**Ece Çınar**

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**Homework 3 Report**

Aim of the homework was trying the estimate dollar rates for the future periods. With the data given, sudden increase is observed. So we can say that our data is not stationary and has unit-root because of the ‘b’ tagged plots. Also we can support this by looking at dickey fuller test results. Every method indicate that test result are higher than the critical values. (1) We used two methods for estimation. Since Holt method’s RMSE value is lower than SES method, ıt seems like holt has the best result. (2) After applying smoothing techniques, our data was still not stationary, and we support this outcome by checking the dickey-fuller test results. However, with smoothing we had greater RMSE values than the original one. (3) Using smaller window size for the close estimation and using larger window size for the next day would be better.