



The Oracle

A Publication of the
International Institute of
Forecasters

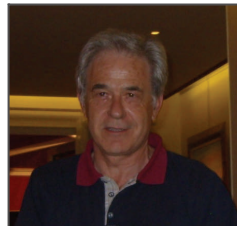
www.forecasters.org
www.forecastingprinciples.com

Letter from the IIF President

At the time of writing this letter, I am involved (probably like most of you) in a mixture of different activities from grading final exams to preparing the presentation for ISF San Diego. Our schedules become extremely hefty and we seem to be unable to fulfill all our duties in time. This is a feeling that has been with me over the years and, no matter personal age or experience, it will remain on my shoulders in the years to come. However, as every June is approaching, I still feel the same excitement of my first ISF back in 1985. The ISFs have always been our most important meeting and, as an international organization, our most important test. A test that we have to pass every year, no matter where the conference is taking place and independently of who is in charge. The fact that we reach our 30th anniversary this year is probably a good indication that, so far, we seem to have survived the test of time.

If organizing any ISF has always been an arduous task, this ISF2010 has been a major tour de force. For once, the IIF broke its traditional iron hand in preparing ISF with large anticipation and we faced considerable uncertainty, just one year ago. As usual, our good star helped us in finding the right 'volunteers' to do the job. Both, Geoff Allen and Gloria Gonzalez-Rivera jumped into the car when the race had already started and, in spite of that, they have successfully led us to the finishing line with a superb conference program. All organizers have always been credited for their achievements, but in the case of Geoff and Gloria our gratitude should go one step further. For all of you, who plan to attend ISF2010, let me wish you a safe trip. I am sure that you will come back home thinking that the trip was worth it.

Over the years there has been some talk about how to expand our activities. As part of this discussion I have seen different comments about how people perceive forecasters. Unfortunately, the term seems to have a lot of negative connotations. I, for one, never say I am a forecaster. When pressed, I state that I am into quantitative economics and devote my time in writing papers about business



(Continued on page 5)

Elections of IIF Directors

Following the recent elections for the IIF Board of directors, the new directors are:



Kesten Green who recently joined the International Graduate School of Business and the Ehrenberg-Bass Institute for Marketing Science at the University of South Australia



Dilek Onkal who was re-elected onto the Board, and has been working at Bilkent University in Turkey but more recently joined Brunel Business School (U.K.) as Chair in Supply Chain Management.



Haiyan Song who is Chair Professor and Associate Director in the School of Hotel and Tourism Management at The Hong Kong Polytechnic University.

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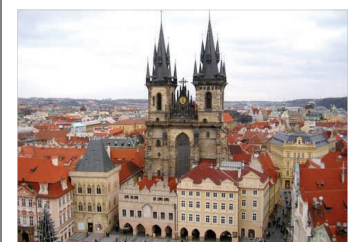
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Save the Date!

ISF 2011

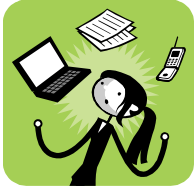
June 26—29th

Prague





From the IIF Business Manager



Wishing you all a relaxing and enjoyable summer! Before starting on your holidays, here are just some of the activities happening in the IIF:

International Symposium on Forecasting

We're heading into the home stretch for ISF 2010 in San Diego. If you are interested in attending or have any questions, visit: <http://www.forecasters.org/isf/index.html>. It's never too early to start planning for ISF2011 which will take place in Prague on June 26-29, 2011. Visit our website later in the summer for more information.

Online Networking

The IIF now has a new and improved online discussion group. To share your questions, information on forecasting events, research and news, join our group at: <http://groups.google.com/group/iif-forecasters?pli=1>. We are also on LinkedIn – search: International Institute of Forecasters group.

IIF/SAS Grant Research Award

The IIF, in collaboration with SAS®, is proud to announce financial support for research on how to improve forecasting methods and business forecasting practice. For more information, go to page 6.

