

Table 1: Forecast Performance Measures

Model	Unconditional		Conditional (business as usual)		AR(4)		
MSE	0.0211		0.0244		0.0201		
MAE	0.1172		0.1314		0.1148		
Model	BSC	CCCma	DWD/MPI	MIROC	MOHC	MRI	Multi-model
MSE	0.0454	0.0402	0.0512	0.0314	0.0286	0.0438	
MAE	0.1784	0.1693	0.1950	0.1313	0.1324	0.1650	

Notes: AR(4) denotes an autoregressive model of order 4; ARDL is an autoregressive distributed lag model incorporating the variables in Table 1 as regressors (lag orders have been chosen under standard information criteria); BSC is the Barcelona Computing Centre, CCCma is the Canadian Centre for Climate Modelling and Analysis, DWD is the Deutscher Wetterdienst, MPI is the Max Planck Institute, MIROC is the Model for Interdisciplinary Research on Climate, MOHC is the Met Office Hadley Centre, MRI is the Meteorological Research Institute, ‘Multi-model’ denotes the multi-model ensemble mean computed by the World Meteorological Organization Lead Centre for Annual to Decadal Climate Prediction.