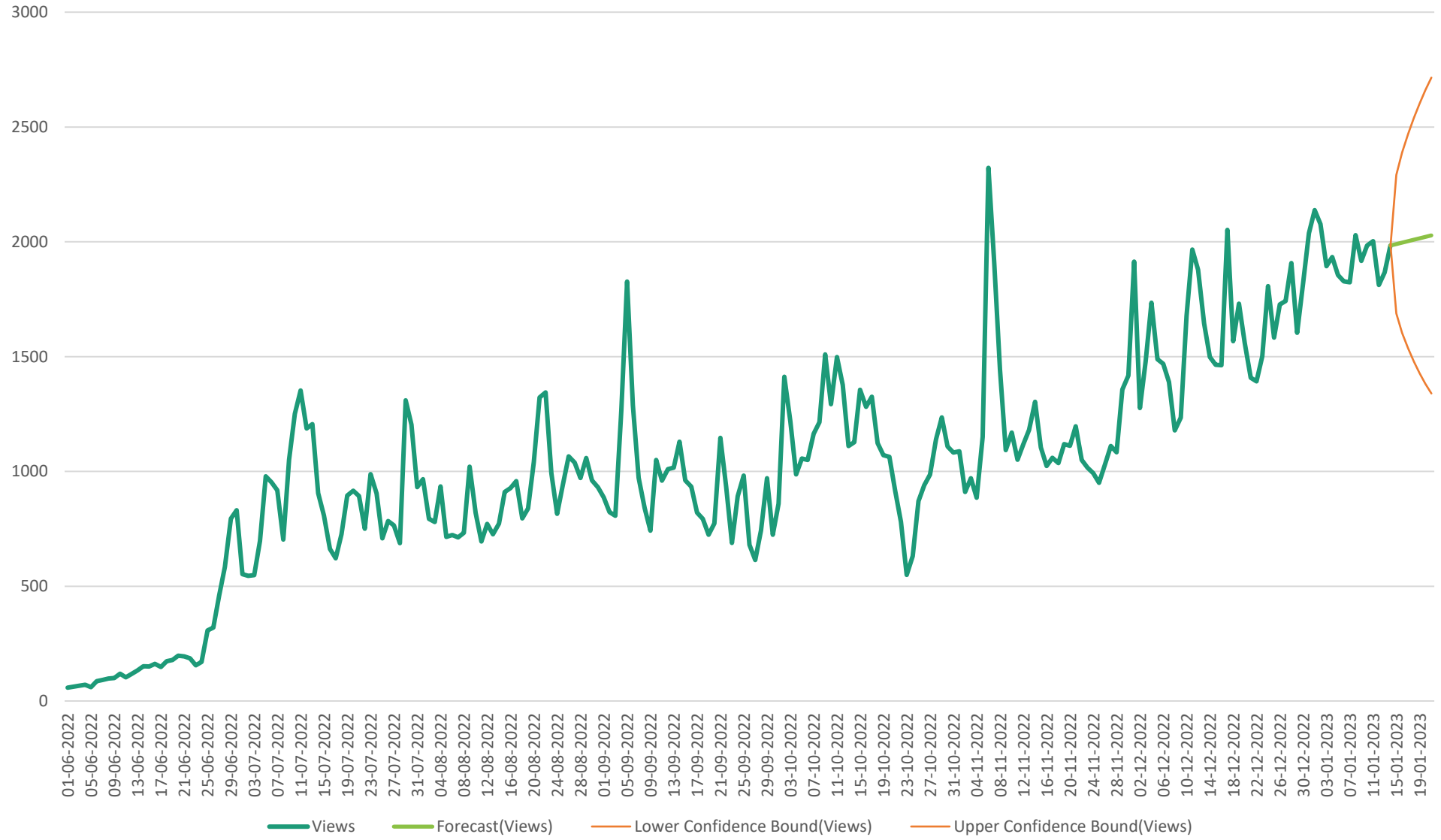
FORECASTING IN EXCEL

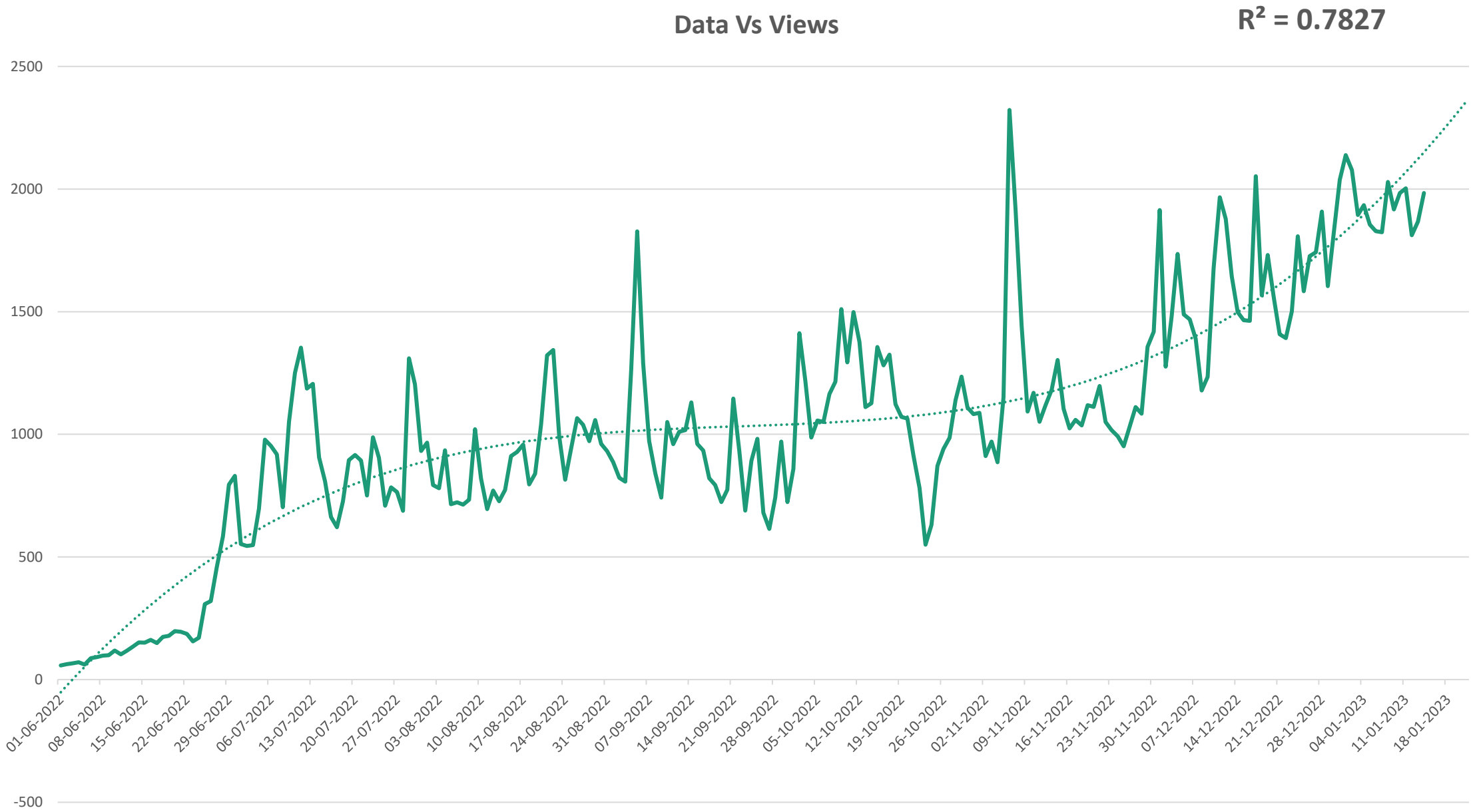
Forecasting can be performed using 3 ways:

1. Using a Formula (forecast.ets) ETS → Exponential Smoothing
2. Use Graph (Line charts)
3. Forecast Sheet

Chart using forecast sheet



27-12-2024


Data Vs Views
R² = 0.7827
2500
2000
1500
1000
500
0
-500
01-06-2022
08-06-2022
15-06-2022
22-06-2022
29-06-2022
06-07-2022
13-07-2022
20-07-2022
27-07-2022
03-08-2022
10-08-2022
17-08-2022
24-08-2022
31-08-2022
07-09-2022
14-09-2022
21-09-2022
28-09-2022
05-10-2022
12-10-2022
19-10-2022
26-10-2022
02-11-2022
09-11-2022
16-11-2022
23-11-2022
30-11-2022
07-12-2022
14-12-2022
21-12-2022
28-12-2022
04-01-2023
11-01-2023
18-01-2023

Forecasting in excel is calculated using the equation y = mx + c

Where y = the outcome we want like sales, views etc

x = the time

m = the slope of line

c = intercept

Importance of R-Squared: Coefficient of determination measures how well the fitted regression line fits the data.

R-Square is the proportion of variation that is explained by a linear model. It has value between 0 and 1, higher R-square means better model performance.

R^2 = coefficient of determination
RSS = Sum of Squares of residuals
TSS = Total sum of Squares

$$R^2 = 1 - RSS/TSS$$