IIF Resources

Take advantage of the many resources which the IIF offers:

- Post Job Openings on the IIF website – free to members
- List of Consultants on the IIF website – free to members
- Visit ForecastingPrinciples.com – an IIF sponsored site

I welcome and encourage your **feedback and suggestions** about the IIF including ideas for *The Oracle*, additions to the website, and membership issues. Please feel free to share your ideas and thoughts for continued improvement at, forecasters@forecasters.org

Pam Stroud
IIF Business Manager



IJF News

Two more issues of the *International Journal of Forecasting* have been published since the last *Oracle*, both special issues. The April issue was on **Bayesian Forecasting in Economics**, edited by Kajal Lahiri and Gael Martin. They put together a great selection of eleven articles demonstrating the application of the Bayesian paradigm to forecasting problems that arise in economics and its allied spheres. It represents the state-of-the-art in Bayesian forecasting and is sure to be widely cited for years to come. The July issue breaks new ground for the journal -- our first special issue on **Sports Forecasting**. This is a growing area of research and we thought it would be appropriate to focus attention on some of the excellent work being done in this area. Herman Stekler and Leighton Vaughan Williams have edited the special issue which covers forecasting in soccer, Australian football, horse racing, tennis, the Olympics, and the American NFL, and concludes with a fascinating review of issues in sports forecasting. Thanks to all four guest editors for the great work they have done in bringing these two special issues together.

The last issue for 2010 will be a regular issue, with the lead article being James Taylor's invited paper for the 2009 International Symposium on Forecasting where he discusses "Exponentially weighted methods for forecasting intraday time series with multiple seasonal cycles", followed by discussion.



If you have any comments on published articles, feel free to make them public at www.forecasters.org/ijf. There you will also find data sets and code associated with articles published in the journal.

Rob J Hyndman
(IJF Editor-in-Chief)

The future, according to some scientists, will be exactly like the past, only far more expensive. --John Sladek

It's hard to make predictions - especially about the future." -- Robert Storm Petersen



Student Profile - Charlotte Brown



My journey to becoming a PhD student in the Centre for Forecasting at Lancaster University was rather tortuous. I have a degree in history, an MBA, and spent a decade pursuing an unlikely collection of corporate roles, including stints in high technology as a systems engineer, in medical devices as an HR Manager on a unionized factory floor, and as an analyst in the same company in a department that was rather optimistically called "Business Intelligence and Improvement". One of my tasks in this latter role was to try to improve the forecasts that the business produced, particularly the forecasts we used for strategic planning purposes.

This was my first experience of forecasting and it was, for the most part, one of miserable failure. Despite the glacial pace of our particular market, the small number of potential customers, and the best efforts I made to try to improve the situation, the forecasts that we produced resulted in the usual litany of disasters: stockouts; lost business; and warehouses stacked with goods that nobody wanted to buy. Curiously, all this failure made me more interested in forecasting rather than less. More specifically, I became interested in forecasting in organizations: in the way that forecasting processes work (and don't work) when they are implemented in firms; in who forecasters are and what work they do; and in the way that power, systems and processes interact in the production, appropriation and/or rejection of forecasting outputs in firms. I therefore joined the Lancaster Centre for Forecasting to explore the topic in a doctoral thesis (under the supervision of Professor Robert Fildes and Dr. Mike Chiasson), which I plan to finish in the summer of 2011.

I was fortunate enough to attend the ISF in Nice a couple of years ago, which was my first academic conference and my first opportunity to meet members of the wider forecasting community. I'm looking forward to presenting more recent findings at the ISF in Prague in 2011.

Foresight News

The **Foresight team** is at work assembling the Summer issue, which is another strong one. Here are few of the upcoming features:

- Worst Case Scenarios in Forecasting: How Bad Can Things Get?
- Defining "Demand" for Demand Forecasting
- Looking Under the Hood of That Trend
- Choosing a Levels of Aggregation for Supply Chain Forecasts: The Value of Forecast Sharing in the Supply Chain
- The World of Forecasting: Early Predictions of the Next Presidential Election
- A Forecast Accuracy Metric for Shifting Data
- Should You Report Forecast Error or Forecast Accuracy?

You won't want to miss it, so be sure your Spring subscription label didn't say "Last Issue Alert". (If it did, click here to renew! And if you're not sure, email pamstroud@forecasters.org to find out your subscription's status).

