

Predicting the next recession

Report Validation

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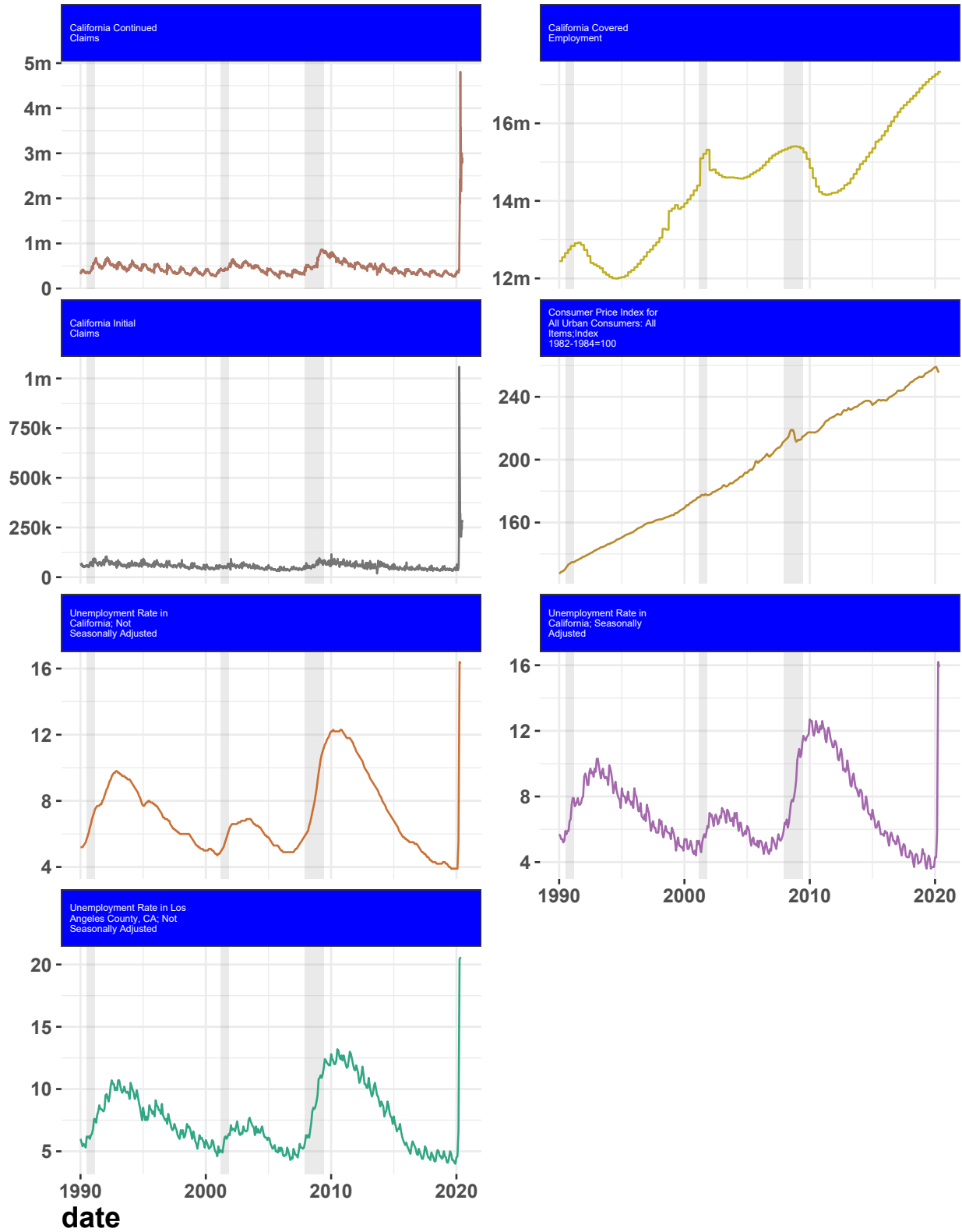
Prepared July 12, 2020

