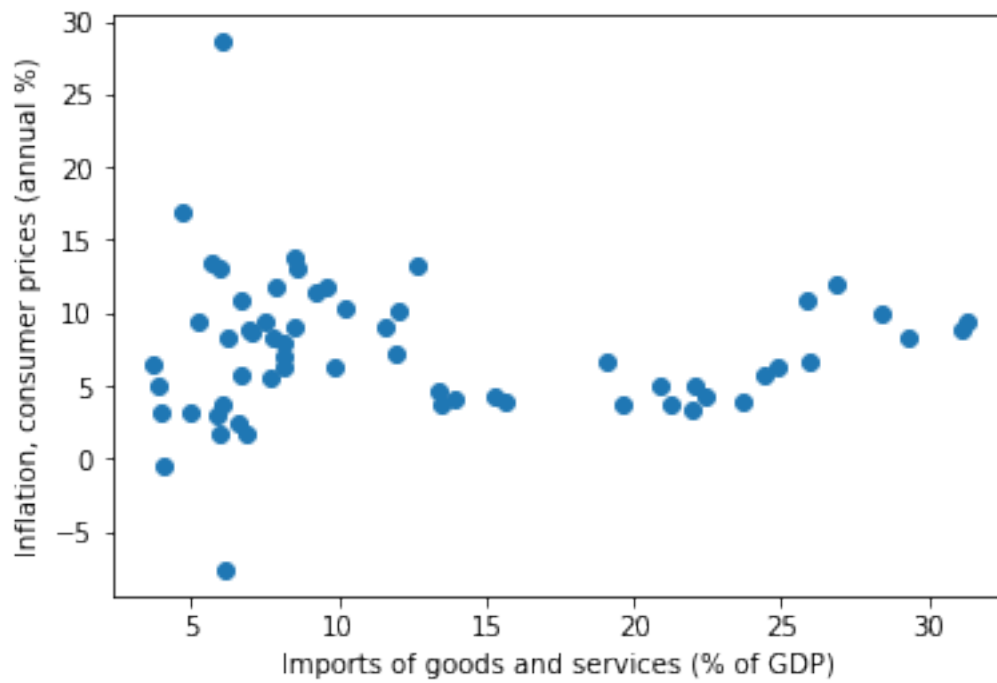


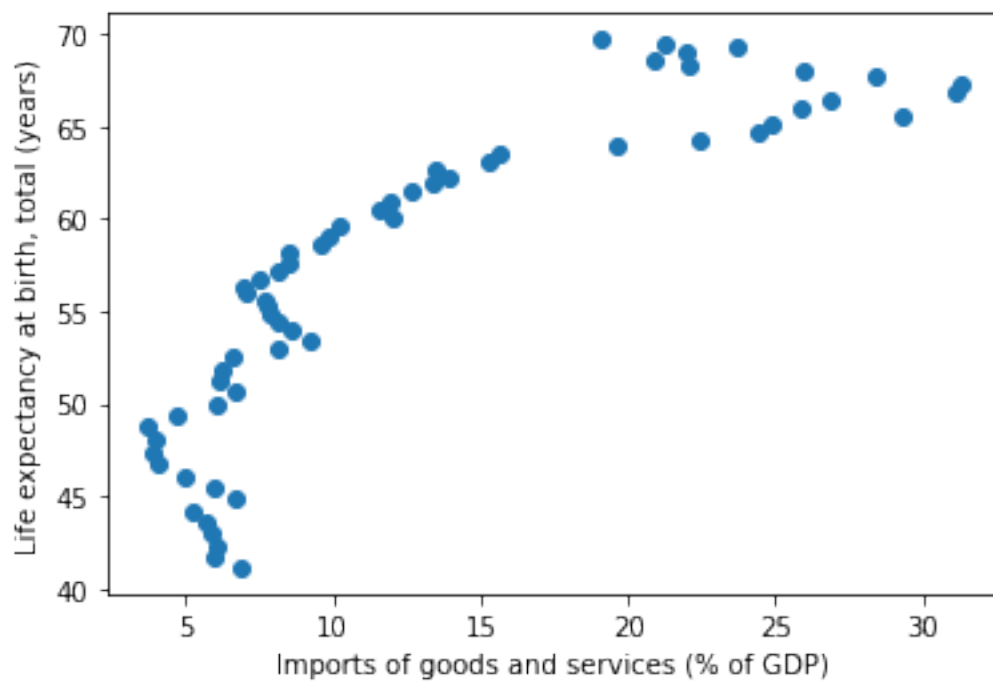
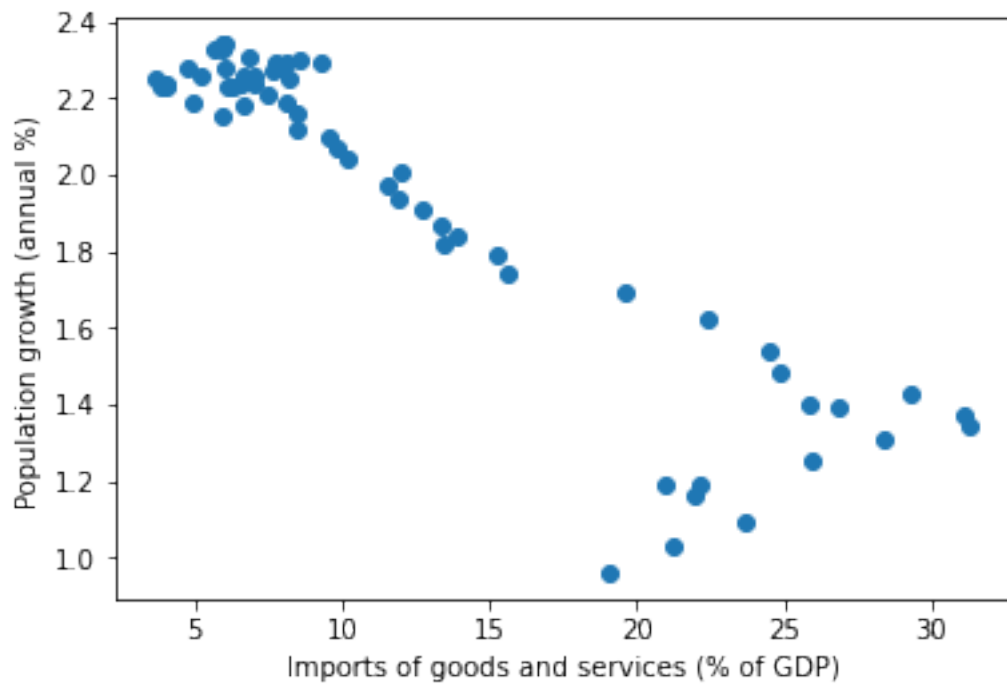


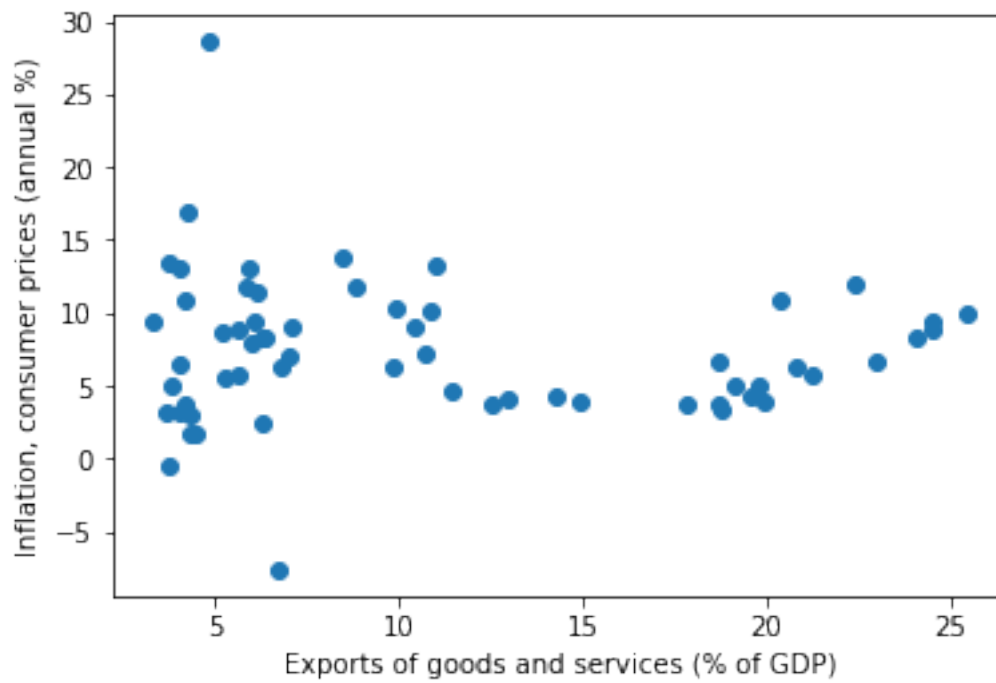
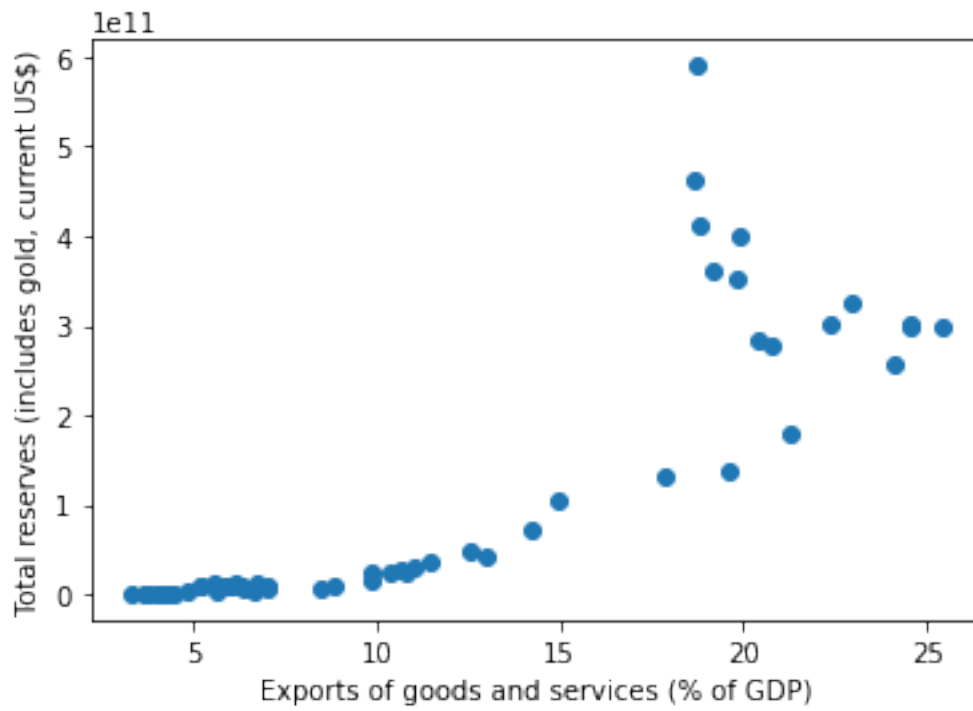


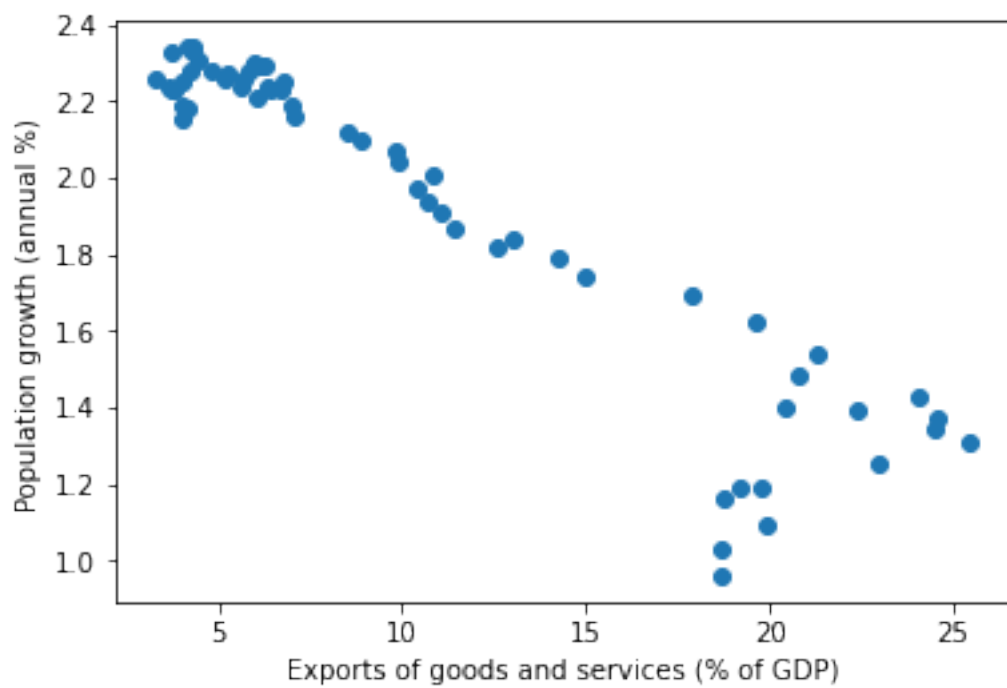
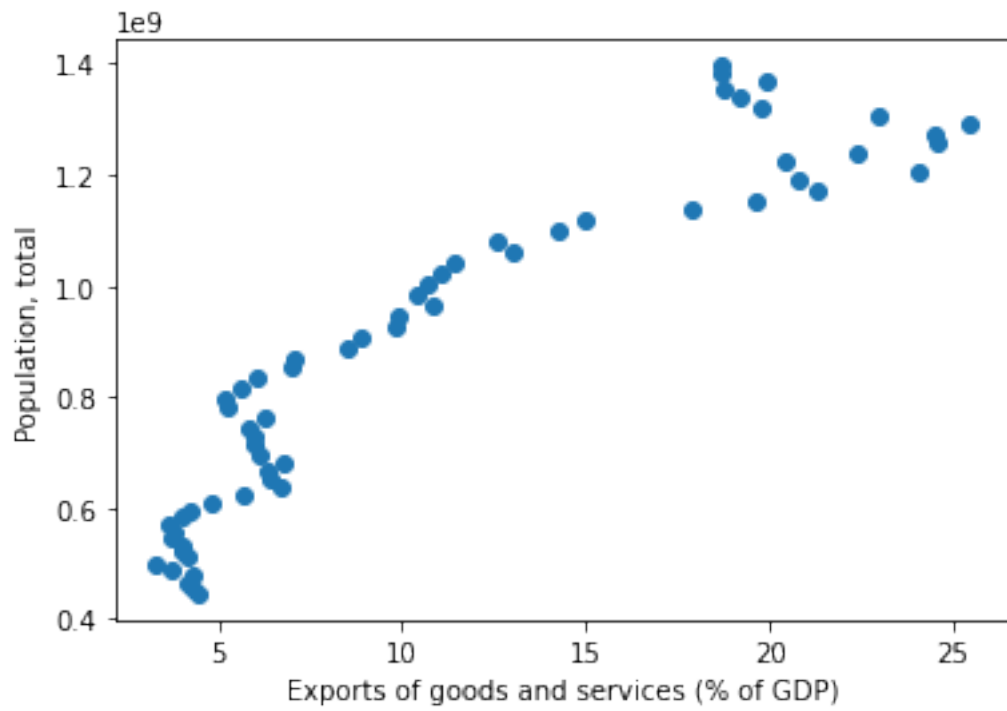


