

ORIGINAL DATA SET

The diagram illustrates the partitioning of an 'ORIGINAL DATA SET' into two main categories: 'In-the-sample training' and 'Out-of-the-sample training'. The 'ORIGINAL DATA SET' is represented by a thick black horizontal bar at the top. Below it, the 'In-the-sample training' section consists of two stacked bars: a light gray bar labeled 'TRAIN' and a dark gray bar labeled 'PREDICT'. The 'Out-of-the-sample training' section consists of two stacked bars: a light gray bar labeled 'TRAIN' and a dark gray bar labeled 'PREDICT'. The 'Out-of-the-sample training' bars are positioned further to the right, indicating they are a subset of the original data set.

In-the-sample training

TRAIN

PREDICT

Out-of-the-sample training

TRAIN

PREDICT