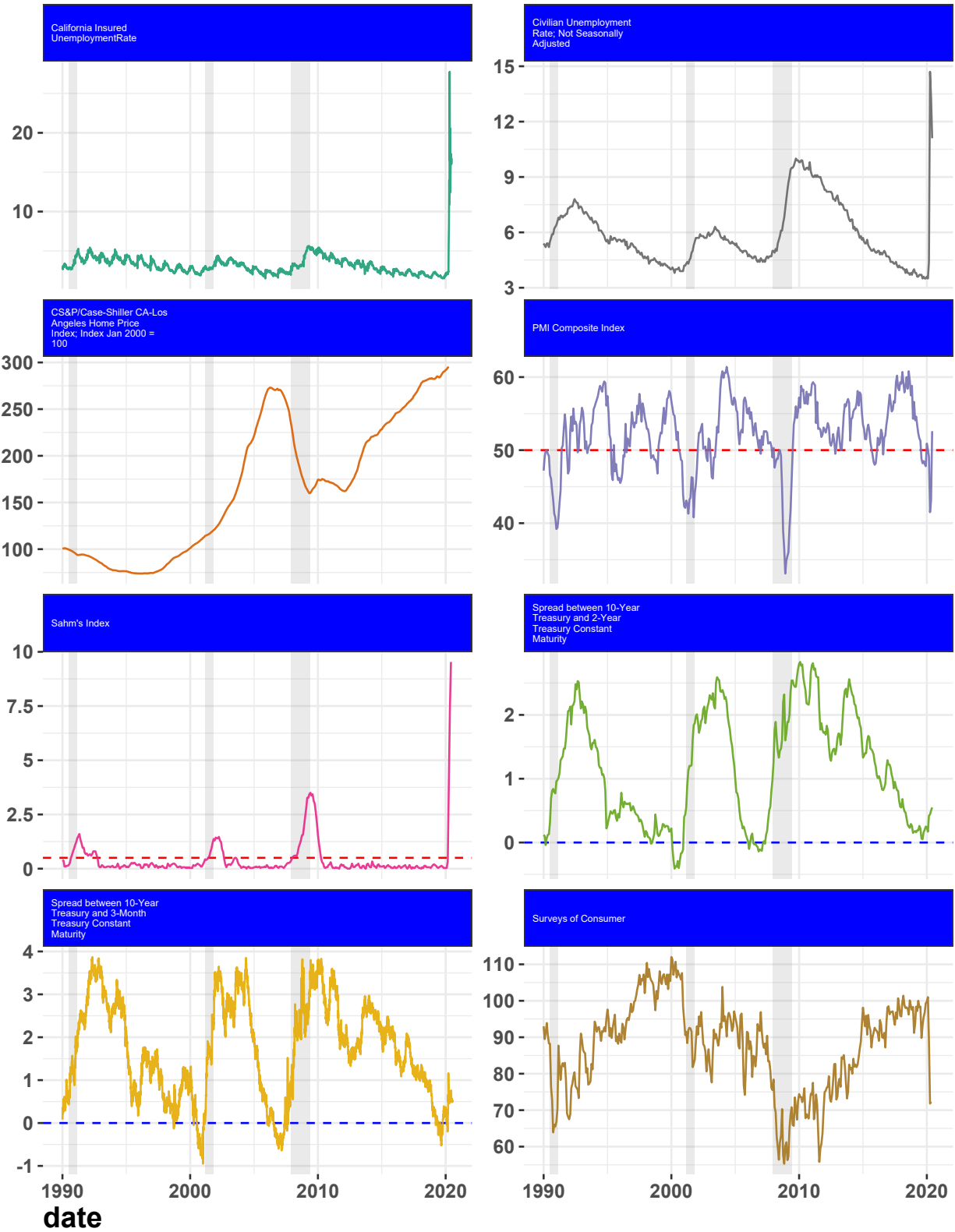
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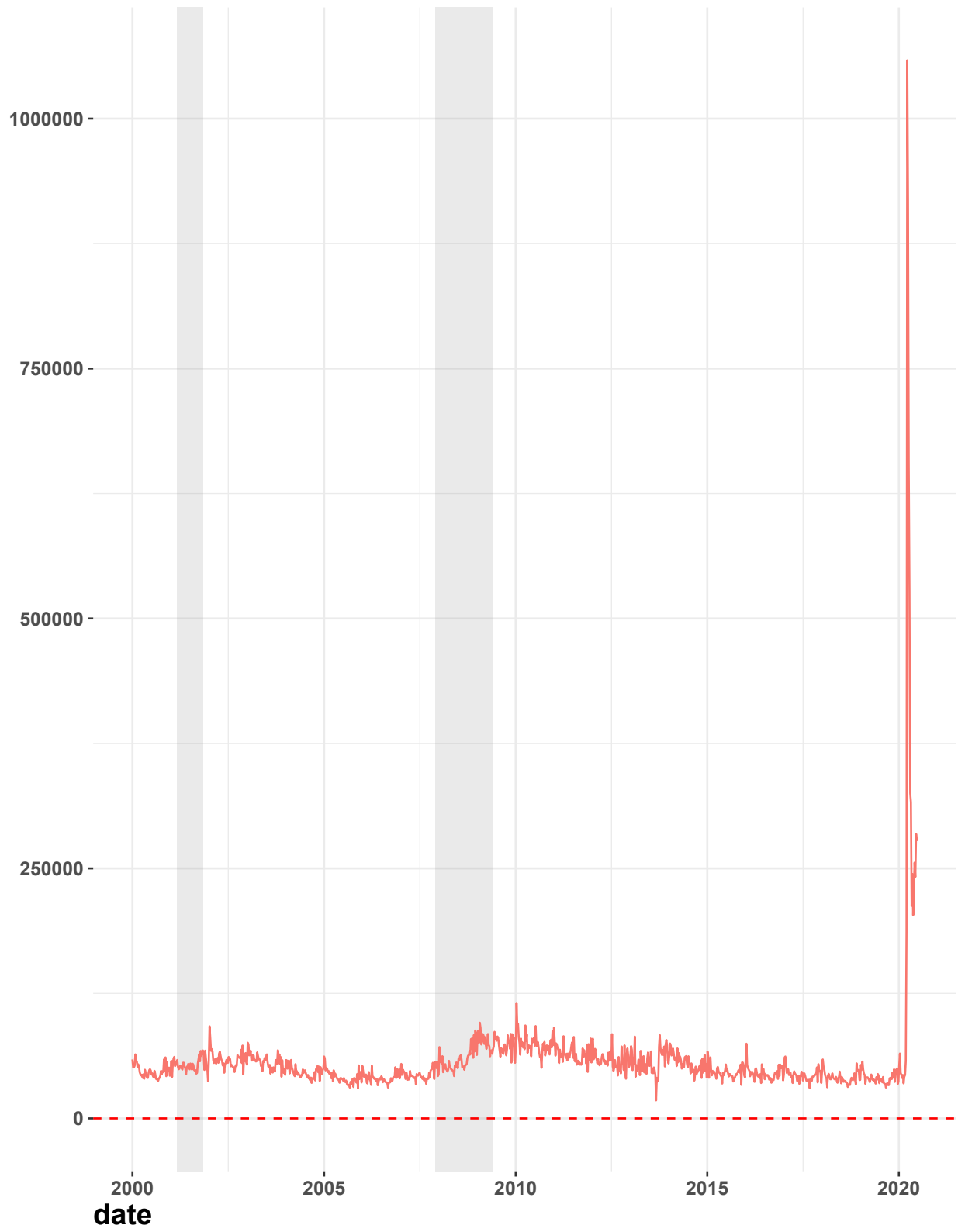