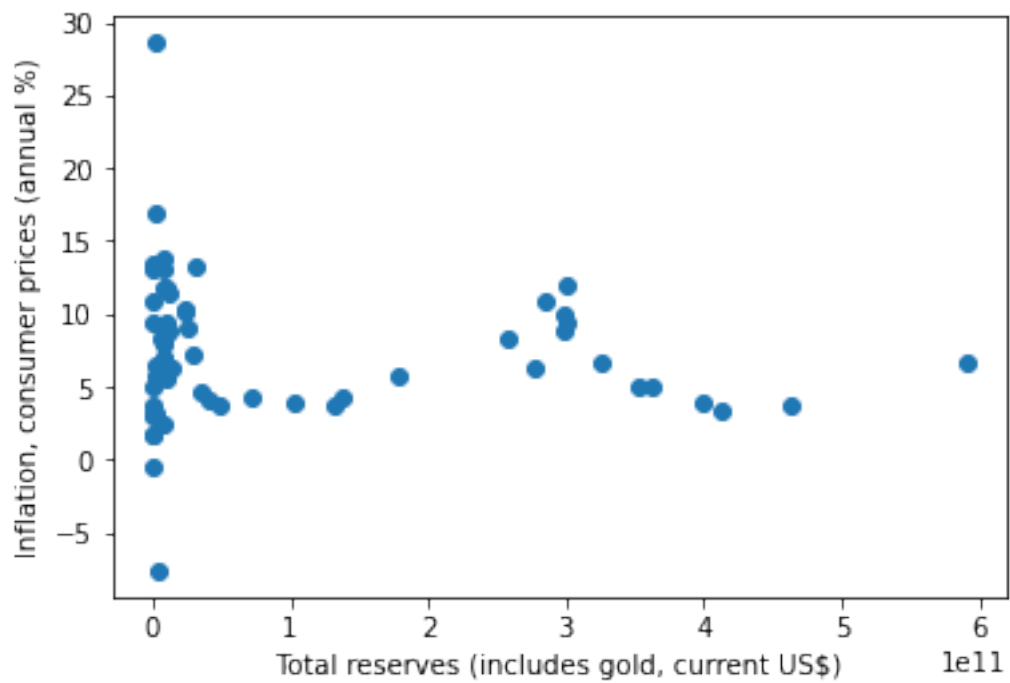
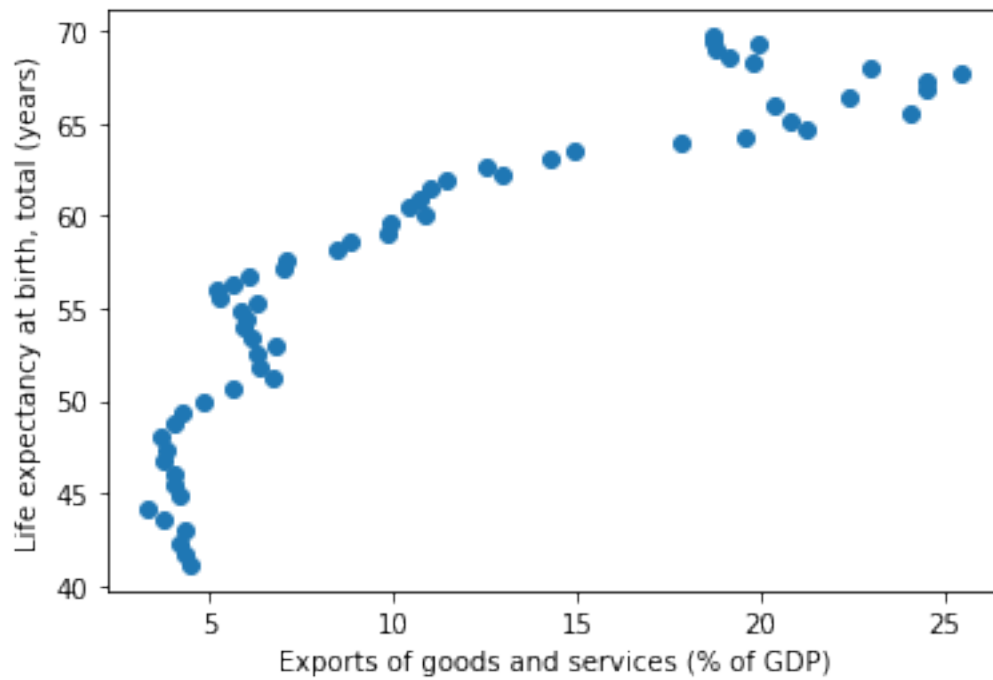


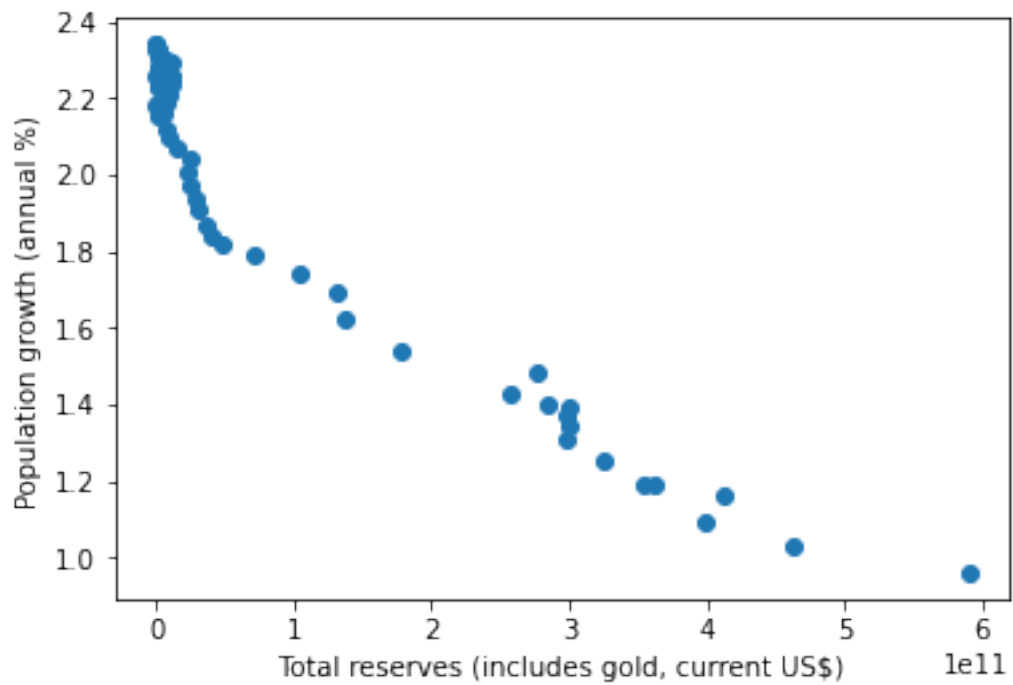
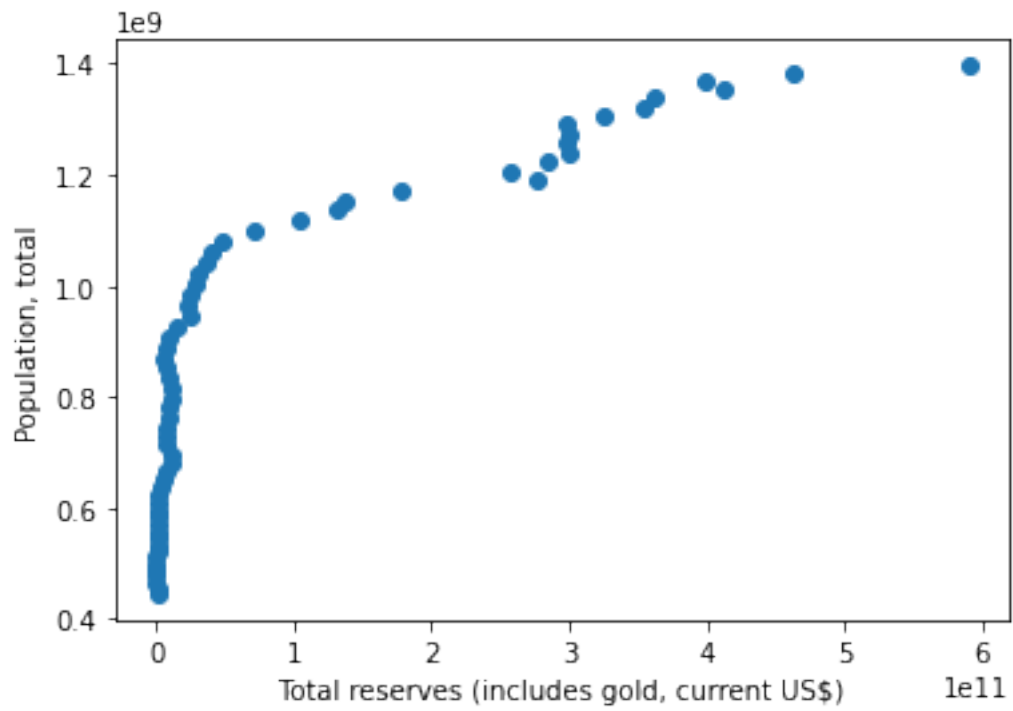


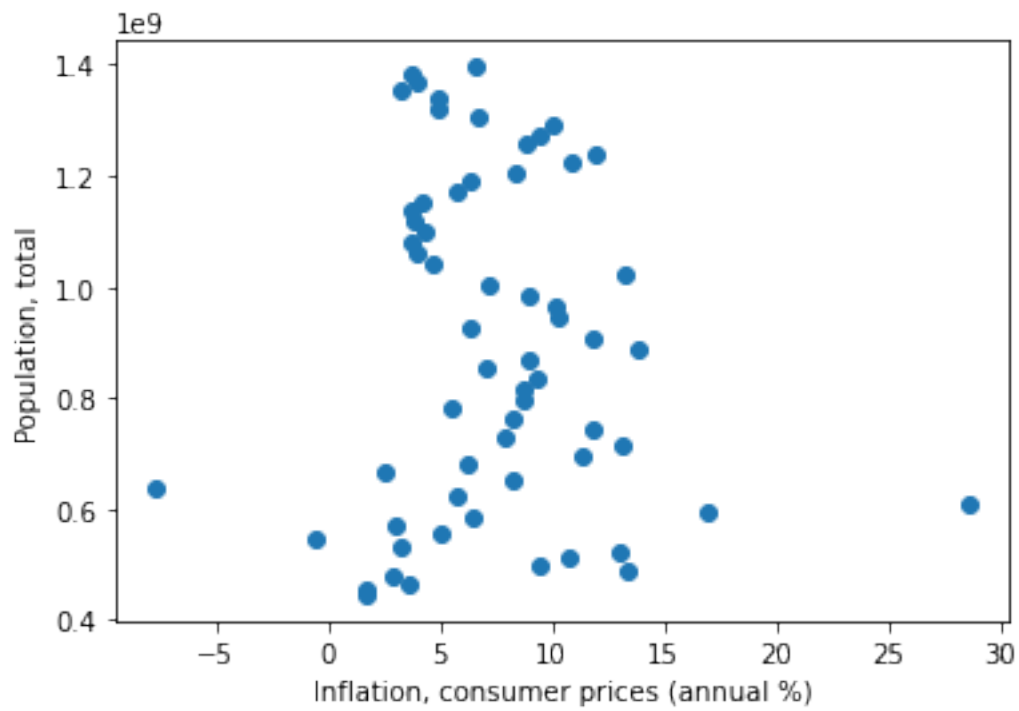
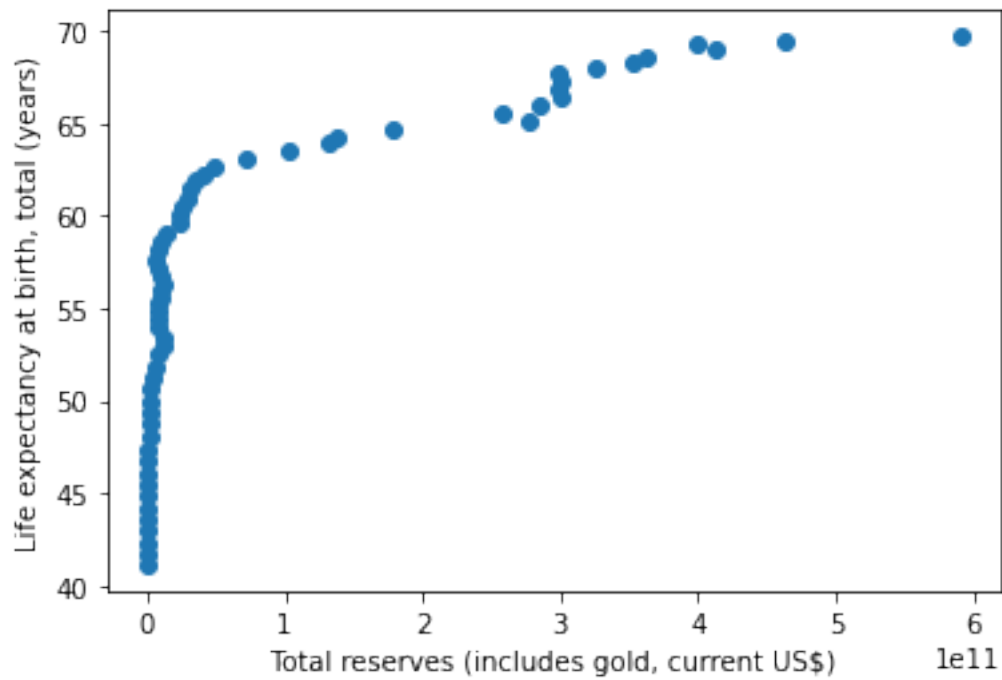




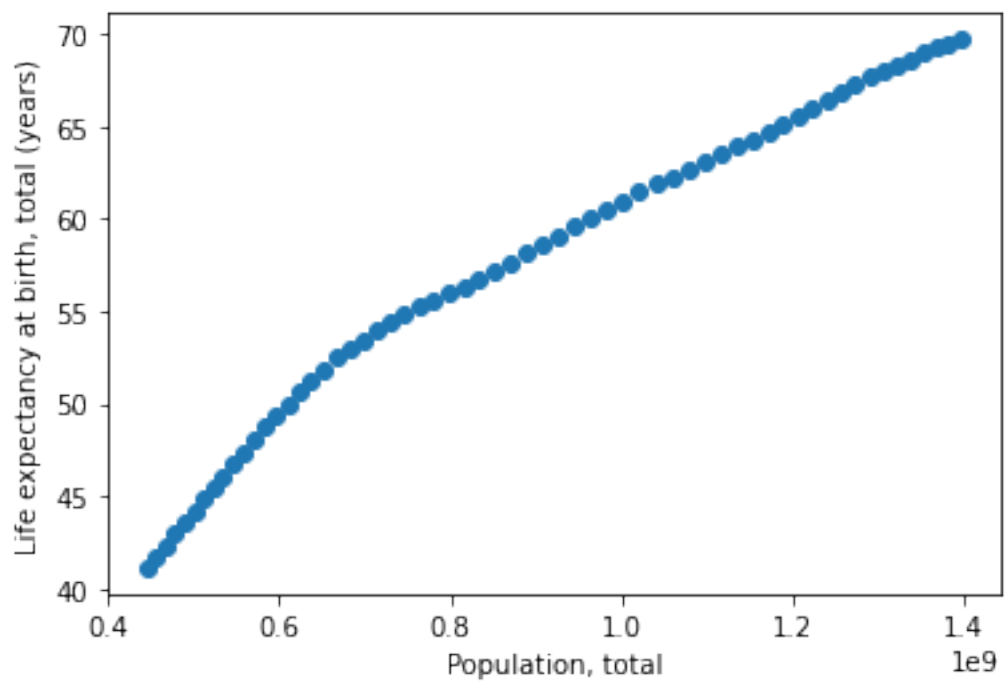
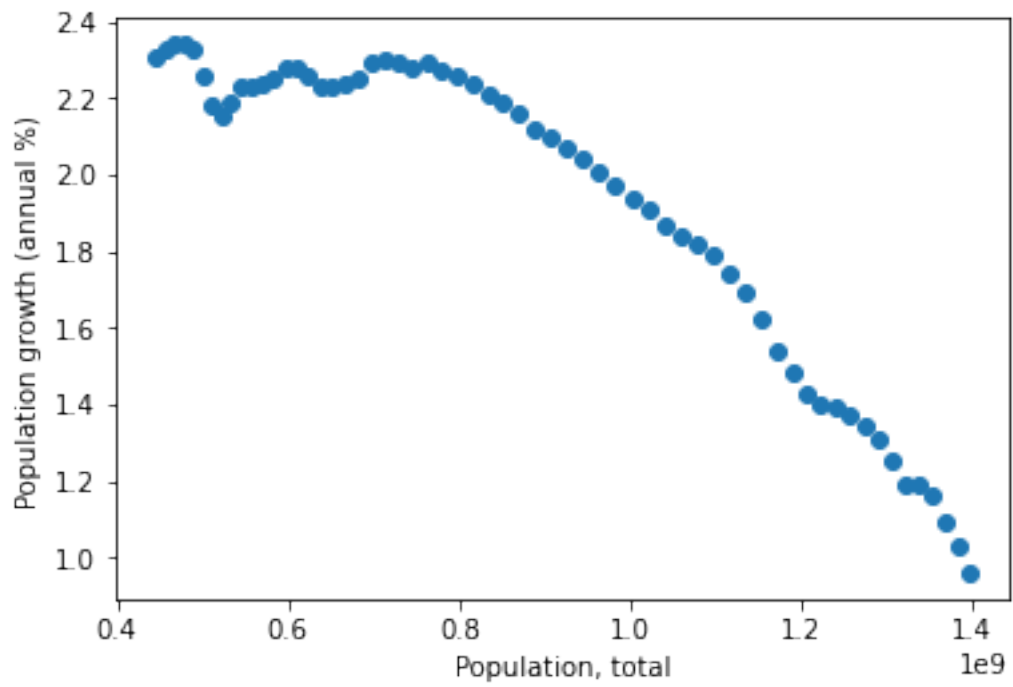


