

# Leading indicators of market growth

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## Background

Here we analyze a time series of data provided by Marcus Cunha for Thoughtful Insights. The objective is to illustrate a use case for statistical leading indicators based on the theory of critical slowing down.

## Data

First we read in the data.

```
data <- read.csv('kpi-data.csv')
```

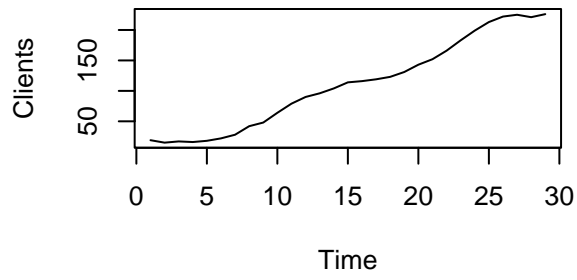
Calculate total revenue as  $REVENUE = MRR + NMRR + Expansion$ .

```
data$revenue <- data$MRR + data$NMRR + data$Expansion
```

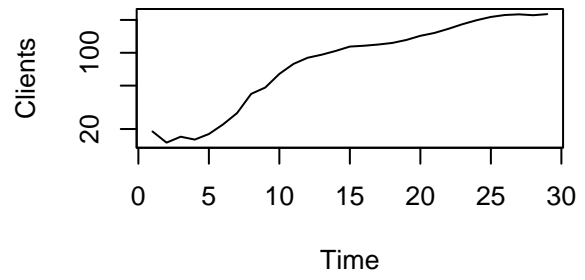
Plot two variables (revenue and Clients) on ordinary and logarithmic scales.

```
par(mfrow=c(2,2))
plot(data$Clients, type='l', xlab='Time', ylab='Clients', main='Ordinary scale')
plot(data$Clients, type='l', log='y', xlab='Time', ylab='Clients', main='Logarithmic scale')
plot(data$revenue, type='l', xlab='Time', ylab='Revenue', main='Ordinary scale')
plot(data$revenue, type='l', log='y', xlab='Time', ylab='Revenue', main='Logarithmic scale')
```

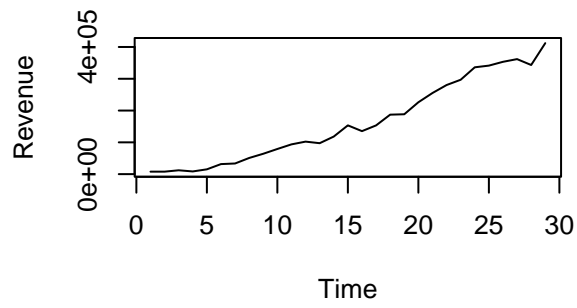
**Ordinary scale**



**Logarithmic scale**



**Ordinary scale**



**Logarithmic scale**