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| R Markdown | 1 |
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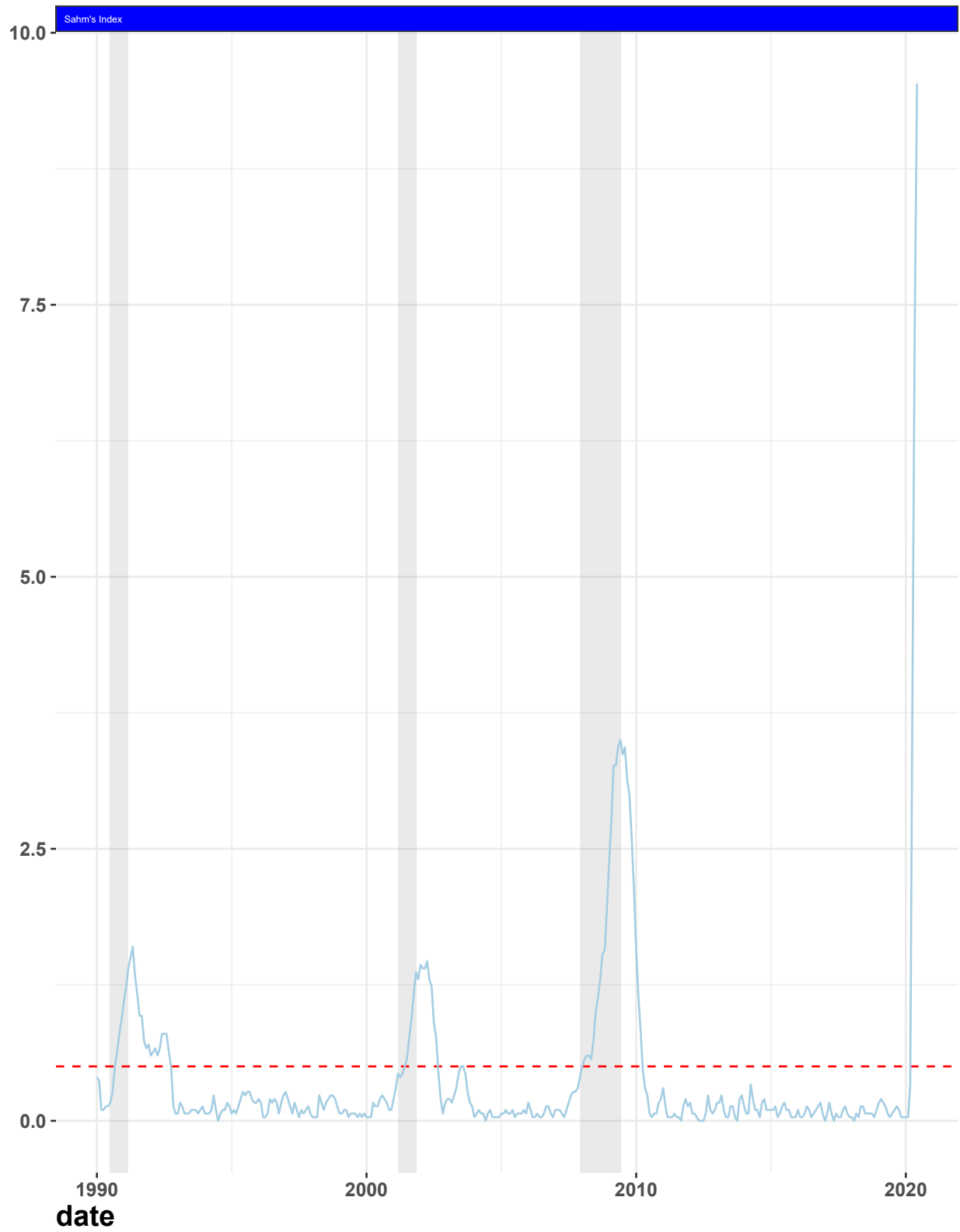
R Markdown