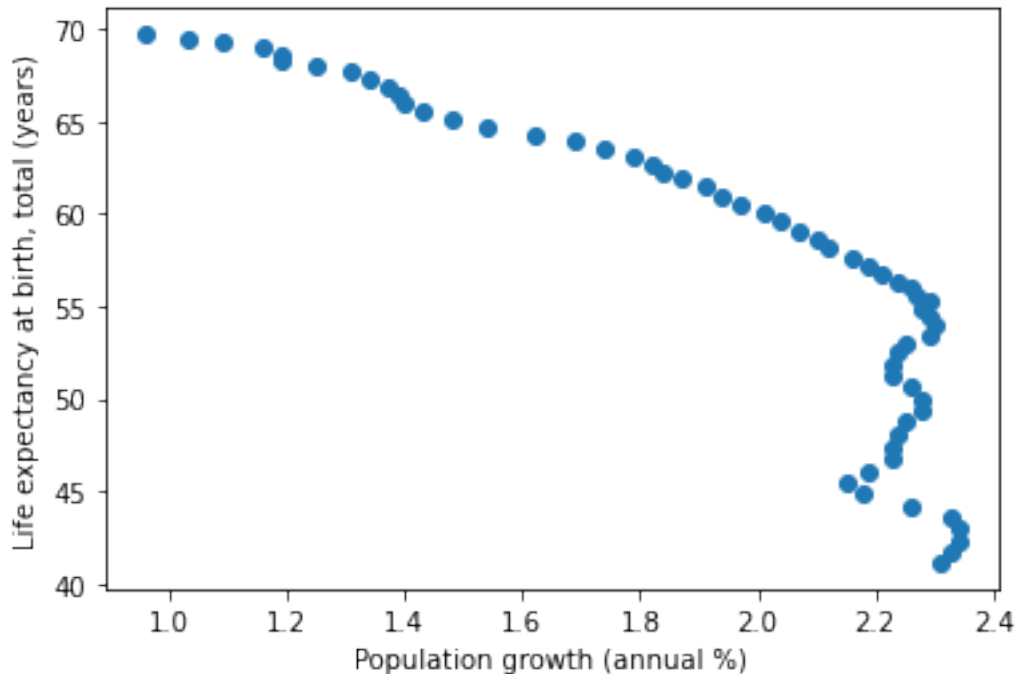












```
data.columns
```

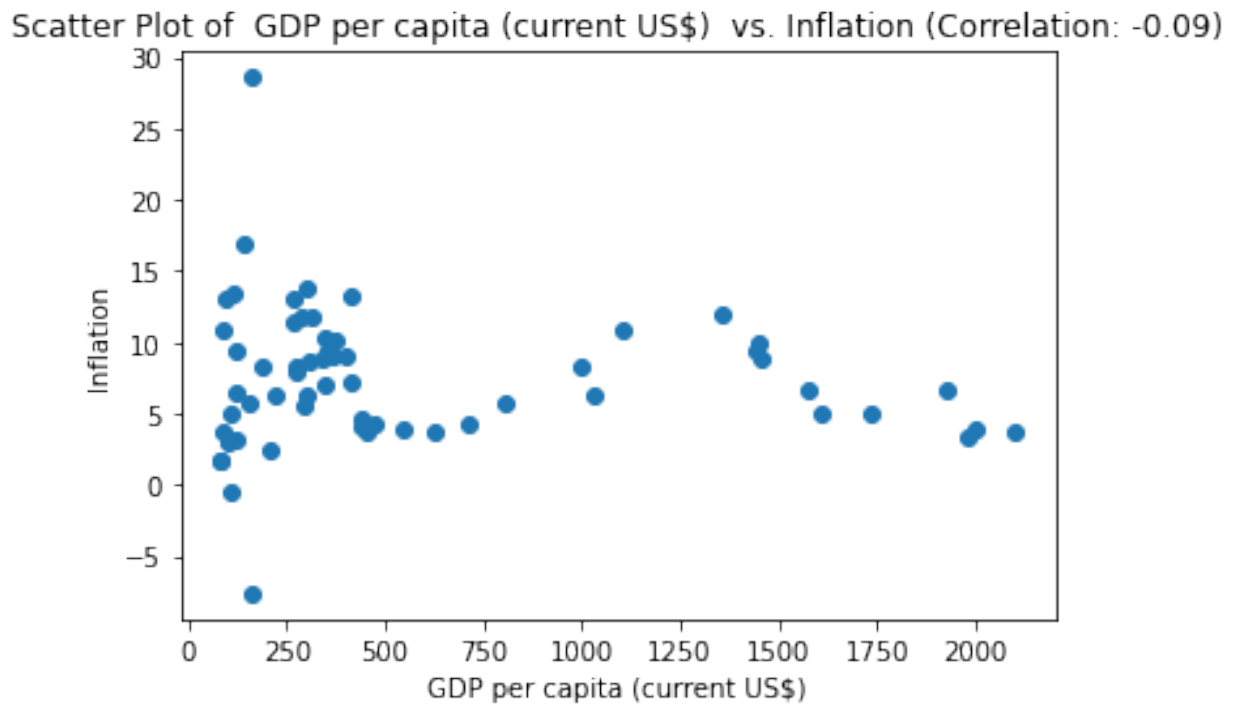
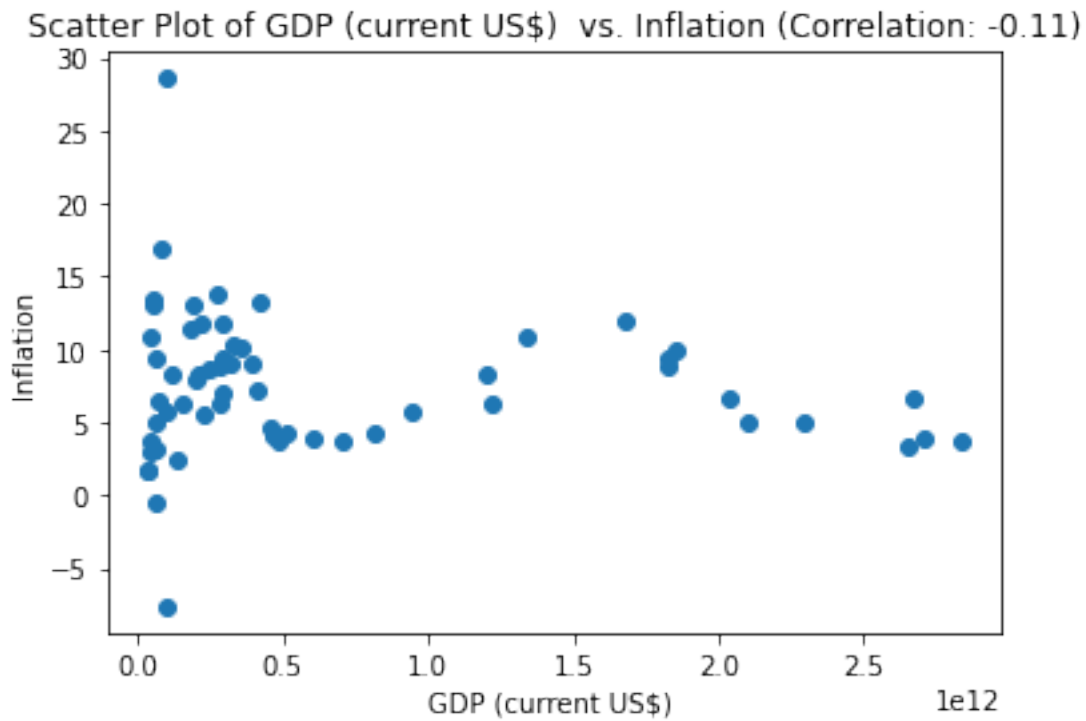
```
Index(['Year', 'GDP (current US$) ', ' GDP per capita (current US$) ',
      'GDP growth (annual %)', 'Imports of goods and services (% of
      GDP)',
      'Exports of goods and services (% of GDP)',
      ' Total reserves (includes gold, current US$) ',
      'Inflation, consumer prices (annual %)', 'Population, total',
      'Population growth (annual %)',
      'Life expectancy at birth, total (years)'],
      dtype='object')
```

```
for col in data.columns:
    if col not in ("Year", "Inflation, consumer prices (annual %)":
        # Create a scatter plot of the current column against the
        "Inflation" column
        plt.scatter(data[col], data["Inflation, consumer prices
        (annual %)"])
        plt.xlabel(col)
        plt.ylabel("Inflation")

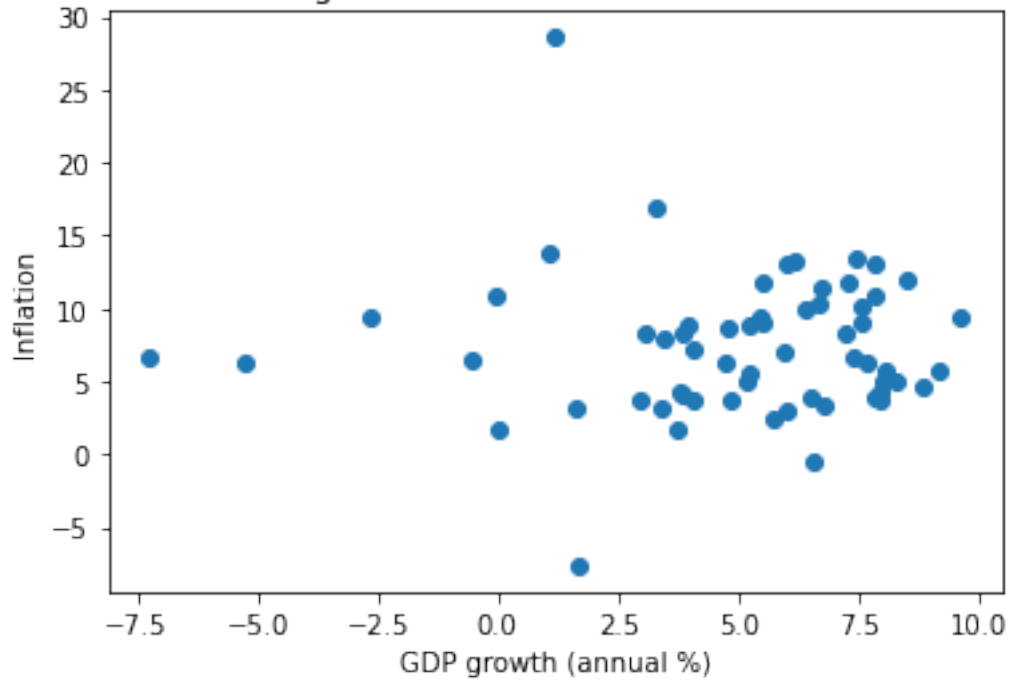
        # Calculate the correlation between the current column and the
        "Inflation" column
        correlation = np.corrcoef(data[col], data["Inflation, consumer
        prices (annual %)]) [0, 1]

        # Display the correlation coefficient in the plot title
        plt.title(f"Scatter Plot of {col} vs. Inflation (Correlation:
```

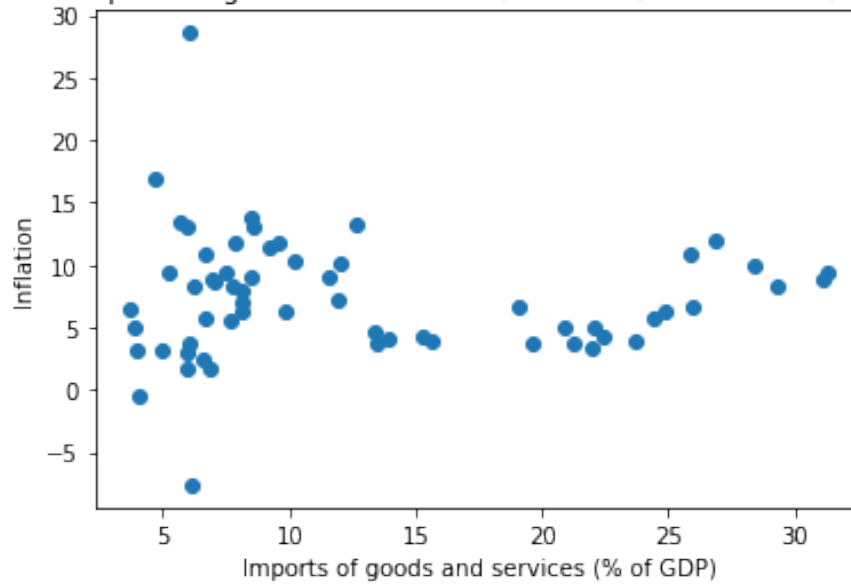
```
{correlation:.2f})")  
plt.show()
```



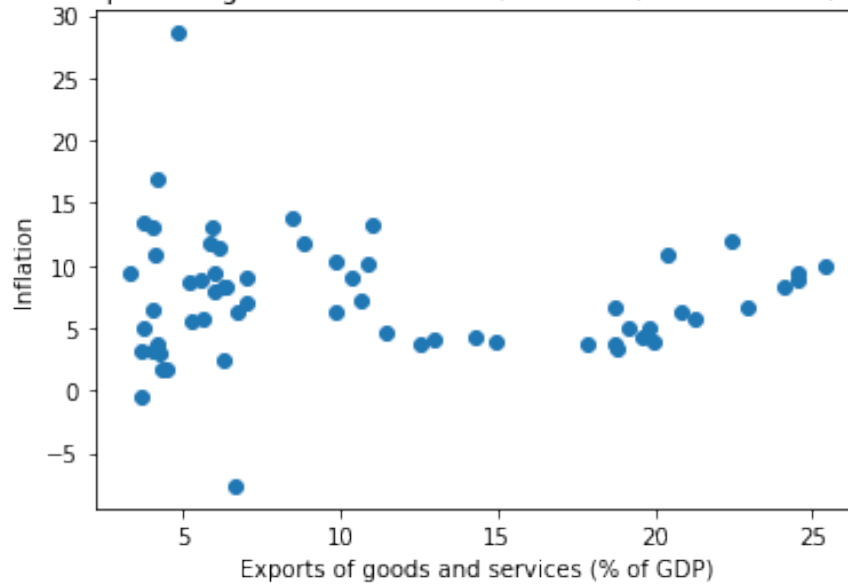
Scatter Plot of GDP growth (annual %) vs. Inflation (Correlation: 0.01)



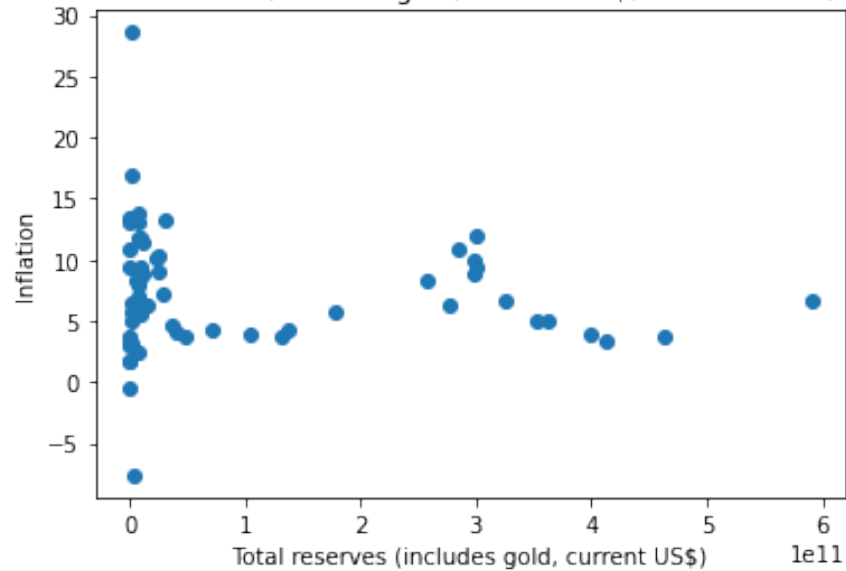
Scatter Plot of Imports of goods and services (% of GDP) vs. Inflation (Correlation: -0.03)



