Forecast Evaluation Zakareya Chehime

The true value of the variable turned out to be 4.2%. My forecast (Both the ADL and AR(6) Model) predicted a 4.1% with a confidence interval of 3.846 to 4.409 for ADL and 3.748 to 4.489 for AR(6). The true value fell neatly within the forecast intervals of both models and very close to the point forecast of 4.1%.

The 4.2% value seems to be in line with what most economists expected the unemployment rate to be for November, CNBC: “The unemployment rate edged higher to 4.2%, as expected.”, Forbes: “The unemployment rate was 4.2% in November, the government said, matching projections of 4.2%”.