We've made some changes to the Foresight website that will be of interest to you if you're interested in getting your targeted message out to the forecasting community. Contact Phyllis Aldrich (paldrich@forecasters.org) for information on displaying your banner ad on our content pages.

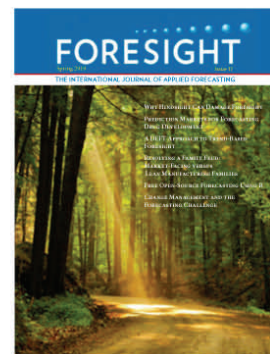
If you're interested in contributing an article to Foresight, we'd like to hear from you! Please contact our Editor Len Tashman (lentashman@forecasters.org) for information. And if you're going to be at the ISF, be sure to come by the Foresight table, look through our display of back issues, and say hi to Len!

We hope the forecast for your summer holidays includes the perfect mix of relaxation, sunshine and blue skies!

Kim Leonard for the Foresight Team, kimleonard@forecasters.org



**Every job is easier when
you use the right tools.
Forecasters use *Foresight***



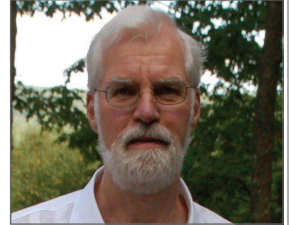
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Why Did You Become a Forecaster? - Geoff Allen

Our second contributor to this new section in the Oracle as to why you became a forecaster (and why you've stayed involved) is **Professor Geoff Allen**. If you would like to share your experiences with other IIF members and contribute to this section then please contact me at m.hughes@napier.ac.uk

If it wasn't by accident, it was certainly not part of any grand plan. I was trained as an agricultural economist: production functions, supply and demand equations, that sort of thing. In graduate school at UC Davis, I constructed a small model of the pork sector for a class project. I think it had about six equations, and it had terrible dynamics: after two or three forward iterations the endogenous variables exploded into totally unrealistic values. The instructor encouraged me to tinker with it further but I had no idea as to how to proceed and anyway had a dissertation to complete.



Moving forward a decade or so, I was in the Food and Resource Economics Department at the University of Massachusetts and due a sabbatical leave. I had retained some interest in adaptive expectations and partial adjustment models and thought maybe it was time to revisit the problems with classical econometric models. In the late 1970s various developments of equation dynamics were in the air, including autoregressive distributed lags (now recognizable as the equations that make up a vector autoregression model), transfer functions and other time-series approaches. So I embarked on a sabbatical at the University of Manchester and stayed with Robert Fildes. We had met at UC Davis and remained good friends every since. Robert was at the time at the Manchester Business School and also Editor of the Journal of Forecasting, which I have to confess, was a completely unknown journal to me.

At the beginning of my delightful stay with Robert and his family he asked me what I planned to work on and I told him. Never one to let opportunity go to waste, Robert immediately dropped on me a couple of manuscripts that had been submitted to the Journal, saying "you might find these interesting, and any comments on them will be appreciated." He also let slip that there was a forecasting conference coming up in a few months in Istanbul (the second ISF) and I might find that interesting also. Visions of an exotic locale followed by equally exotic holiday opportunities immediately filled my head, and were indeed realized. One memory of the holiday part: after spending the day flying, busing and finally ferrying across Turkey we arrived in the Greek island of Samos too late to find a hotel room (the ferry was late). A Greek companion talked us onto the ferry leaving next morning and I spent a night on a hard bench next to that well-known forecaster, Scott Armstrong. He and his wife became even better known by the end of the holiday.

By the time the symposium arrived I was hooked on forecasting. It was everything that applied economics was not: it examined data before proposing theories, it paid attention to performance rather than assuming away discrepancies, and it seemed as though it was making progress through application of the scientific method – and economics certainly was not. Looking at the program book, which I still have, one is struck by how similar the structure of the ISF has been over the years. The main differences seem to be that abstracts were shorter then and the time to present a paper was longer.

On returning to Massachusetts, I picked up on research projects I had worked on earlier, mainly to do with recreation economics and valuing non-market goods. It was another decade before forecasting became my main focus.