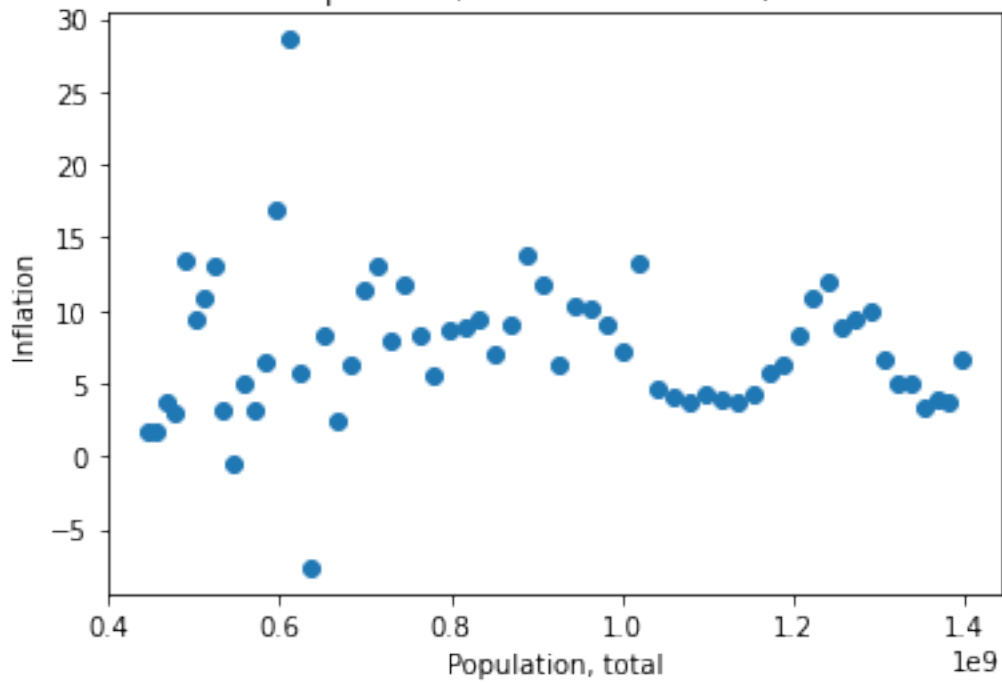
Scatter Plot of Exports of goods and services (% of GDP) vs. Inflation (Correlation: -0.07)



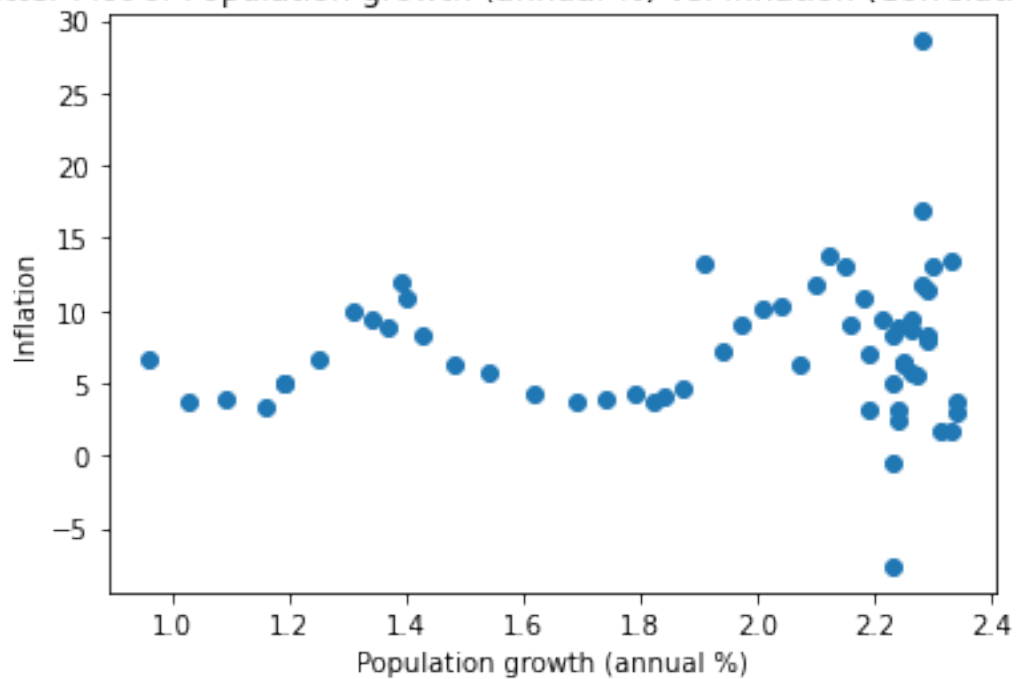
Scatter Plot of Total reserves (includes gold, current US\$) vs. Inflation (Correlation: -0.11)



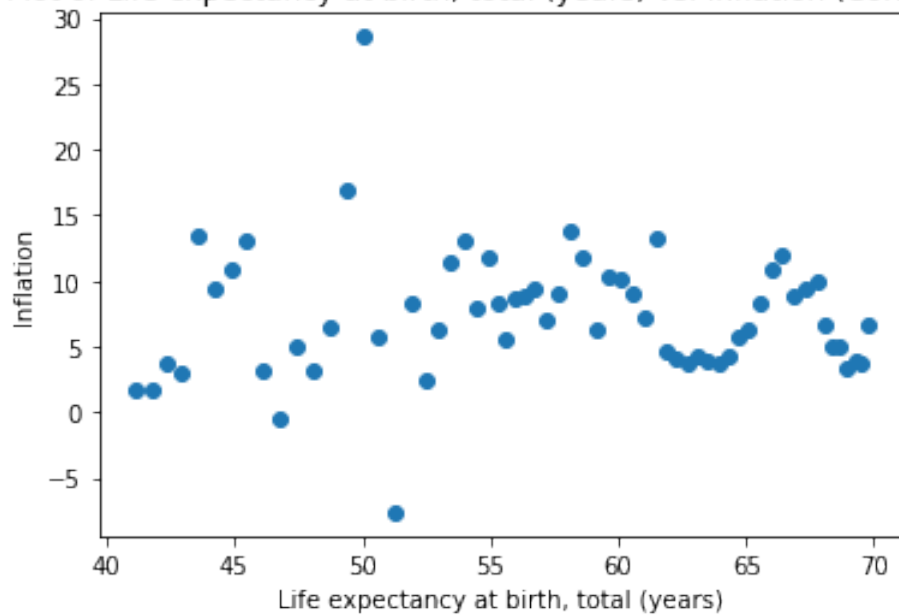
Scatter Plot of Population, total vs. Inflation (Correlation: -0.05)



Scatter Plot of Population growth (annual %) vs. Inflation (Correlation: 0.12)



Scatter Plot of Life expectancy at birth, total (years) vs. Inflation (Correlation: -0.01)



prompt: now remove all columns and take only two columns, year and inflation

```
data_inflation = data[['Year', 'Inflation, consumer prices (annual %)']]
data_inflation
```

	Year	Inflation, consumer prices (annual %)
0	1960	1.78
1	1961	1.70
2	1962	3.63
3	1963	2.95
4	1964	13.36
...
56	2016	4.95
57	2017	3.33
58	2018	3.94
59	2019	3.73
60	2020	6.62

[61 rows x 2 columns]

prompt: rename the inflation column with only "inflstipn"

```
data_inflation = data_inflation.rename(columns={'Inflation, consumer prices (annual %)': 'inflation'})
data_inflation
```

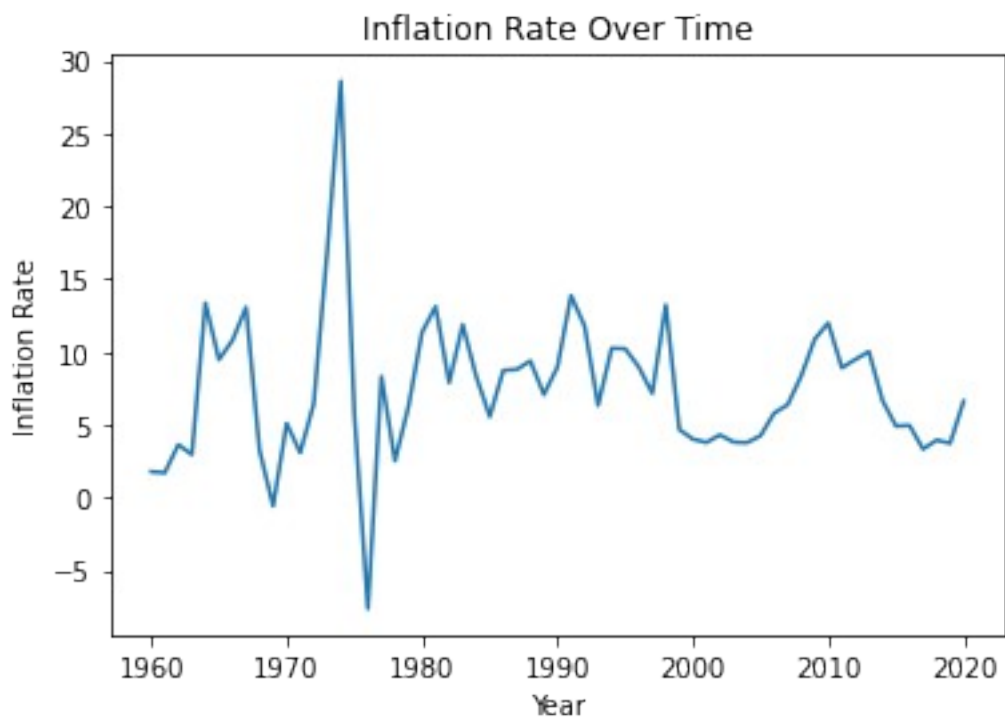
	Year	inflation
0	1960	1.78

1	1961	1.70
2	1962	3.63
3	1963	2.95
4	1964	13.36
...
56	2016	4.95
57	2017	3.33
58	2018	3.94
59	2019	3.73
60	2020	6.62

[61 rows x 2 columns]

```
# @title Inflation Rate Over Time
```

```
import matplotlib.pyplot as plt
plt.plot(data_inflation['Year'], data_inflation['inflation'])
plt.title('Inflation Rate Over Time')
plt.xlabel('Year')
_ = plt.ylabel('Inflation Rate')
```



```
# prompt: now do the adfuller test and show whether it is stationary or not
```

```
from statsmodels.tsa.stattools import adfuller
adf_result = adfuller(data_inflation['inflation'])
```



```

print("ADF Statistic:", adf_result[0])
print("p-value:", adf_result[1])

if adf_result[1] > 0.05:
    print("The inflation rate is not stationary.")
else:
    print("The inflation rate is stationary.")

ADF Statistic: -4.853443951169606
p-value: 4.293062853742427e-05
The inflation rate is stationary.

from statsmodels.tsa.seasonal import seasonal_decompose

# Decompose the time series
result = seasonal_decompose(data_inflation['inflation'], period=12,
model='additive')

# Plot the decomposed components
fig, axs = plt.subplots(3, 1, figsize=(12, 8), sharex=True)

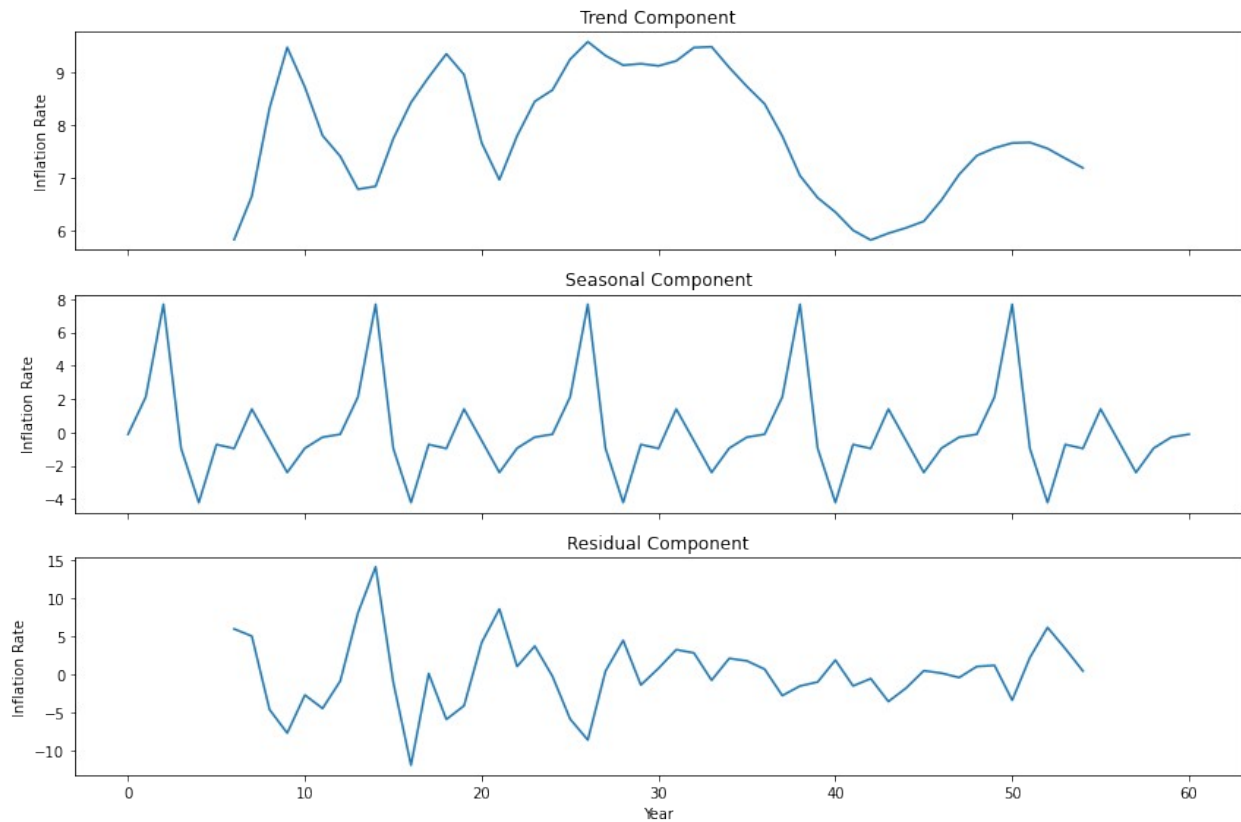
# Plot the trend component
result.trend.plot(ax=axs[0], label='Trend')
axs[0].set_ylabel('Inflation Rate')
axs[0].set_title('Trend Component')

# Plot the seasonal component
result.seasonal.plot(ax=axs[1], label='Seasonality')
axs[1].set_ylabel('Inflation Rate')
axs[1].set_title('Seasonal Component')

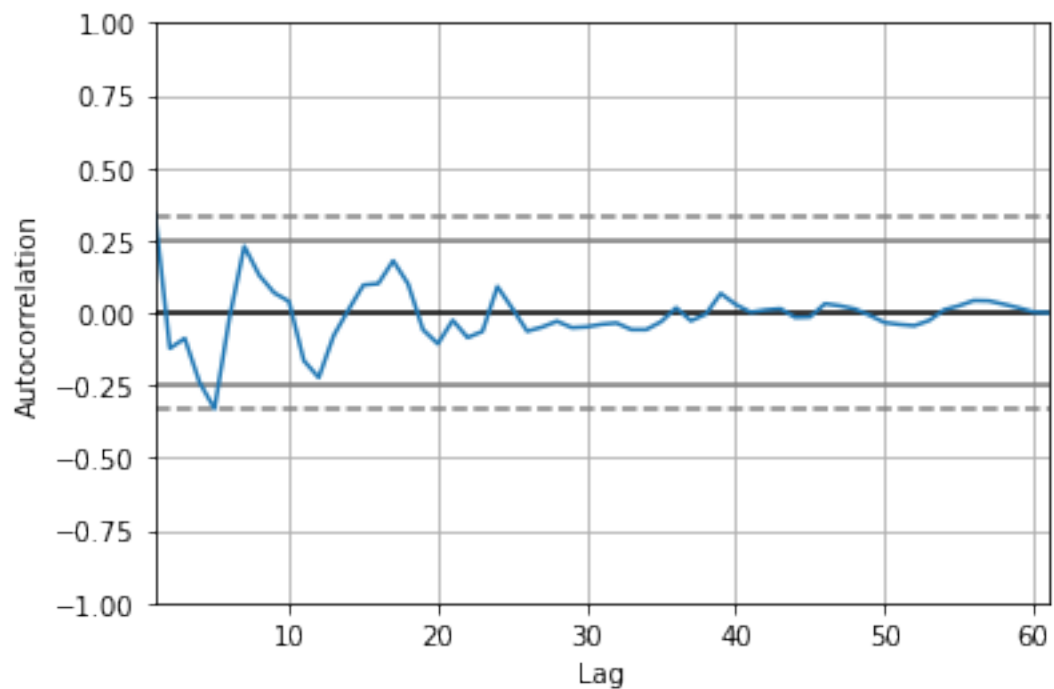
# Plot the residual component
result.resid.plot(ax=axs[2], label='Residuals')
axs[2].set_xlabel('Year')
axs[2].set_ylabel('Inflation Rate')
axs[2].set_title('Residual Component')

plt.tight_layout()
plt.show()

```



```
from pandas.plotting import autocorrelation_plot
autocorrelation_plot(data_inflation['inflation'])
plt.show()
```



