

**Boston College
Economics Department**

EC229 -Forecasting

Class Time: Wed: 4:30-6:45
Office Hours: Wed:3-4:30, Tu & Th (2-4)

e-mail: mcgowan@bc.edu

Richard McGowan,S.J.

Office : Fulton 252
Phone:
617-552-3474(Room & Office)

Course Description:

The goal of this course is two fold: (1) to provide an introduction to the theory and methods of time series forecasting; (2) to enable the student to apply that theory to actual business and economic time series data. Hence, the course will have both “theoretical” and “practical” components. The only prerequisite for the course is a basic Statistics course. The course does not require an advanced level of mathematics (i.e., calculus), but it does require strong abilities in algebraic and statistical reasoning.

The assignments will largely involve numerical calculations. These are most easily performed on a PC using a statistical package. The statistical package available at the OCF that can be utilized namely, SPSS.

Methodology:

Since variety is the spice of life, the class will consist of a combination of lecture, case analysis, group presentations, as well as determining the implications that a forecast would have on an economist/ businessperson’s planning strategy. Hence, the goals of the course are to learn: (1) statistical techniques and determining which is the “best” for a particular set of time series data; (2) explaining what the implications of your forecast for the firm.

Evaluation:

- 30%- Midterm exam
- 20% - Case Analyses as other group projects
- 20% - Group Project
- 30%- Final Exam

Text for the Course:

Business Forecasting, 5th edition, Wilson and Keating, McGraw Hill. (BF)

I will be handing out various assignments and cases as we go along. Every week I will have an assignment sheet for you along with questions for the case or assignment.

Tentative Schedule of Classes

Date	Topics	Assignment for next class (Chapter in BF)
Jan.16	Review of Statistics, What is Time Series	Chap.2
Jan. 23, 30	Elements of Time Series Evaluating a Forecast Transformations	Chap. 1
Feb. 6, 13	Simple Linear Regression	Chap. 4
Feb. 20, 27	Multiple Regression	Chap. 5
March 12	Midterm Exam	(Chaps.1,2,4,5)
March 26	Moving Average Techniques	Chap. 6
April 2	Exponential Smoothing	Chap. 3
April 9, 16	ARIMA Models	Chap. 7
April 23	Intervention Analysis Combining Forecasts	Chap. 8
April 30	Group Presentations (Each group will make a ten minute presentation of their group project)	

Final Exam- Wednesday, May 7

