The purpose of *seasonal adjustment is to remove systematic calendar-related variation associated with the time of the year,* that is, seasonal effects. This facilitates comparisons between consecutive time periods.

Components of a time series

Time series can be thought of as combinations of three broad and distinctly different types of behaviour, each representing the impact of certain types of real-world events on the data. These three components are: systematic calendar-related effects, irregular fluctuations and trend behaviour.

**Systematic calendar-related effects**

* Seasonal effects.
* Calendar effects.

**Irregular Fluctuations**

* Random noise in the data (due to sampling error, unusual events that affected the data obtained, etc.).

**Trend Behaviour**

* Trends representing the underlying behaviour and direction of the series.