One thing led to another. I was invited to become a director of the Institute and accepted, only then learning that there was a catch: I was to become the secretary. In those days of all-volunteer effort this was a time-consuming job that mostly involved maintaining memberships, getting journals to the right people and money to the right bank account. It sounds simple but was a lot of work, luckily done mostly by my willing administrative assistant. The Institute took a major step forward when it hired a Business Manager. You can understand that I was an enthusiastic supporter of that move; we made a fortunate choice and have never looked back.

IIF Member News

Carolyn I. Allmon announces the launch of her forecasting consulting firm, Carolyn Allmon Business Forecasting Services, on her website, www.forecastingsuccess.biz. See her reviews of the following two forecasting books in the Spring 2010 edition of Foresight: "Business Forecasting: A Practical, Comprehensive Resource for Managers and Practitioners" by R. A. Krueger and "Strategic Business Forecasting: A Structured Approach to Shaping the Future of Your Business" by S. Ramo and R. Sugar.

José Antelo.Gomez has submitted his paper "Fuels Demand by Light Vehicles and Motorcycles in Brazil" to The Journal of Energy Policy.

This paper might be of interest to Oracle readers.



Letter from the IIF President, cont'd

cycles. Usually this leads to the next question, about what this actually means. Then I get this strange look from whoever I am talking to. We all know that look.....Don't we?

Both at the IIF and at the International Journal of Forecasting and Foresight we have contributed to make forecasting a credible activity, trying to go one step further than simply predicting the past. As a matter of fact, two of our invited lectures in San Diego are precisely dealing with forecasting and dating turning points using real data. This implies the use of data sets that include the historical values that would have actually been available to a researcher or forecaster at any point in time. As Dean Croushore showed a few years ago, this issue can be extremely important in practice and has helped to develop extensive data set archives like the one at the Federal Reserve Bank of Philadelphia. The use of real data in making credible forecasts represents a tradeoff between accuracy and timing. No one in the profession questions the remarkable role that the NBER plays in identifying dates at which the U.S. is experiencing an economic recession. These dates (based on a variety of economic indicators), are regarded as authoritative by both academic researchers and the public at large. However, since the NBER's Committee wants to be quite confident about its assessment before making a public declaration, its final statement reaches the general public with almost a two-year delay!

So, the cost of this accuracy is that many members of the public can continue to believe that the economy is in a recession long after a solid recovery is under way. On the other hand, the use of the latest available data (timing) is not without costs. Early signals of recovery can also be misleading if the information is not properly weighted.

Two of our forthcoming IIF's Workshops to be held in Verbier and Paris in January and December, 2011 will be devoted to this issue and the related topics around it. Once again, I want to thank the organizers of these future events for their splendid job in creating a good environment for presenting and discussing these challenges. So be sure to make room in your hefty agendas and do not miss these events.

Antonio García-Ferrer

Sad News - Dr. John T. Mentzer

Dr. John T. Mentzer, Chancellor's Professor and Harry J. and Vivienne R. Bruce Chair of Excellence in Business in the Department of Marketing & Logistics at the University of Tennessee passed away in his Knoxville home on February 26th 2010. Dr. Mentzer was a preeminent scholar. Each day he exemplified the best of the business academic discipline, consistently contributing through teaching, application and discovery. His presence was in great demand by a broad range of audiences, ranging from undergraduate students to CEO's of multinational corporations. He approached the business world as a laboratory, enabling him to integrate theoretical insights with cutting edge practices. The knowledge he generated helped facilitate his impressive teaching and research record. He unselfishly extended those benefits to include his colleagues, at the University of Tennessee and elsewhere in business and academe.

Dr. Mentzer's academic career was noteworthy for its breadth. He was a pre-eminent scholar across three distinct disciplines: marketing, supply chain management, and forecasting. In the forecasting arena, he was the author of numerous books and seminal articles. Among his dozens of peer-reviewed articles were numerous articles focused on forecasting management. He regularly published in the two major journals in the field (Journal of Forecasting and International Journal of Forecasting), and he also published many articles on forecasting practices and management in non-forecasting journals, such as Journal of the Academy of Marketing Science, Industrial Marketing Management, and Business Horizons. Another of his most important contributions to forecasting research and practice was the establishment of the Sales Forecasting Management Forum, a consortium of companies that continue to come together semi-annually to share best practices in this area. Dr. Mentzer is acknowledged by

both academics and practitioners as one of the most prominent forecasting scholars of all time.