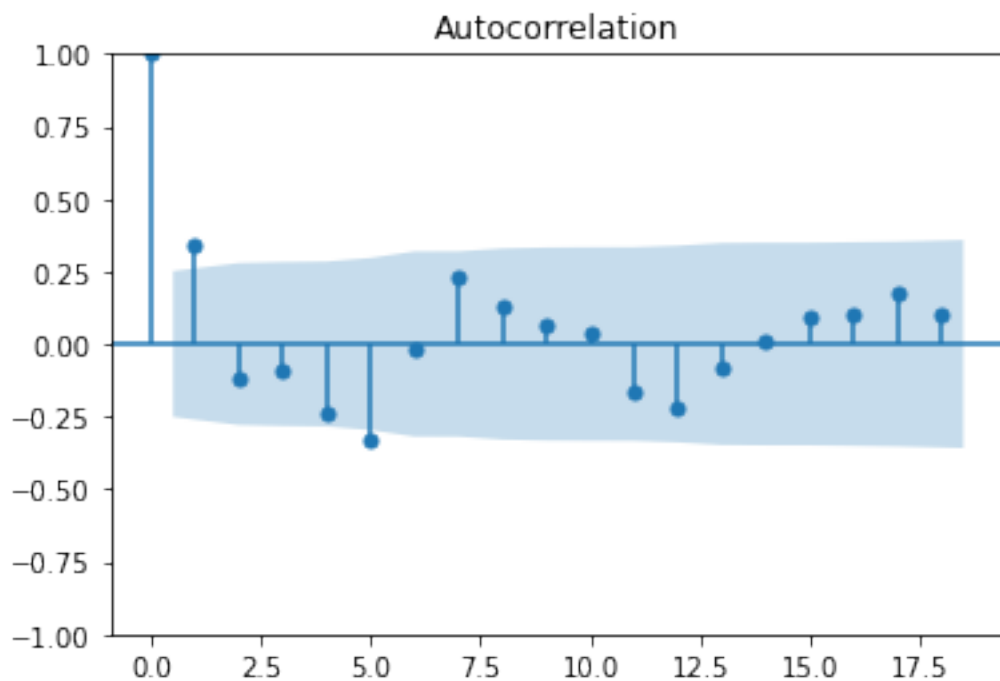
```
# prompt: import plot_acf and plot_pacf for acf and pacf

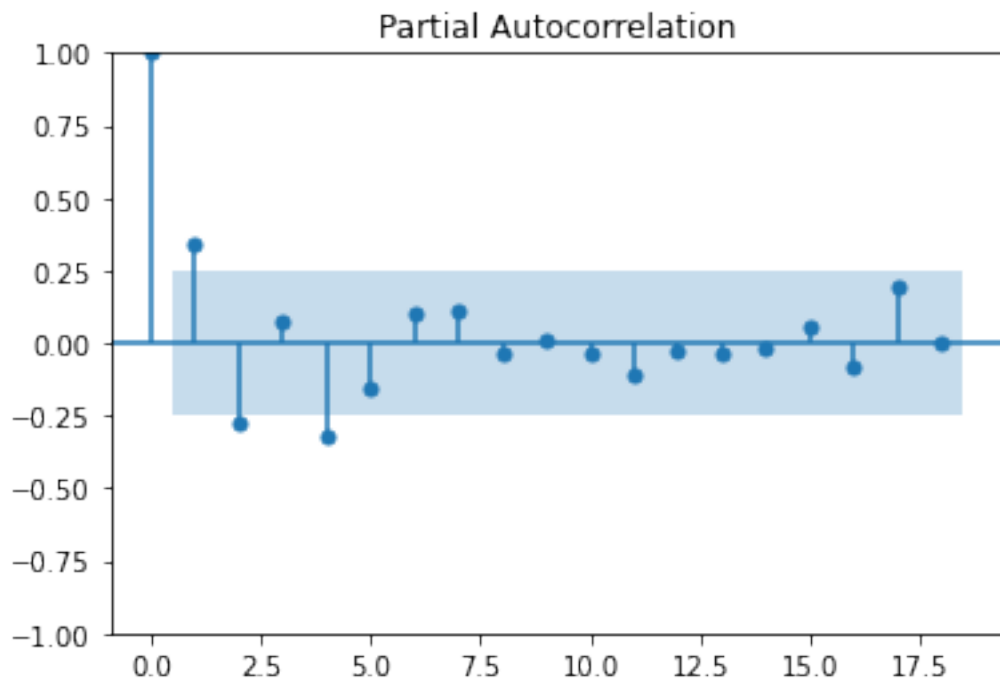
from statsmodels.graphics.tsaplots import plot_acf, plot_pacf
fig = plt.figure(figsize=(12,8))

# Plot the ACF of the inflation rate
plot_acf(data_inflation['inflation'])
plt.show()

# Plot the PACF of the inflation rate
plot_pacf(data_inflation['inflation'])
plt.show()

<Figure size 864x576 with 0 Axes>
```





```
from statsmodels.tsa.arima.model import ARIMA
model = ARIMA(data_inflation['inflation'], order=(1,0,1))
result= model.fit()
result.summary()
```

```
<class 'statsmodels.iolib.summary.Summary'>
```

```
"""
```

SARIMAX Results

```
=====
=====
Dep. Variable:          inflation    No. Observations:
61
Model:                ARIMA(1, 0, 1)    Log Likelihood
-176.784
Date:                 Sat, 04 May 2024    AIC
361.567
Time:                 14:19:59    BIC
370.011
Sample:                0    HQIC
364.876
- 61

Covariance Type:      opg

=====
=====
```

```

                                coef      std err          z      P>|z|      [0.025
0.975]
-----
-----
const                7.4082        0.919        8.060        0.000        5.607
9.210
ar.L1               -0.1399        0.189       -0.739        0.460       -0.511
0.231
ma.L1                0.6306        0.175        3.613        0.000        0.289
0.973
sigma2              19.1576        2.607        7.349        0.000       14.048
24.267
=====
=====
Ljung-Box (L1) (Q):                0.00   Jarque-Bera (JB):
22.68
Prob(Q):                0.98   Prob(JB):
0.00
Heteroskedasticity (H):            0.12   Skew:
0.78
Prob(H) (two-sided):            0.00   Kurtosis:
5.54
=====
=====

Warnings:
[1] Covariance matrix calculated using the outer product of gradients
(complex-step).
"""

# Make predictions
data_inflation['predictions'] =
result.predict( start=30,end=60,dynamics=False)

data_inflation

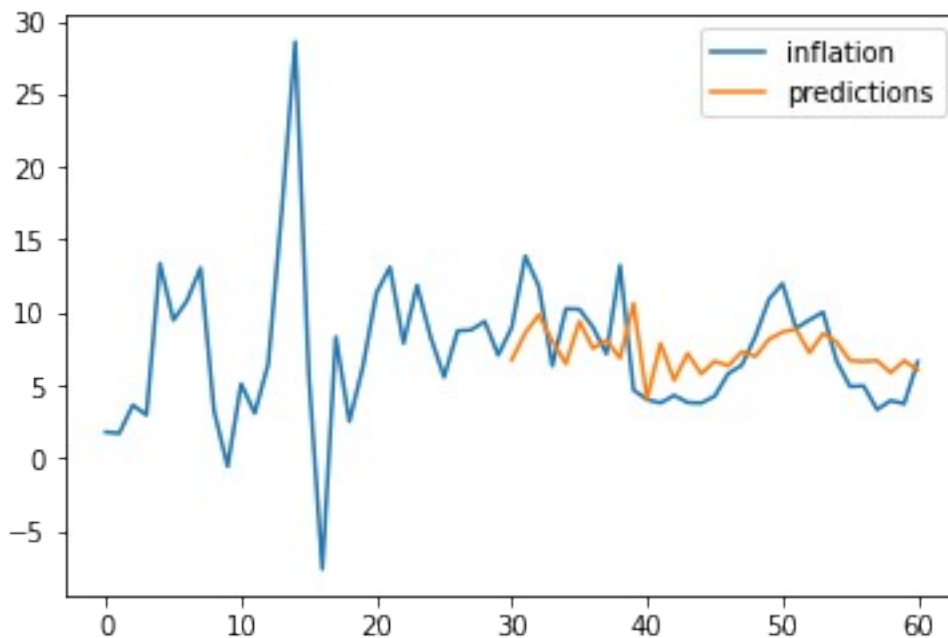
```

	Year	inflation	predictions
0	1960	1.78	NaN
1	1961	1.70	NaN
2	1962	3.63	NaN
3	1963	2.95	NaN
4	1964	13.36	NaN
..
56	2016	4.95	6.635637
57	2017	3.33	6.689094
58	2018	3.94	5.860450
59	2019	3.73	6.682327
60	2020	6.62	6.060997

```
[61 rows x 3 columns]
```

```
data_inflation[['inflation', 'predictions']].plot()
```

```
<Axes: >
```



```
import statsmodels.api as sm
```

```
# prompt: now use sarimax
```

```
model = sm.tsa.statespace.SARIMAX(data_inflation['inflation'],  
order=(1, 0, 1), seasonal_order=(1, 0, 1, 12))  
result_sarimax = model.fit()  
result_sarimax.summary()
```

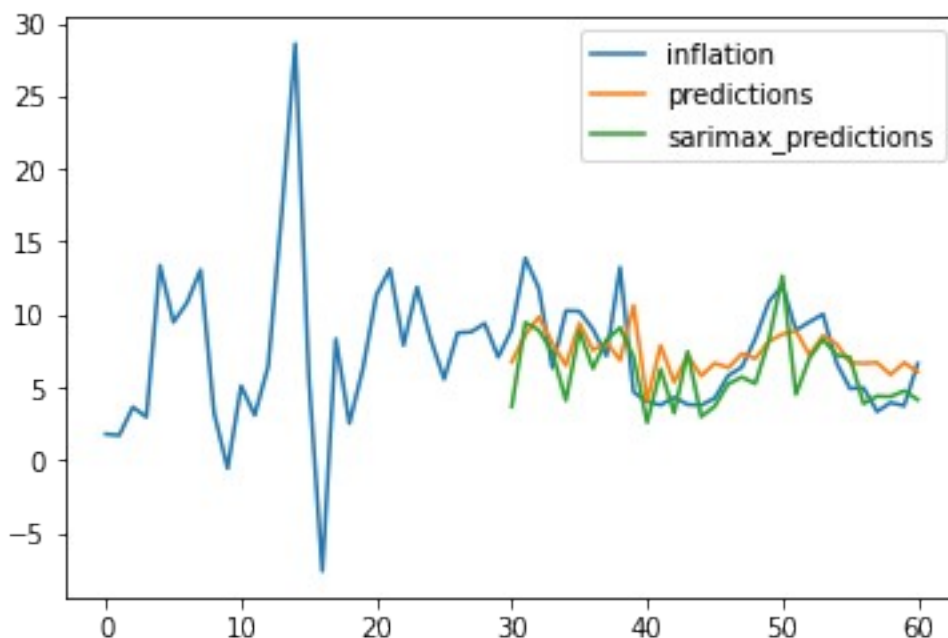
```
data_inflation['sarimax_predictions'] =  
result_sarimax.predict(start=30, end=60)  
print(data_inflation)  
data_inflation[['inflation', 'predictions',  
'sarimax_predictions']].plot()  
plt.show()
```

```
C:\Users\LENOVO\AppData\Local\Programs\Python\Python310\lib\site-  
packages\statsmodels\tsa\statespace\sarimax.py:1009: UserWarning: Non-  
invertible starting seasonal moving average Using zeros as starting  
parameters.
```

```
warn('Non-invertible starting seasonal moving average')
```

	Year	inflation	predictions	sarimax_predictions
0	1960	1.78	NaN	NaN
1	1961	1.70	NaN	NaN
2	1962	3.63	NaN	NaN
3	1963	2.95	NaN	NaN
4	1964	13.36	NaN	NaN
...
56	2016	4.95	6.635637	3.861878
57	2017	3.33	6.689094	4.387021
58	2018	3.94	5.860450	4.351068
59	2019	3.73	6.682327	4.750550
60	2020	6.62	6.060997	4.137554

[61 rows x 4 columns]



```
# prompt: check the models with accuracy check
from sklearn.metrics import mean_absolute_error
from sklearn.metrics import mean_squared_error

# Calculate the mean absolute error (MAE) for both models
mae_arma = mean_absolute_error(data_inflation['inflation'].iloc[-31:], data_inflation['predictions'].dropna())
mae_sarimax = mean_absolute_error(data_inflation['inflation'].iloc[-31:], data_inflation['sarimax_predictions'].dropna())

# Calculate the mean absolute percentage error (MAPE) for both models
mape_arma = mean_absolute_error(data_inflation['inflation'].iloc[-31:], data_inflation['predictions'].dropna())
mape_sarimax = mean_absolute_error(data_inflation['inflation'].iloc[-31:], data_inflation['sarimax_predictions'].dropna())
```

```
31:], data_inflation['sarimax_predictions'].dropna())

rmse = mean_squared_error(data_inflation['inflation'].iloc[-31:],
data_inflation['predictions'].dropna())
sarimax_rmse = mean_squared_error(data_inflation['inflation'].iloc[-
31:], data_inflation['sarimax_predictions'].dropna())
```

Print the accuracy metrics for both models

```
print("ARIMA Model:")
print(f" - RMSE: {rmse}")
print(f" - MAE: {mae_arma}")
print(f" - MAPE: {mape_arma}")

print("SARIMAX Model:")
print(f" - RMSE: {sarimax_rmse}")
print(f" - MAE: {mae_sarimax}")
print(f" - MAPE: {mape_sarimax}")
```

ARIMA Model:

- RMSE: 7.515786121078491
- MAE: 2.246796794429391
- MAPE: 2.246796794429391

SARIMAX Model:

- RMSE: 6.854299786986503
- MAE: 2.1446725526647663
- MAPE: 2.1446725526647663

```
data_inflation['inflation'].mean()
```

```
7.41327868852459
```

```
data_inflation.tail()
```

	Year	inflation	predictions	sarimax_predictions
56	2016	4.95	6.635637	3.861878
57	2017	3.33	6.689094	4.387021
58	2018	3.94	5.860450	4.351068
59	2019	3.73	6.682327	4.750550
60	2020	6.62	6.060997	4.137554

prompt: change the year column to date time

```
import pandas as pd
data_inflation['Year'] = pd.to_datetime(data_inflation['Year'],
format='%Y')
```

```
data_inflation.tail(10)
```

	Year	inflation	predictions	sarimax_predictions
51	2011-01-01	8.91	8.875637	4.510633

52	2012-01-01	9.48	7.219701	7.010053
53	2013-01-01	10.02	8.543648	8.285373
54	2014-01-01	6.67	7.973733	7.207264
55	2015-01-01	4.91	6.689282	7.038992
56	2016-01-01	4.95	6.635637	3.861878
57	2017-01-01	3.33	6.689094	4.387021
58	2018-01-01	3.94	5.860450	4.351068
59	2019-01-01	3.73	6.682327	4.750550
60	2020-01-01	6.62	6.060997	4.137554

```
future_dates = pd.date_range(start='2020-01-01', periods=20, freq='Y')
future_inflation = result_sarimax.predict(start=len(data_inflation),
end=len(data_inflation) + 19)
```

```
# Make predictions for the next 20 periods
```

```
# Create a new DataFrame with the predicted values
```

```
future_inflation_df = pd.DataFrame({'Year': future_dates, 'Inflation':
future_inflation})
```

```
# Print the predicted values
```

```
print(future_inflation_df)
```

	Year	Inflation
61	2020-12-31	7.943361
62	2021-12-31	10.541147
63	2022-12-31	4.893617
64	2023-12-31	4.390388
65	2024-12-31	5.855062
66	2025-12-31	5.022716
67	2026-12-31	6.314329
68	2027-12-31	5.280781
69	2028-12-31	3.953922
70	2029-12-31	4.878318
71	2030-12-31	5.057955
72	2031-12-31	5.312525
73	2032-12-31	6.578842
74	2033-12-31	10.047939
75	2034-12-31	4.716861
76	2035-12-31	4.324986
77	2036-12-31	5.827822
78	2037-12-31	5.010315
79	2038-12-31	6.305758
80	2039-12-31	5.274944

```
index_future_years = pd.date_range(start='2020-01-01' , end='2040-01-01', freq='Y')
```

```
pred=result.predict(start=len(data_inflation),end=len(data_inflation)
+19,type='levels').rename('ARIMA PREDICTIONS')
```

```
pred.index = index_future_years
future_inflation_df = pd.DataFrame({'Year': future_dates, 'Inflation':
future_inflation})
```

```
print(pred)
```

```
2020-12-31    7.870936
2021-12-31    7.343406
2022-12-31    7.417212
2023-12-31    7.406886
2024-12-31    7.408331
2025-12-31    7.408129
2026-12-31    7.408157
2027-12-31    7.408153
2028-12-31    7.408154
2029-12-31    7.408153
2030-12-31    7.408153
2031-12-31    7.408153
2032-12-31    7.408153
2033-12-31    7.408153
2034-12-31    7.408153
2035-12-31    7.408153
2036-12-31    7.408153
2037-12-31    7.408153
2038-12-31    7.408153
2039-12-31    7.408153
```

```
Freq: A-DEC, Name: ARIMA PREDICTIONS, dtype: float64
```

```
C:\Users\LENOVO\AppData\Local\Programs\Python\Python310\lib\site-
packages\statsmodels\tsa\statespace\representation.py:374:
```

```
FutureWarning: Unknown keyword arguments: dict_keys(['type']).Passing
unknown keyword arguments will raise a TypeError beginning in version
0.15.
```

```
warnings.warn(msg, FutureWarning)
```

```
# prompt: now plot both these arima and sarimax predictions
```

```
import matplotlib.pyplot as plt
data_inflation[['inflation', 'predictions',
'sarimax_predictions']].plot()
plt.title('Inflation Rate Predictions')
plt.xlabel('Year')
plt.ylabel('Inflation Rate')
plt.legend()
plt.show()
```

```
pred.plot(x='Year', y='Inflation', label='ARIMA Predictions')
plt.title('Inflation Rate Predictions for the Next 20 Years')
```

