﻿Homework 3

Problem 1.

a)

Exponential Smoothing

α = 0.99

r2 = 0.9337531138853878



﻿b, c)

Holt-Winters

αh = 0.495

αb = 1\*10-6

r2 = 0.9880912605738408



Problem 2.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Interaction 0 | Interaction One1,2 | Interaction One2,3 | Interaction Two |
| r2 | ﻿0.826159 | ﻿0.834249 | ﻿0.837662 | ﻿ 0.821988 |

Problem 3.

Using Interaction One2,3

Best r2 is ﻿0.85329 when λ = 0.27



Problem 4.

1. r2 = ﻿0.896, retain = 25, knots = [5, 20]



1. Some improvement… r2 = ﻿0.898

