CORRECTIONS AND UPDATES\_NOV 15, 2017

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| **Page** | **Location** | **Corrections/Comments** |
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| 86 | Section 3.7.1 | When a transformation is used, the forecast obtained from the reverse transform is unbiased in the median, but not in the mean. Some authors recommend adjusting for such a bias, but we are not convinced that this step leads to improved forecasts. |
| 88 | Table 3.12 | The analysis is based upon the “Growth” series. However, the error measures are computed after transforming back to the original series. |
| 90 | Table 3.13 | The entries in this table used an earlier version of the ESM, which allowed for fitting by minimizing the MAE or the MAPE as well as the MSE. However, this version lacked many of the features of the current ESM. Thus, it should be noted that the numerical results differ from those that would be obtained using the current ESM. |
| 201 | Exercise 6.9 | Series is monthly, not quarterly. Use Jan-2001 to Dec 2012 as estimation sample, last three years as hold-out |
| 202 | Exercise 6.22 | Second sentence should read:Now consider the ARIMA(0,1,1) scheme  |
| 232 | Equation (7.16) | Equation number should be right-justified |
| 320 | Exercise 9.13 | There is a lack of clarity in this question as to which models should be considered. We suggest the models with the following explanatory variables:1. Lagged: unleaded, crude, PDI, Unemp, RR\_Sales, SP500, Demand as well as a recession dummy2. The differenced model (see Table 9.7)3. Optionally the log model in the above variables. |
| 320 | Exercise 9.14 | … increases *Y* in period (t+2) by an amount  |
| 320 | Exercise 9.17 | Should refer explicitly to the unleaded gas prices data |
| 338 | Above Example 10.1 | Bernoulli, not Bernouli |
| 365 | Exercise 10.10 | Item a.iii should read “with the data set to December 31, 2016” |
| 395 | Table 11.3 | Entry for “Incumbency” for “Obama vs. Romney” should be “N” not “F” |
| 415 | Exercise 11.9 | Last but one interval has range 251-275, not 241-275. |
| 468 | Expression for market share | Right hand formula should read  |
| 490 | Exercises 12.6, 12.7 | The supplier is alternatively termed the ‘manufacturer’. |
| 493 | Footnote | L'Ecuyer, not L'Ecuver |
| Appendix B | Summary table  | This table was designed to illustrate what is available and the programs cited were given only as example. Nevertheless, it is important to note that some programs go beyond the conservative list of features we provided. For example, Autobox has an intermittent demand capability and includes checks for misspecification; Autobox also has an R version.Such specialist programs are constantly being updated and improved and it is not our intent to try to record all the changes. As always, potential users of a particular program should check whether it possesses the desired features for the application to hand. |