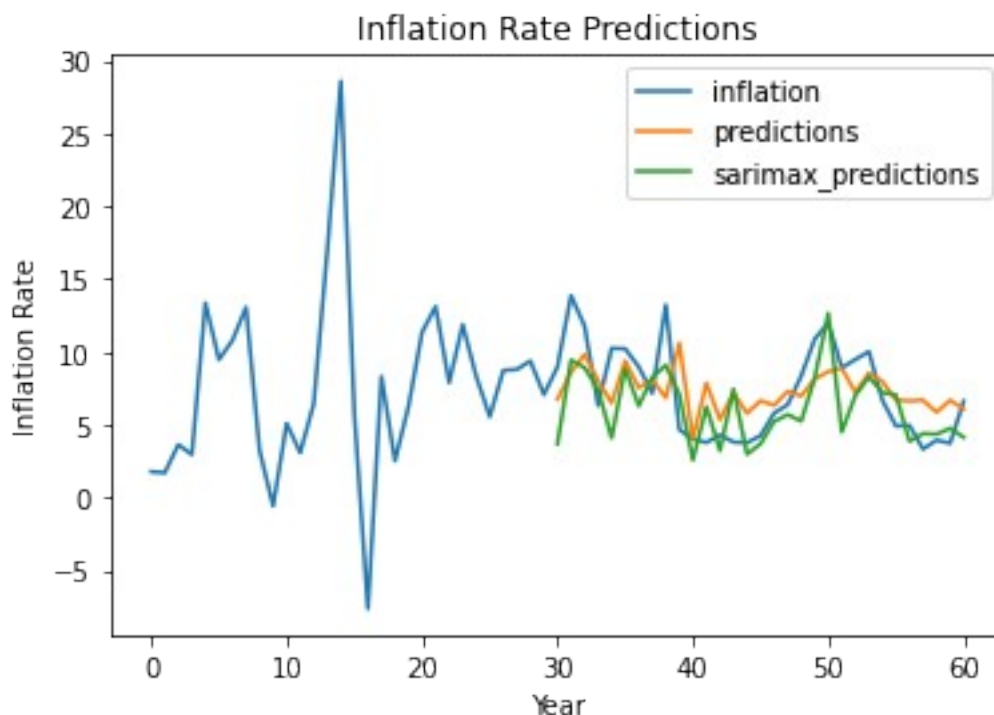
```

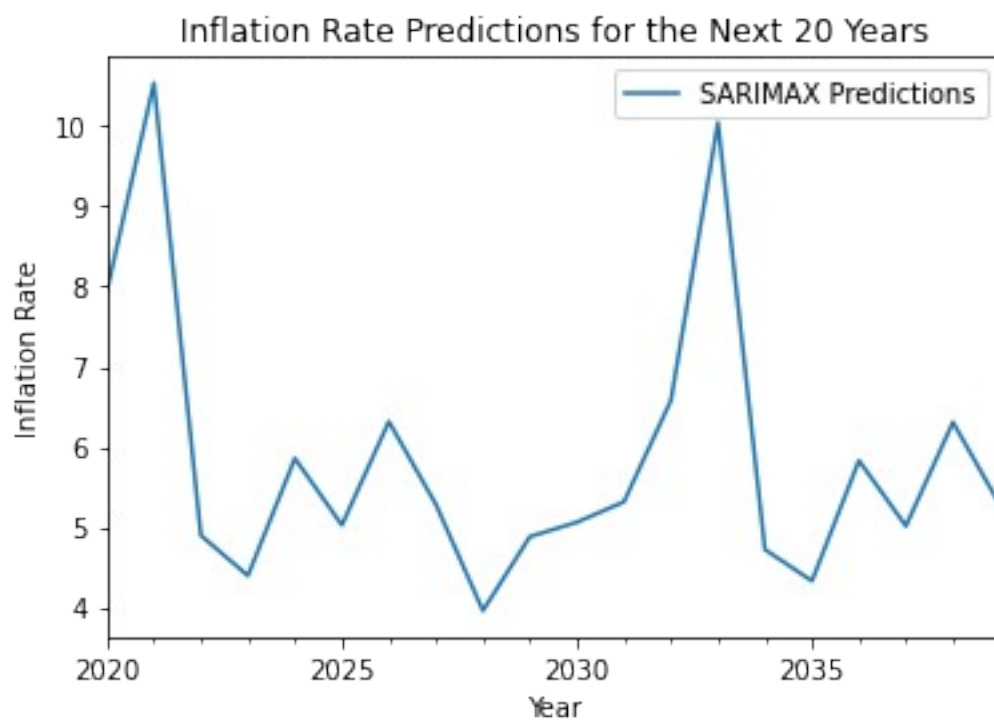
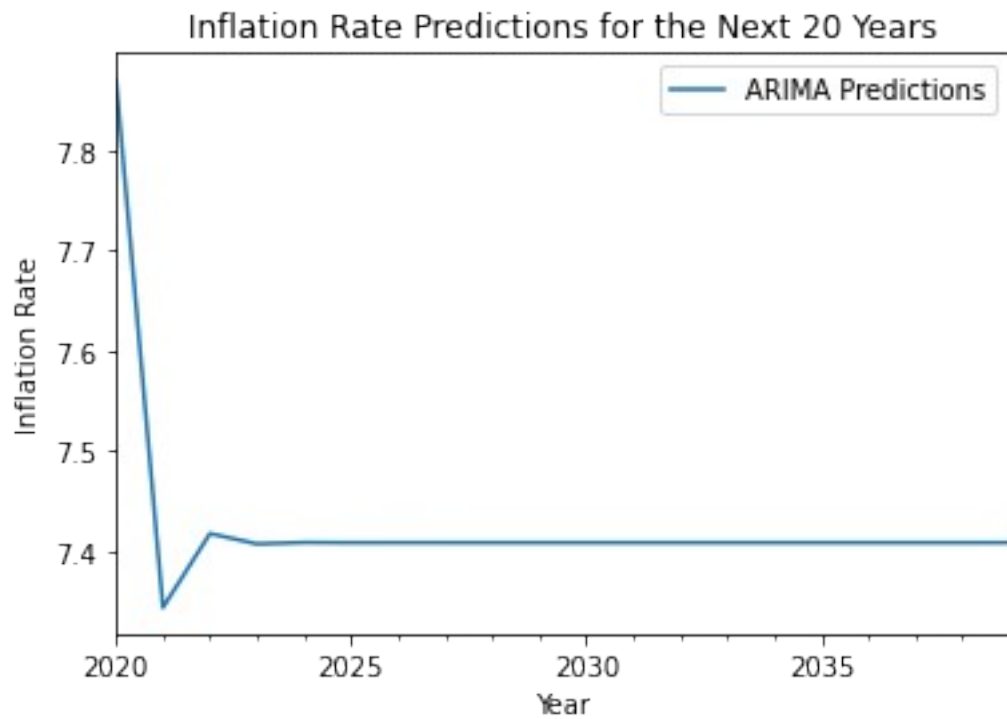
plt.xlabel('Year')
plt.ylabel('Inflation Rate')
plt.legend()
plt.show()

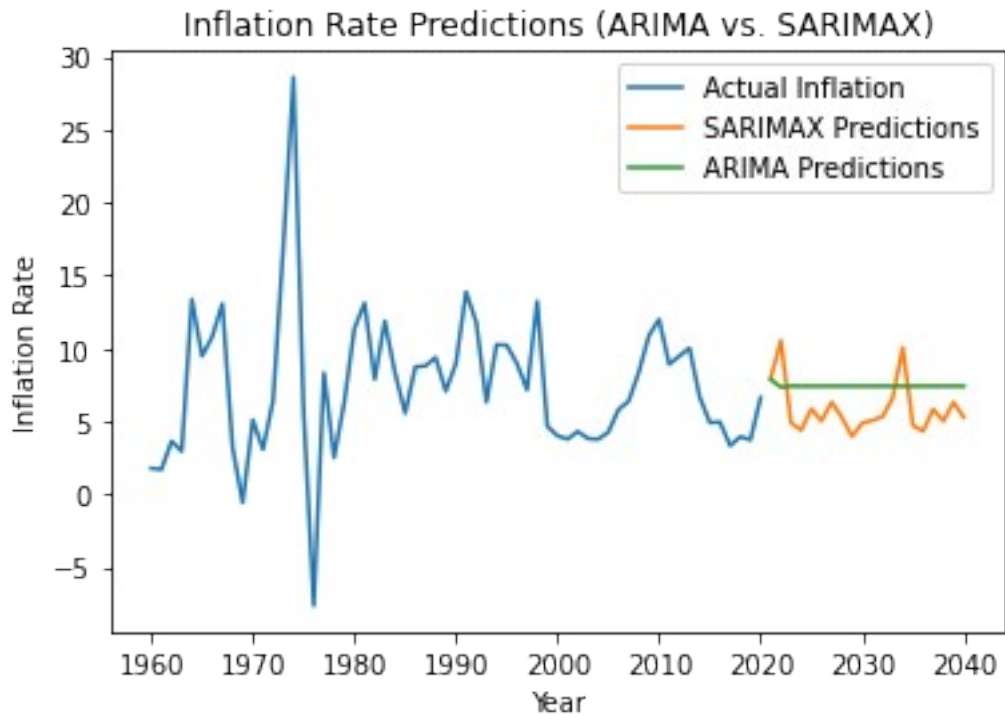
# Plot the predicted values for the next 20 periods
future_inflation_df.plot(x='Year', y='Inflation', label='SARIMAX
Predictions')
plt.title('Inflation Rate Predictions for the Next 20 Years')
plt.xlabel('Year')
plt.ylabel('Inflation Rate')
plt.legend()
plt.show()

# Plot both ARIMA and SARIMAX predictions together
plt.plot(data_inflation['Year'], data_inflation['inflation'],
label='Actual Inflation')
plt.plot(future_dates, future_inflation, label='SARIMAX Predictions')
plt.plot(pred.index, pred, label='ARIMA Predictions')
plt.title('Inflation Rate Predictions (ARIMA vs. SARIMAX)')
plt.xlabel('Year')
plt.ylabel('Inflation Rate')
plt.legend()
plt.show()

```







```
data.columns
```

```
Index(['Year', 'GDP (current US$) ', ' GDP per capita (current US$) ',
      'GDP growth (annual %)', 'Imports of goods and services (% of
      GDP)',
      'Exports of goods and services (% of GDP)',
      ' Total reserves (includes gold, current US$) ',
      'Inflation, consumer prices (annual %)', 'Population, total',
      'Population growth (annual %)',
      'Life expectancy at birth, total (years)'],
      dtype='object')
```

```
# prompt: now remove all columns and take only two colums, year and
inflation
```

```
data_growth = data[['Year', 'GDP growth (annual %)']]
data_growth
```

	Year	GDP growth (annual %)
0	1960	0.00
1	1961	3.72
2	1962	2.93
3	1963	5.99
4	1964	7.45
...
56	2016	8.26
57	2017	6.80
58	2018	6.53

```
59 2019          4.04
60 2020         -7.25
```

```
[61 rows x 2 columns]
```

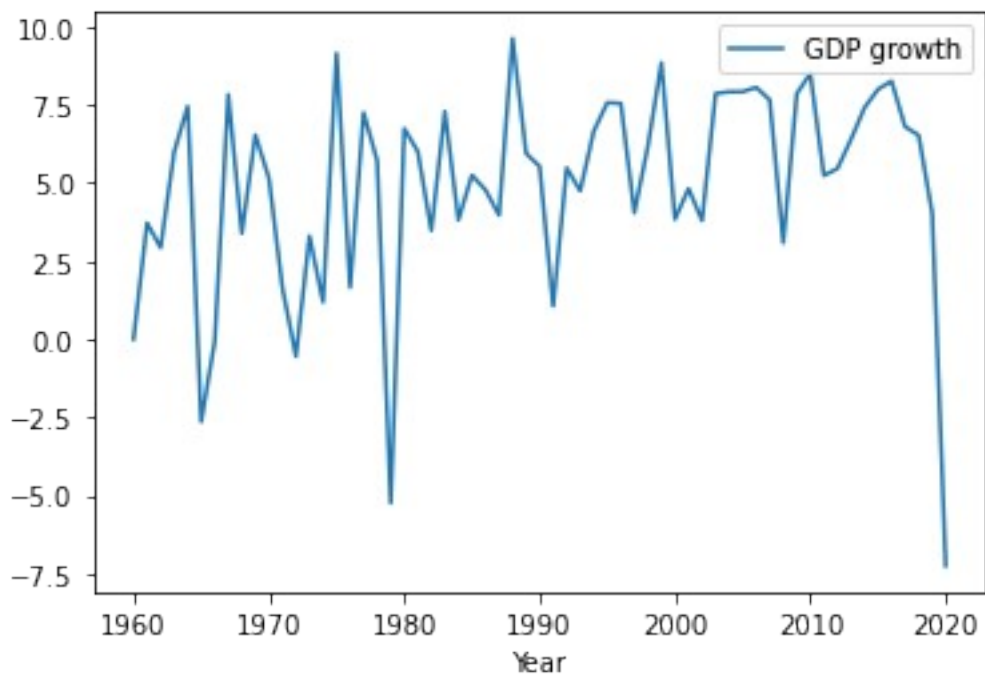
```
data_growth = data_growth.rename(columns={'GDP growth (annual %)': 'GDP
growth'})
data_growth
```

	Year	GDP growth
0	1960	0.00
1	1961	3.72
2	1962	2.93
3	1963	5.99
4	1964	7.45
...
56	2016	8.26
57	2017	6.80
58	2018	6.53
59	2019	4.04
60	2020	-7.25

```
[61 rows x 2 columns]
```

```
data_growth.plot(x="Year",y="GDP growth")
```

```
<Axes: xlabel='Year'>
```



```
# prompt: now do the adfuller test and show whether it is stationary or not
```

```
from statsmodels.tsa.stattools import adfuller
```

```
adf_result = adfuller(data_growth['GDP growth'])
```

```
print("ADF Statistic:", adf_result[0])
```

```
print("p-value:", adf_result[1])
```

```
if adf_result[1] > 0.05:
```

```
    print("The GDP per capita rate is not stationary.")
```

```
else:
```

```
    print("The GDP per capita rate is stationary.")
```

```
ADF Statistic: -6.203435900996275
```

```
p-value: 5.733303892352508e-08
```

```
The GDP per capita rate is stationary.
```

```
result = seasonal_decompose(data_growth['GDP growth'],  
model='additive', period=12)
```

```
# Create the seasonal decomposition plot
```

```
fig = result.plot() # Default size
```