This is an analysis of an index developed by Claudia Sahm and other recession predicting data
https://www.hamiltonproject.org/assets/files/Sahm_web_20190506.pdf









Call:

```

## lm(formula = value ~ ContinuedClaims, data = comboUnempCorr)
##
## Residuals:
##      Min       1Q   Median       3Q      Max
## -10.1944  -1.3523  -0.5534   1.1114   4.6666
##
## Coefficients:
##              Estimate Std. Error t value Pr(>|t|)
## (Intercept)  5.0365371281 0.1955159033   25.76 <0.0000000000000002 ***
## ContinuedClaims 0.0000044834 0.0000003563   12.58 <0.0000000000000002 ***
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 1.944 on 363 degrees of freedom
## (1 observation deleted due to missingness)
## Multiple R-squared:  0.3037, Adjusted R-squared:  0.3018
## F-statistic: 158.3 on 1 and 363 DF, p-value: < 0.00000000000000022

##      1
## 18.04562

## ContinuedClaims
## 1      10.90836
## attr(,"constant")
## [1] 7.13726

## $par
## [1] 2.394363
##
## $value
## [1] 1
##
## $counts
## function gradient
##      10000      NA
##
## $convergence
## [1] 0
##
## $message
## NULL

```

Scatter plot of Calif Unemployment and Continued Claims
based on 366 months of data

