

CHALLENGE

SARIMAX and Churrasco

INDEX FREQUENCY

01

You must tell Python that we have weekly data. Set the frequency to weekly, using "W".



02

VISUALIZE THE DATA

Getting to know the Data is very important, and visualization can be very helpful for you to understand better the trend, cyclical patterns and even the variability of the Time Series

03

TRAINING AND TEST

Set the Test Set to be 10 weeks months. The easy way is to just set the last 10. The goal of splitting between training and test is to have an unbiased way of assessing your model since it only knows the training data



04

REGRESSORS AND SARIMAX MODEL

Isolate the regressors to be included in the model and in the predictions. You are now ready to build the model. Include the time series and the regressors. Let it find the optimal parameters based on the AIC and BIC. Should take a few minutes

05

FORECASTING

You are now ready to forecast. Just include the test regressors and the function will know that you need to predict the next 10 weeks. You must also visualize the forecast and the test set data together with the training data.



06

ACCURACY ASSESSMENT

Uhuh! You are at the last step. Assess the model based on the MAPE. What do you think? Again, it is difficult to rate just one model. The goal is that you know how to measure the erros.

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