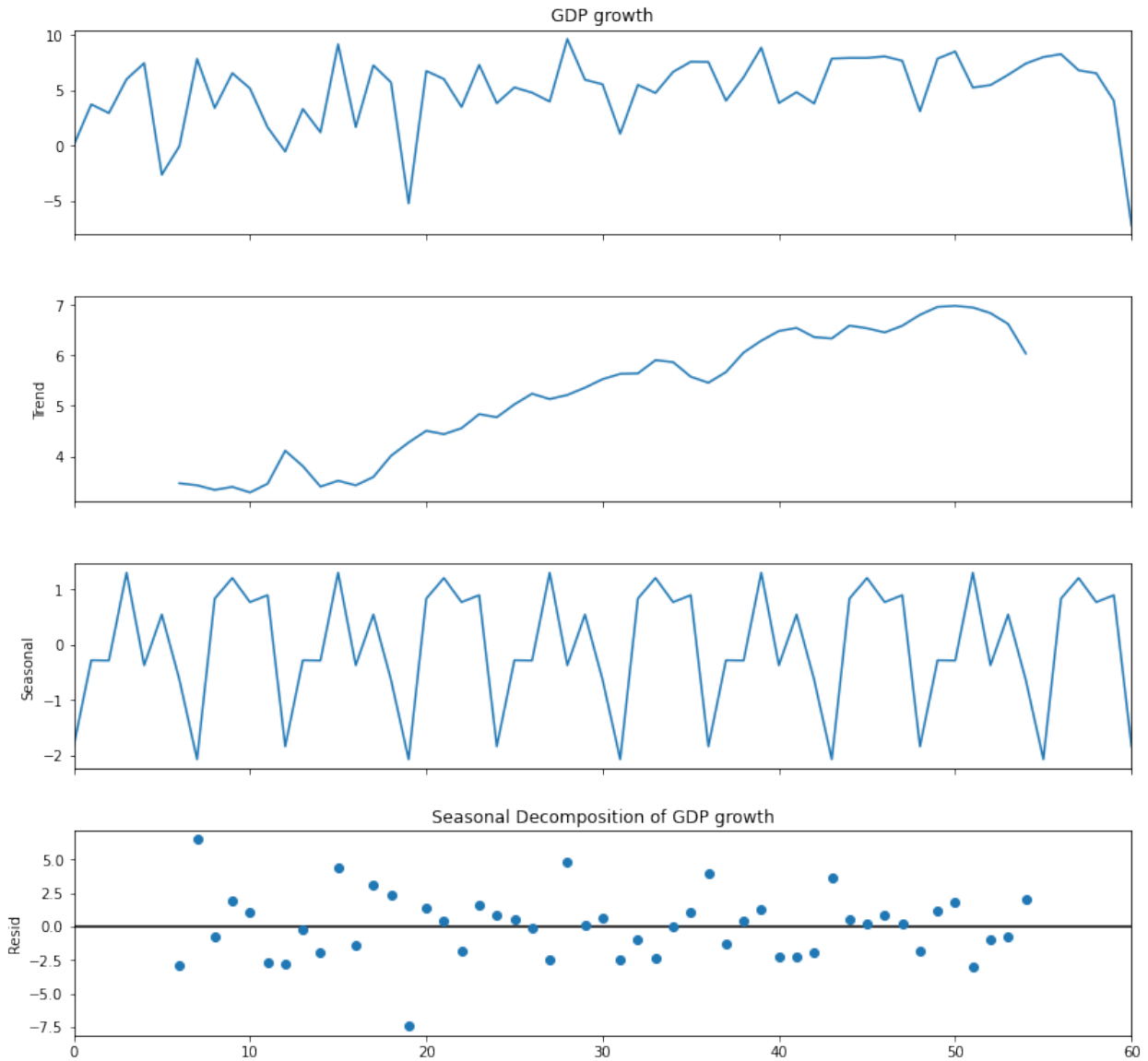
```
# Optional: Adjust figure size
```

```
fig.set_size_inches(12, 12) # Set your desired figure size
```

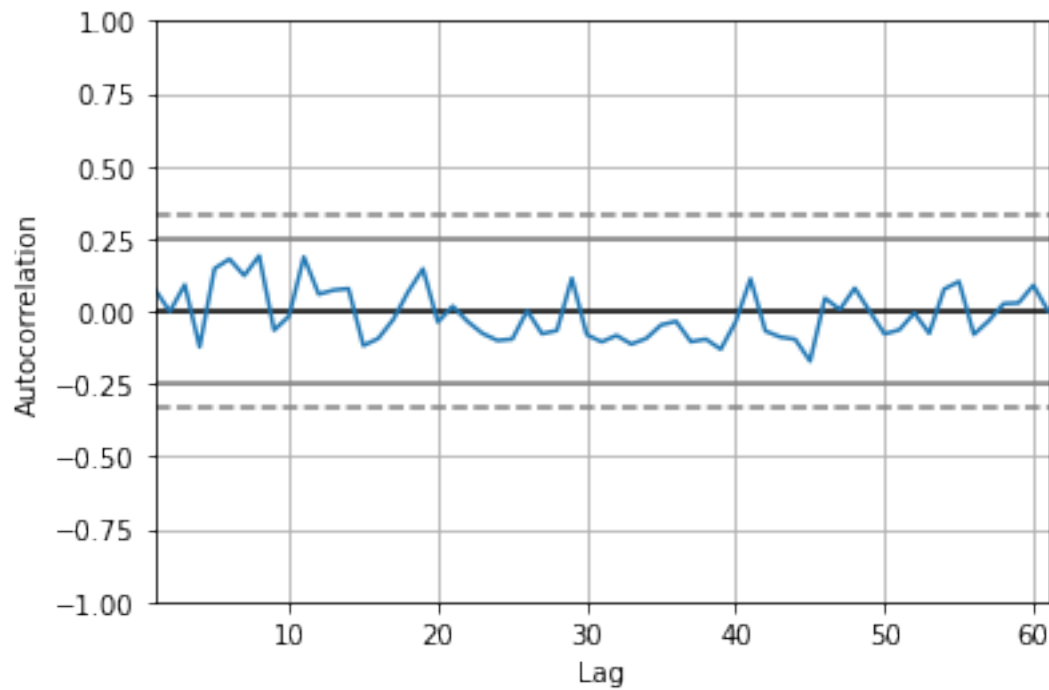
```
# Optional: Add title
```

```
plt.title("Seasonal Decomposition of GDP growth")
```

```
plt.show()
```



```
from pandas.plotting import autocorrelation_plot
autocorrelation_plot(data_growth['GDP growth'])
plt.show()
```

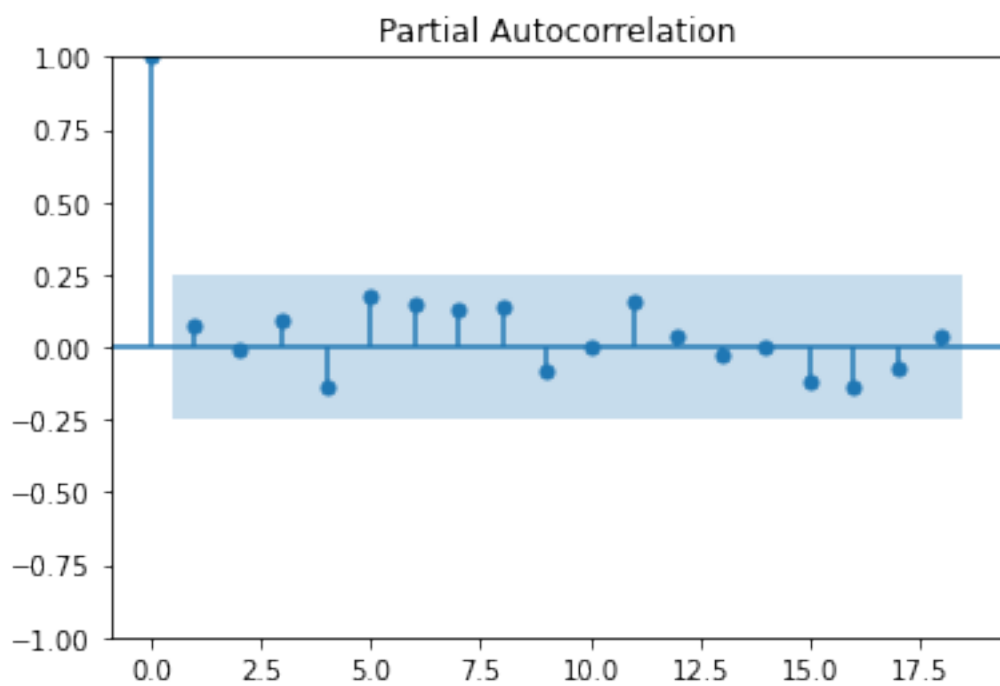
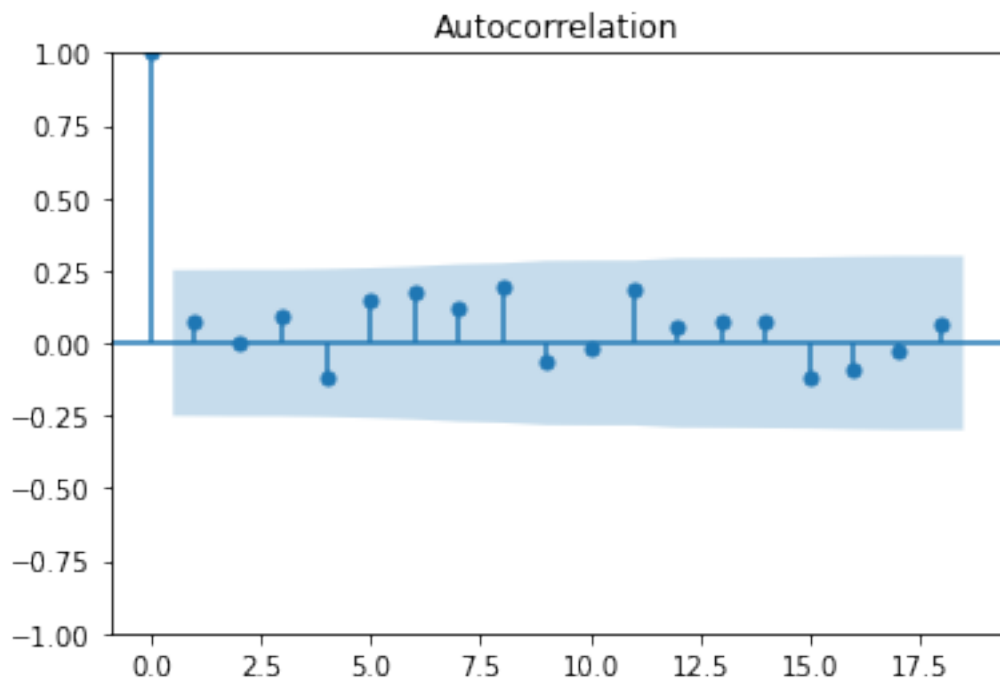
```
# prompt: import plot_acf and plot_pacf for acf and pacf

from statsmodels.graphics.tsaplots import plot_acf, plot_pacf
fig = plt.figure(figsize=(12,8))

# Plot the ACF of the inflation rate
plot_acf(data_growth['GDP growth'])
plt.show()

# Plot the PACF of the inflation rate
plot_pacf(data_growth['GDP growth'])
plt.show()

<Figure size 864x576 with 0 Axes>
```



```
!pip install pmdarima
```

```
from pmdarima import auto_arima
from statsmodels.tsa.seasonal import seasonal_decompose # Optional
for seasonal check
import matplotlib.pyplot as plt # Optional for plotting
```

Requirement already satisfied: pmdarima in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (2.0.4)

WARNING: Ignoring invalid distribution -lotly (c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages)

WARNING: Ignoring invalid distribution -lotly (c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages)

[notice] A new release of pip is available: 23.2.1 -> 24.0

[notice] To update, run: python.exe -m pip install --upgrade pip

Requirement already satisfied: joblib>=0.11 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (1.2.0)

Requirement already satisfied: Cython!=0.29.18,!0.29.31,>=0.29 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (3.0.10)

Requirement already satisfied: numpy>=1.21.2 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (1.23.5)

Requirement already satisfied: pandas>=0.19 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (2.0.3)

Requirement already satisfied: scikit-learn>=0.22 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (1.2.2)

Requirement already satisfied: scipy>=1.3.2 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (1.10.1)

Requirement already satisfied: statsmodels>=0.13.2 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (0.14.0)

Requirement already satisfied: urllib3 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (1.26.7)

Requirement already satisfied: setuptools!=50.0.0,>=38.6.0 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (57.4.0)

Requirement already satisfied: packaging>=17.1 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pmdarima) (23.1)

Requirement already satisfied: python-dateutil>=2.8.2 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pandas>=0.19->pmdarima) (2.8.2)

Requirement already satisfied: pytz>=2020.1 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from pandas>=0.19->pmdarima) (2023.3)

Requirement already satisfied: tzdata>=2022.1 in c:\users\lenovo\appdata\local\programs\python\python310\lib\site-packages (from

```
pandas>=0.19->pmdarima) (2023.3)
Requirement already satisfied: threadpoolctl>=2.0.0 in c:\users\
lenovo\appdata\local\programs\python\python310\lib\site-packages (from
scikit-learn>=0.22->pmdarima) (3.1.0)
Requirement already satisfied: patsy>=0.5.2 in c:\users\lenovo\
appdata\local\programs\python\python310\lib\site-packages (from
statsmodels>=0.13.2->pmdarima) (0.5.3)
Requirement already satisfied: six in c:\users\lenovo\appdata\local\
programs\python\python310\lib\site-packages (from patsy>=0.5.2-
>statsmodels>=0.13.2->pmdarima) (1.16.0)
```

```
model = auto_arima(data_growth['GDP growth'], trace=True,
error_action='ignore') # Adjust as needed
```

```
# Print the summary of the fitted model
print(model.summary())
```

Performing stepwise search to minimize aic

```
ARIMA(2,1,2)(0,0,0)[0] intercept : AIC=inf, Time=0.55 sec
ARIMA(0,1,0)(0,0,0)[0] intercept : AIC=347.002, Time=0.03 sec
ARIMA(1,1,0)(0,0,0)[0] intercept : AIC=337.844, Time=0.04 sec
ARIMA(0,1,1)(0,0,0)[0] intercept : AIC=inf, Time=0.18 sec
ARIMA(0,1,0)(0,0,0)[0] : AIC=345.051, Time=0.03 sec
ARIMA(2,1,0)(0,0,0)[0] intercept : AIC=332.082, Time=0.11 sec
ARIMA(3,1,0)(0,0,0)[0] intercept : AIC=334.063, Time=0.17 sec
ARIMA(2,1,1)(0,0,0)[0] intercept : AIC=inf, Time=0.50 sec
ARIMA(1,1,1)(0,0,0)[0] intercept : AIC=inf, Time=0.30 sec
ARIMA(3,1,1)(0,0,0)[0] intercept : AIC=inf, Time=0.53 sec
ARIMA(2,1,0)(0,0,0)[0] : AIC=330.125, Time=0.06 sec
ARIMA(1,1,0)(0,0,0)[0] : AIC=335.902, Time=0.04 sec
ARIMA(3,1,0)(0,0,0)[0] : AIC=332.105, Time=0.08 sec
ARIMA(2,1,1)(0,0,0)[0] : AIC=323.491, Time=0.13 sec
ARIMA(1,1,1)(0,0,0)[0] : AIC=322.276, Time=0.08 sec
ARIMA(0,1,1)(0,0,0)[0] : AIC=320.280, Time=0.05 sec
ARIMA(0,1,2)(0,0,0)[0] : AIC=322.275, Time=0.08 sec
ARIMA(1,1,2)(0,0,0)[0] : AIC=322.761, Time=0.23 sec
```

```
Best model: ARIMA(0,1,1)(0,0,0)[0]
Total fit time: 3.234 seconds
```

SARIMAX Results

```
=====
=====
Dep. Variable:                y    No. Observations:
61
Model:                SARIMAX(0, 1, 1)    Log Likelihood
-158.140
Date:                Sat, 04 May 2024    AIC
320.280
Time:                14:20:20    BIC
```

```

324.468
Sample:                                0    HQIC
321.918
                                - 61

Covariance Type:                    opg

=====
=====
                                coef    std err          z      P>|z|      [0.025
0.975]
-----
-----
ma.L1                -0.9042      0.108      -8.409      0.000      -1.115
-0.693
sigma2               11.0794      1.471       7.531      0.000       8.196
13.963
=====
=====
Ljung-Box (L1) (Q):                0.05    Jarque-Bera (JB):
82.78
Prob(Q):                        0.82    Prob(JB):
0.00
Heteroskedasticity (H):            0.81    Skew:
-1.67
Prob(H) (two-sided):              0.63    Kurtosis:
7.69
=====
=====

Warnings:
[1] Covariance matrix calculated using the outer product of gradients
(complex-step).

model2 = ARIMA(data_growth['GDP growth'], order=(0, 1, 1))

# Fit the model
model2_fit = model2.fit()

# Print the summary of the fitted model
print(model2_fit.summary())

SARIMAX Results

=====
=====
Dep. Variable:                GDP growth    No. Observations:
61
Model:                        ARIMA(0, 1, 1)    Log Likelihood
-158.140

```

Date: Sat, 04 May 2024 AIC
320.280
Time: 15:12:56 BIC
324.468
Sample: 0 HQIC
321.918
- 61
Covariance Type: opg

```
=====
=====
              coef      std err          z      P>|z|      [0.025
0.975]
-----
-----
ma.L1      -0.9042      0.108     -8.409      0.000     -1.115
-0.693
sigma2      11.0794      1.471      7.531      0.000      8.196
13.963
=====
=====
Ljung-Box (L1) (Q):      0.05  Jarque-Bera (JB):
82.78
Prob(Q):      0.82  Prob(JB):
0.00
Heteroskedasticity (H):      0.81  Skew:
-1.67
Prob(H) (two-sided):      0.63  Kurtosis:
7.69
=====
=====
```

Warnings:

[1] Covariance matrix calculated using the outer product of gradients (complex-step).

```
# Make predictions
data_growth['arima growth predictions'] =
model2_fit .predict( start=30,end=60,dynamics=True)
```

data_growth

	Year	GDP growth	arima growth predictions \
0	1960-01-01	0.00	NaN
1	1961-01-01	3.72	NaN
2	1962-01-01	2.93	NaN
3	1963-01-01	5.99	NaN
4	1964-01-01	7.45	NaN

```

..      ...
56 2016-01-01      8.26      6.489604
57 2017-01-01      6.80      6.659260
58 2018-01-01      6.53      6.672747
59 2019-01-01      4.04      6.659068
60 2020-01-01     -7.25      6.408087

