Unemployment assignment

Statement

Description

The **UnemploymentSpain.dat** dataset contains the unemployment figures for Spain for every month between January 2001 and October 2021. The total unemployment is given.

Tasks

a) Identify the best Seasonal ARIMA model to forecast the total unemployment rate.
b) Identify the best Dynamic Regression model to forecast the total unemployment rate accounting for the COVID-19 period using an intervention variable.
c) Compare both models.
d) Obtain the best forecast for the unemployment rate of **November 2021**.

Write a report describing the process followed for each task.