

prediction result based on survey

Y\_PREDICT Y\_xgb\_PREDICT Y\_rf\_PREDICT Actual GDP (normalized)

2016 1.065349 0.301881 0.010663 0.881876

2017 1.301549 0.671907 0.292508 1.060189

2018 1.169575 -0.407999 -0.308963 1.283080

2019 1.313972 -0.471359 -0.475997 1.483681

2020 1.837124 -0.309756 0.066742 1.416814

Random forest fit MSE: 0.017696450768226374

XGBoost fit MSE: 3.7131708546349683e-07

Linear regression n\_MSE: 0.06205238714832588

Random forest MSE: 1.9091957059298448

XGBoost MSE: 2.0300266869267167

Linear regression prediction: 2.0300266869267167

Input

**ICE:** The Index of Consumer Expectations

**UNEMP:** How about people out of work during the coming 12 months --

do you think that there will be more unemployment than now,

about the same, or less?

**GOVT:** As to the economic policy of the government -- I mean steps

taken to fight inflation or unemployment -- would you say the

government is doing a good job, only fair, or a poor job?

**RATEX:** No one can say for sure, but what do you think will happen to

interest rates for borrowing money during the next 12

months--will they go up, stay the same, or go down?

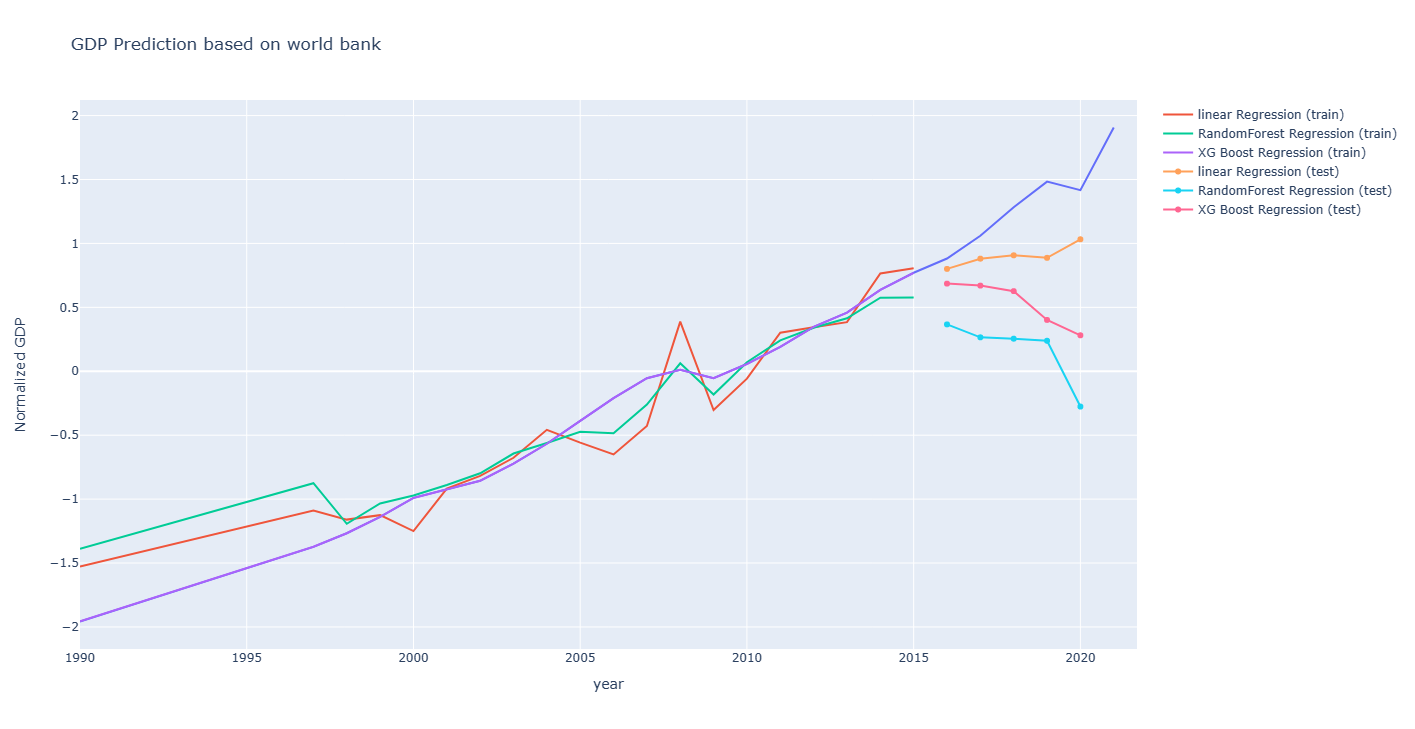
**INCOME:** Now, thinking about your total income from all sources

(including your job), how much did you receive in the

previous year?

**INVAMT:** Considering all of your(family's) investments in the stock market,

overall about how much would your investments be worth today?



prediction result:

Y\_PREDICT Y\_xgb\_PREDICT Y\_rf\_PREDICT Actual GDP (normalized)

2016 0.800698 0.685643 0.366586 0.881876

2017 0.880749 0.670015 0.265550 1.060189

2018 0.907112 0.626763 0.254851 1.283080

2019 0.887332 0.401534 0.238580 1.483681

2020 1.032350 0.281414 -0.276164 1.416814

Linear regression fit n\_MSE: 0.04872908864363885

Random forest fit MSE: 0.03947574564539995

XGBoost fit MSE: 2.646786878949603e-07

Linear regression n\_MSE: 0.13671717619756904

Random forest MSE: 1.2741367094303135

XGBoost MSE: 0.616334083743745

Linear regression prediction: 0.616334083743745

(Fit: means the training part)

input

1. Lending interest rate (%)
2. Expense (% of GDP)
3. General government final consumption expenditure (% of GDP)
4. Exports of goods and services (% of GDP)
5. Unemployment, total (% of total labor force) (national estimate) Inflation, GDP deflator (annual %)

Analysis

Three different regression model:

As the result shows, the prediction performs bad especially for Random forest and XGboost. Insufficient data might be the main reason and cause the simplest method, linear regression model, to surpass others.

Two data set:

Sorry, I don’t find possible reason to explain what makes those two dataset perform differently.