In addition to his commitment to scholarship, Dr. Mentzer passionately served his institution and his discipline. Over the years he held key leadership roles including the President of the Academy of Marketing Science, President of the Council of Logistics Management and Executive Director for the University of Tennessee Demand & Supply Integration Forums. While serving in high-level positions, he continued to chair a variety of university committees, author impactful books and articles, and serve on many editorial review and advisory boards. He received numerous awards in the fields of Marketing and Supply Chain Management including the Berkman Distinguished Service Award for lifetime service to the Academy of Marketing Science in 2008, the Armitage Medal of the International Society of Logistics Engineers, and the Council of Logistics Management's Distinguished Service Award in 2004. To garner such recognition in one discipline is a great accomplishment, to be so highly recognized in three disciplines is extraordinary. He leaves a lasting legacy as mentor to dozens of former doctoral students now serving as faculty at institutions around the world.

In addition to Dr. Mentzer's numerous awards and achievements, he will be most remembered for positively touching the lives and careers of those around him. Countless people benefitted from the kindness of Tom Mentzer. This perhaps stands as his greatest attribute, appropriately reflecting his mission to live an impactful life. He was a loving husband, father, son and friend and he will be deeply missed by family, students, and colleagues. He is survived by his wife, Brenda and daughters Ashley and Erin, of Knoxville, and his mother Minnie and sister Susan, of Harpers Ferry, West Virginia.



International Institute of Forecasters



The International Institute of Forecasters and SAS® Award Two \$5000 Grants to Support Research on Forecasting for Year 2010

For the eighth year, the IIF, in collaboration with SAS®, is proud to announce financial support for research on how to improve forecasting methods and business forecasting practice. The awards will be two \$5,000 grants.

Applications should be submitted to the IIF Office by **September 30, 2010**. The application must include:

- Description of the project (at most 4 pages)
- Letter of support from the home institution where the researcher is based.
- Brief (4 page) c.v.
- Budget and work-plan for the project.

Criteria for the award of the grant will include likely impact on forecasting methods and business applications. Although funding is not exclusively reserved for the topics found in the link below, please review for description of primary research needs: www.forecastingprinciples.com/researchers.html

Consideration will be given to the track record of the researcher (thus, students must have an experienced researcher as a co-writer in order to be considered) and whether supplementary funding is likely to be gained. It is also expected that the research supported by the SAS/IIF grant be presented in an International Symposium on Forecasting (ISF) organized by the IIF.

Applications should be submitted in electronic format to: Pamela Stroud / IIF Business Manager / pamstroud@forecasters.org

Certified Professional Demand Forecaster (CPDF®) Continues to Offer Affordable and Flexible Professional Certification for Demand Forecasters, Planners and Managers in Supply Chain Companies



For companies considering certification for new or existing demand planners, the 200-hour CPDF curriculum provides a solid understanding of demand forecasting principles and implementation practices.

Participants in the CPDF® Workshops work with Excel Add-ins as the basic learning tool for acquiring the skills needed to perform the forecasting cycle encountered in demand planning organizations. The curriculum stresses a four-step process that focuses on data issues arising in the forecasting cycle, best (and worst) practice forecasting techniques that are widely used, forecasting and forecaster performance measures and the reconciliation steps required to complete a forecasting cycle. The self-paced portion of the CPDF (Basic) curriculum now being completed by a number of participants (following completion of the instructor-led Basic workshop) consists of six "exam" modules that focus on best practices and a technology overview.

Additional workshops are being offered worldwide and if IIF members have clients or contacts in public or private demand planning organizations that might benefit from the training, they can encourage them to visit www.cpdftraining.org for details about registration, fees and curriculum content.