```

```

      sarimax_growth_predictions
0                               NaN
1                               NaN
2                               NaN
3                               NaN
4                               NaN
..                               ...
56      8.424116
57      8.834020
58      8.215690
59      8.290546
60      5.158883

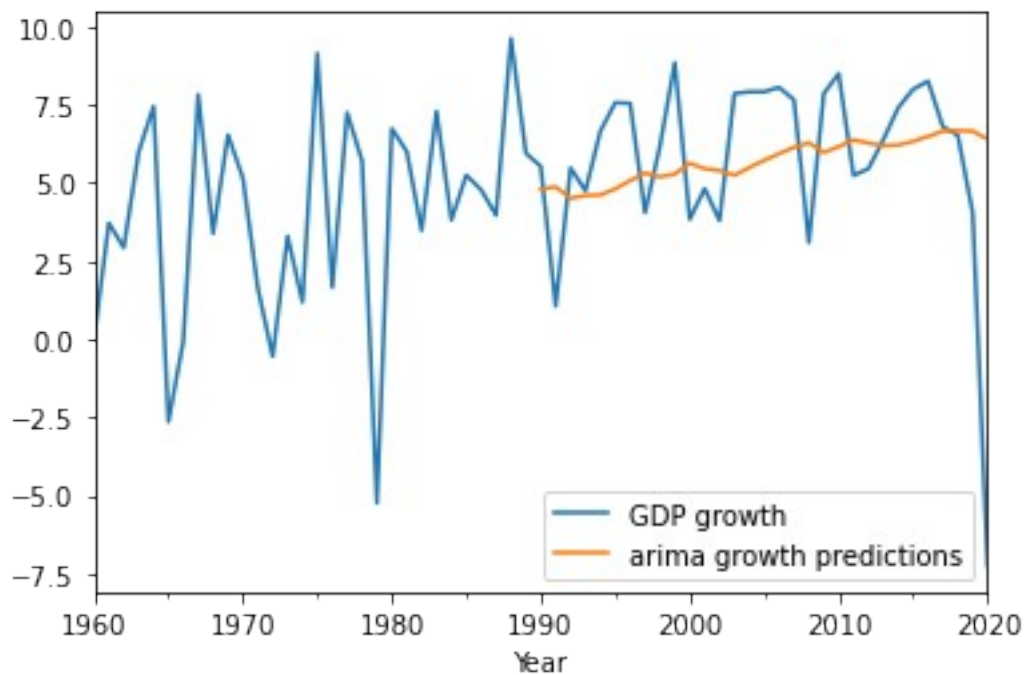
```

```
[61 rows x 4 columns]
```

```

data_growth.plot(x='Year', y=['GDP growth', 'arima growth
predictions'])
plt.show()

```



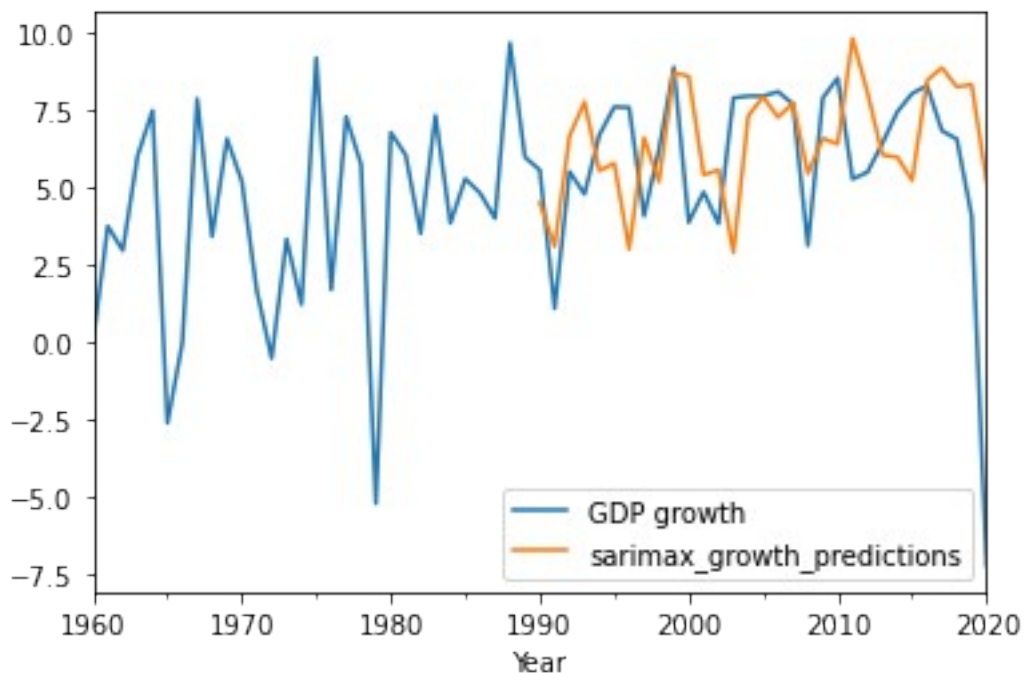
```
# prompt: now use sarimax
```

```
model3 = sm.tsa.statespace.SARIMAX(data_growth['GDP growth'],
order=(0, 1, 1), seasonal_order=(0, 1, 1, 12))
result_sarimax = model3.fit()
result_sarimax.summary()
```

```
data_growth['sarimax_growth_predictions'] =
result_sarimax.predict(start=30,end=60)
```

```
data_growth.plot(x='Year', y=['GDP growth',
'sarimax_growth_predictions'])
plt.show()
```

```
C:\Users\LENOVO\AppData\Local\Programs\Python\Python310\lib\site-
packages\statsmodels\tsa\statespace\sarimax.py:1009: UserWarning: Non-
invertible starting seasonal moving average Using zeros as starting
parameters.
warn('Non-invertible starting seasonal moving average')
```



```
data_growth
```

	Year	GDP growth	arima growth predictions \
0	1960-01-01	0.00	NaN
1	1961-01-01	3.72	NaN
2	1962-01-01	2.93	NaN
3	1963-01-01	5.99	NaN
4	1964-01-01	7.45	NaN
...
56	2016-01-01	8.26	6.489604

57	2017-01-01	6.80	6.659260
58	2018-01-01	6.53	6.672747
59	2019-01-01	4.04	6.659068
60	2020-01-01	-7.25	6.408087

	sarimax_growth_predictions
0	NaN
1	NaN
2	NaN
3	NaN
4	NaN
...	...
56	8.424116
57	8.834020
58	8.215690
59	8.290546
60	5.158883

[61 rows x 4 columns]

```
# prompt: check the models with accuracy check
from sklearn.metrics import mean_absolute_error
from sklearn.metrics import mean_squared_error

# Calculate the mean absolute error (MAE) for both models
mae_arima = mean_absolute_error(data_growth['GDP growth'].iloc[-31:],
data_growth['arima growth predictions'].dropna())
mae_sarimax = mean_absolute_error(data_growth['GDP growth'].iloc[-
31:], data_growth['sarimax_growth_predictions'].dropna())

# Calculate the mean absolute percentage error (MAPE) for both models
mape_arima = mean_absolute_error(data_growth['GDP growth'].iloc[-31:],
data_growth['arima growth predictions'].dropna())
mape_sarimax = mean_absolute_error(data_growth['GDP growth'].iloc[-
31:], data_growth['sarimax_growth_predictions'].dropna())

rmse = mean_squared_error(data_growth['GDP growth'].iloc[-31:],
data_growth['arima growth predictions'].dropna())
sarimax_rmse = mean_squared_error(data_growth['GDP growth'].iloc[-
31:], data_growth['sarimax_growth_predictions'].dropna())

# Print the accuracy metrics for both models
print("ARIMA Model:")
print(f" - RMSE: {rmse}")
print(f" - MAE: {mae_arima}")
print(f" - MAPE: {mape_arima}")

print("SARIMAX Model:")
```

```

print(f" - RMSE: {sarimax_rmse}")
print(f" - MAE: {mae_sarimax}")
print(f" - MAPE: {mape_sarimax}")

```

ARIMA Model:

- RMSE: 9.734222683828998
- MAE: 2.077967505069251
- MAPE: 2.077967505069251

SARIMAX Model:

- RMSE: 10.583318221885921
- MAE: 2.259842024797362
- MAPE: 2.259842024797362

```

data_growth['Year'] = pd.to_datetime(data_growth['Year'], format='%Y')
future_dates = pd.date_range(start='2020-01-01', periods=20, freq='Y')
future_growth = result_sarimax.predict(start=len(data_growth),
end=len(data_growth) + 19)

```

```

future_growth_df = pd.DataFrame({'Year': future_dates, 'GDP growth':
future_growth})

```

Print the predicted values

```

print(future_growth_df)

```

	Year	GDP growth
61	2020-12-31	6.115908
62	2021-12-31	5.995929
63	2022-12-31	7.919895
64	2023-12-31	6.887901
65	2024-12-31	5.633922
66	2025-12-31	5.757917
67	2026-12-31	5.181933
68	2027-12-31	7.637912
69	2028-12-31	7.683906
70	2029-12-31	7.257912
71	2030-12-31	6.919890
72	2031-12-31	2.697824
73	2032-12-31	6.637163
74	2033-12-31	6.517184
75	2034-12-31	8.441149
76	2035-12-31	7.409156
77	2036-12-31	6.155176
78	2037-12-31	6.279171
79	2038-12-31	5.703187
80	2039-12-31	8.159166

```

index_future_years = pd.date_range(start='2020-01-01' , end='2040-01-01', freq='Y')

```

```

pred=model2_fit.predict(start=len(data_growth),end=len(data_growth)

```

```

+19, type='levels').rename('ARIMA GROWTH PREDICTIONS')

pred.index = index_future_years
future_growth_df = pd.DataFrame({'Year': future_dates, 'GDP growth':
future_growth})

pred

C:\Users\LENOVO\AppData\Local\Programs\Python\Python310\lib\site-
packages\statsmodels\tsa\statespace\representation.py:374:
FutureWarning: Unknown keyword arguments: dict_keys(['type']).Passing
unknown keyword arguments will raise a TypeError beginning in version
0.15.
  warnings.warn(msg, FutureWarning)

2020-12-31    5.099256
2021-12-31    5.099256
2022-12-31    5.099256
2023-12-31    5.099256
2024-12-31    5.099256
2025-12-31    5.099256
2026-12-31    5.099256
2027-12-31    5.099256
2028-12-31    5.099256
2029-12-31    5.099256
2030-12-31    5.099256
2031-12-31    5.099256
2032-12-31    5.099256
2033-12-31    5.099256
2034-12-31    5.099256
2035-12-31    5.099256
2036-12-31    5.099256
2037-12-31    5.099256
2038-12-31    5.099256
2039-12-31    5.099256
Freq: A-DEC, Name: ARIMA GROWTH PREDICTIONS, dtype: float64

data_growth[['GDP growth', 'arima growth predictions',
'sarimax_growth_predictions']].plot()
plt.title('GDP growth Predictions')
plt.xlabel('Year')
plt.ylabel('GDP growth')
plt.legend()
plt.show()

pred.plot(x='Year', y='GDP growth', label='ARIMA Predictions')
plt.title('GDP growth Predictions for the Next 20 Years')
plt.xlabel('Year')

```

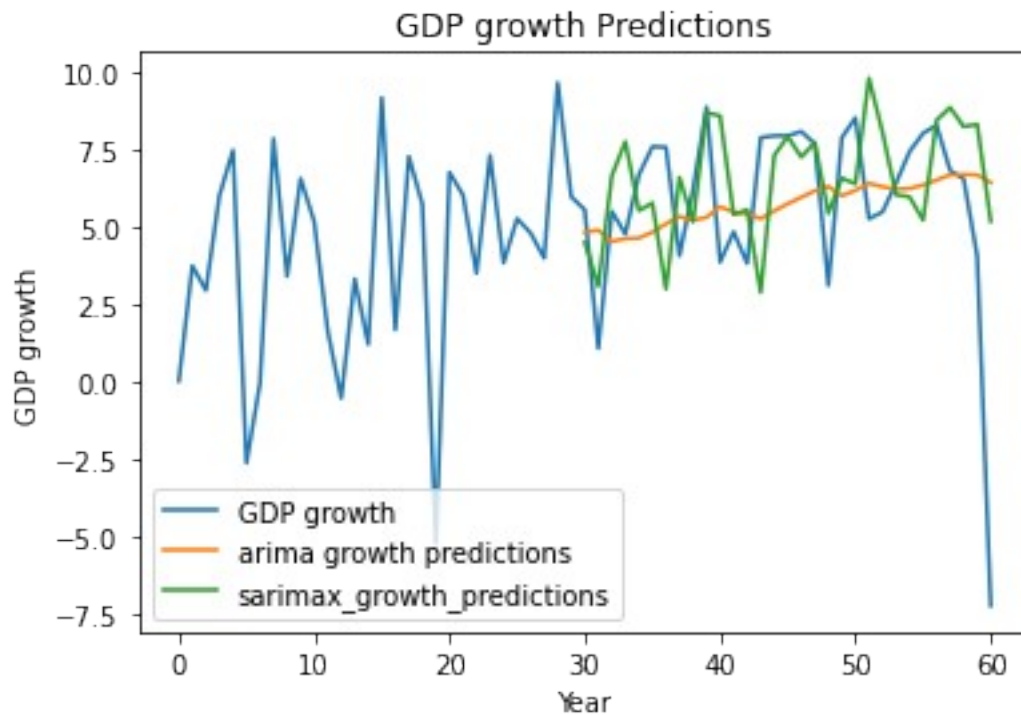
```

plt.ylabel('GDP growth')
plt.legend()
plt.show()

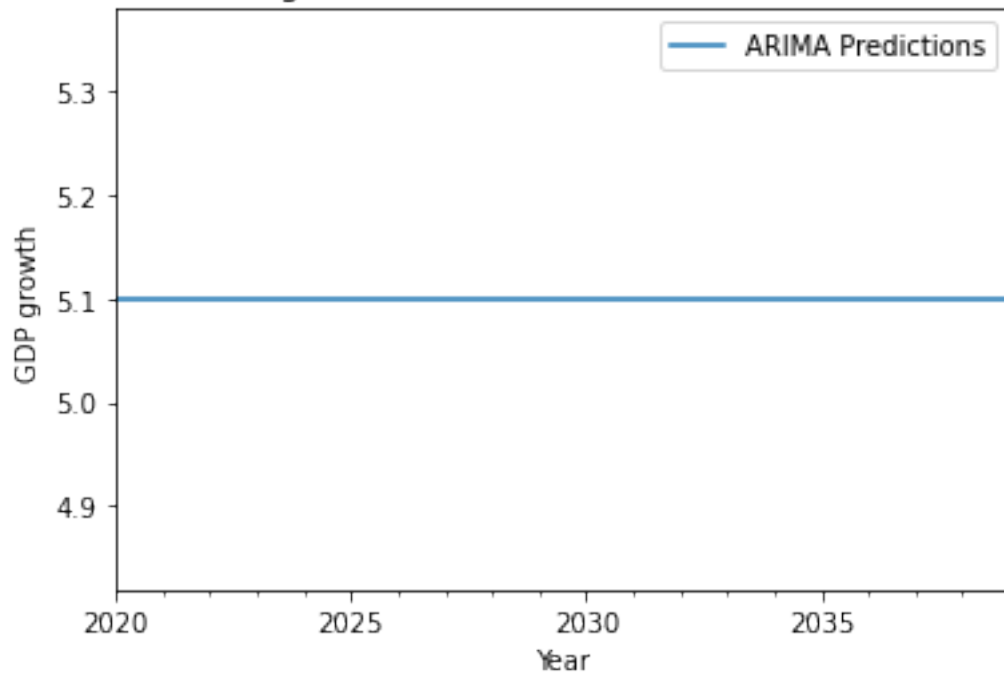
# Plot the predicted values for the next 20 periods
future_growth_df.plot(x='Year', y='GDP growth', label='SARIMAX
Predictions')
plt.title('GDP growth Predictions for the Next 20 Years')
plt.xlabel('Year')
plt.ylabel('GDP growth')
plt.legend()
plt.show()

# Plot both ARIMA and SARIMAX predictions together
plt.plot(data_growth['Year'], data_growth['GDP growth'], label='Actual
GDP growth')
plt.plot(future_dates, future_growth, label='SARIMAX Predictions')
plt.plot(pred.index, pred, label='ARIMA Predictions')
plt.title('Inflation Rate Predictions (ARIMA vs. SARIMAX)')
plt.xlabel('Year')
plt.ylabel('Inflation Rate')
plt.legend()
plt.show()

```



GDP growth Predictions for the Next 20 Years



GDP growth Predictions for the Next 20 Years

