Ye Yint Win

Dr. Nathan Axvig

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2nd Final Project Proposal

I have chosen to forecast Argentina’s real GDP for coming years. Argentina just elected a new president this week. According to YouTube video explanations by [The Economist](https://youtu.be/18RTtDVghfw) and [ABC News](https://youtu.be/_tC3u8NEqU8), Argentina has been a country which was one of the richest in the 50s and has a very labor focused laws and regulations. However, it had always suffered since the 80s or even before that from mismanagement from the country’s financial sectors and regulations not upgrading with the World.

According to this [NY times article](https://www.nytimes.com/2022/08/06/business/inflation-argentina.html), the inflation has gone up to 90% this year and this is not looking good for the country, From this week election, it elected a very right-wing politician with promises on freedom of the market and changing of the currency from Argentinian pesos to US dollars. For forecasting, I believe it will be interesting to how a new kind of government approach and a new economic promise and look back at this next year.

I’ll be predicting either real GDP or inflation of Argentina. Moreover, for independent variable, I have predictors of historical data of Argentina from IMF. I currently have datasets of Argentina’s biggest production items, soybeans and cattle meat, Gross Debt for Argentina over the years, and one of its biggest trade partner and neighbor, Brazil’s real GDP. For the production goods, I adjusted the dataset. I make percentage change from the year before for every year, to see how much have changed in both economies. I used Gross Debt percentage per GDP at respective year, to see how much it is related to real GDP. These are all reasonable predictor for real GDP, but not for inflation yet. With further explanation, it will be interesting to examine as it is the current big thing in the articles above.

People who will care about this forecast will be Argentinians and those who are interested in politics and economics.

Plots:

Real GDP of Argentina (Predicting Variable)

A graph showing the growth of argentina

Description automatically generated

Inflation of Argentina (Predicting Variable)

A graph showing the growth of the country

Description automatically generated

Soybean Production (Percentage Change per year) vs. Real GDP of Argentina

A graph of a graph showing the value of a product

Description automatically generated with medium confidence

Cattle Production (Percentage Change per year) vs. Real GDP of Argentina

A graph of a graph showing the country and argentina

Description automatically generated with medium confidence

Gross Debt vs Argentina real GDP: In this plot, it goes the opposite pattern from gross debt to the real GDP of Argentina

A graph showing a graph of a loss

Description automatically generated with medium confidence

Negative Gross Debt:

A graph showing the growth of a debtor

Description automatically generated with medium confidence

Argentina vs. Brazil real GDP

A graph of a graph showing the value of a company

Description automatically generated with medium confidence

Lastly, I still have a little thing for Argentina and South Korea situation. Here’s the modified plot.

Korea Year: 1994- 2013.

Argentina Year: 2004- 2023. There might be something I can use.

A graph showing the difference between two different graphs

Description automatically generated

Real GDP data source: <https://www.imf.org/external/datamapper/NGDP_RPCH@WEO/KOR/ARG>/BRA

Real GDP for both Argentina, Brazil and South Korea extracted from IMF website.

Inflation data source: Inflation data is from Worlddata.info.

Argentina: <https://www.worlddata.info/asia/south-korea/inflation-rates.php>   
South Korea:<https://www.worlddata.info/america/argentina/inflation-rates.php>

Brazil:<https://www.imf.org/external/datamapper/PCPIPCH@WEO/BRA?zoom=BRA&highlight=BRA>

Production Goods Data Source: <https://www.fao.org/faostat/en/#data/QCL>

South Korea Financial Crisis information: <https://en.wikipedia.org/wiki/South_Korea_and_the_International_Monetary_Fund#:~:text=The%20bailout%20had%20conditions%20that,the%201997%20Asian%20financial%20crisis>.

South Korea Economic Restructuring with IMF information: <https://www.imf.org/en/News/Articles/2015/09/28/04/53/sp012198a>

Incoming Argentina’s IMF bailout and possible Economic Restructuring Inforamtion: <https://www.imf.org/en/News/Articles/2022/03/25/pr2289-argentina-imf-exec-board-approves-extended-arrangement-concludes-2022-article-iv-consultation>.