M4 Competition Announcements



The field of forecasting has progressed significantly during the last half a century. The relevant advancements have been mainly facilitated by the development of new methods and by the widespread usage of powerful computers that enable the manipulation of large amounts of useful data and render computationally intensive methods 'affordable'. In addition, cognitive psychologists have studied how forecasts are made judgmentally and have suggested ways of recognizing the biases affecting our predictions. These developments have resulted in a comprehensive collection of tools and methods that is readily available to decision makers. However, and despite such advancements, the role and value of forecasting is regularly under scrutiny and its contribution to the societal welfare has often been challenged. The latest financial crisis, for example, raised many questions with regards to the true underlying value of forecasting as a field. Consequently, it may be argued that the biggest challenge facing currently the field of forecasting is not in the introduction of additional methods or more experiments in further studying judgmental biases. Instead, we must objectively evaluate available empirical evidence in the field of forecasting and cognitive psychology in order to provide decision and policy makers with evidence based information. During the last few decades there has been a rising trend, centering in medicine, of 'evidence based knowledge'. Arguably, the time has come to apply such evidence based knowledge to the field of forecasting as well by introducing the M4 forecasting competition.

Building on the success of previous empirical competitions (M, M2, M3), the purpose of the M4-Competition is to further study the accuracy/validity (and utility) of various forecasting methods. The experimental structure of the M4-Competition has been extended and enriched, in comparison with the previous competitions, in some very significant ways. In particular:

- We have increased the number of time series utilized to 10,111 and grouped them into various categories (financial, economic,

demographic, etc) so that accuracy differences among each category can be identified.

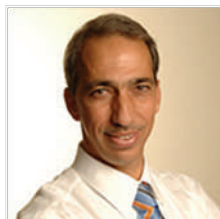
- Given its growing importance, the Internet is being introduced as a separate category. The same is true for intermittent/count series that prevail in many industrial applications.
- We have increased the number of methods being compared including new methods that have been developed during the last decade.
- There is a considerable emphasis being placed on uncertainty; this is to be facilitated through the construction of confidence intervals for all series and methods enabling the evaluation of forecast uncertainty. In addition, this will allow determining whether the errors are independent, normally distributed and constant and if not the implications if the model assumptions are violated.
- The empirical utility of the forecasts will be separately analyzed and contrasted to forecast accuracy. Sales/demand forecasts, for example, are to be analyzed also with regards to their stock control implications.
- An evaluation of published judgmental forecasts will be made to study their accuracy and uncertainty. In addition, comparisons will be made between such forecasts and those using time series methods. An interesting potential outcome of these comparisons will not only be that related to accuracy and uncertainty but also the possibility of systematic biases.
- A major objective of the M4-Competition is to ensure the objectivity and replicability of the results. For this reason, all the series considered in the competition will be posted on the Internet (<http://m4competition.com>) to allow for their maximum exposure and as large number of participants as possible.
- A final objective of the M4-Competition is to make the results/conclusions available through the Internet and motivate a debate on how to improve the value of forecasting by making it more useful and relevant to decision and policy makers.

The competition will commence on September 1st, 2010 and the entire exercise will be co-ordinated through a dedicated website: <http://m4competition.com/>.

It is our expectation that the M4-Competition will add significant value to make Evidence Based Forecasting (EBF) more useful and relevant.

The M4-Competition team:

From left to right: Spyros Makridakis (*INSEAD*), Vassilis Assimakopoulos (*National Technical University of Athens*), Konstantinos Nikolopoulos (*University of Manchester*), Aris Syntetos (*University of Salford*), Dimitrios Thomakos (*University of Peloponnese*)





Forecasting Events

16th International Symposium on Inventories 2010 August 23-27, 2010 – Budapest, Hungary

FORECASTING FOR INVENTORIES

Many inventory systems cater for uncertain demand. The inventory parameters in these systems require estimates of the demand and forecast error distributions. The two stages of these systems, forecasting and stock control, are often examined independently. Most studies tend to look at demand forecasting as if this were an end in itself, or at stock control models as if there were no preceding stages of computation. Nevertheless, it is important to understand the interaction between demand forecasting and inventory control, since the performance of the inventory system is not only determined by the two components separately.

We are organising the 'Forecasting for Inventories' section in the forthcoming 16th International Symposium on Inventories, August 2010, and we would like to invite theoretical and/or empirical contributions that consider this interface. Potential topics include, but are not limited to:

- Accuracy and performance measures
- Bullwhip effect
- Case studies
- Demand categorisation
- Distributional assumptions
- Hierarchical forecasting

- Multi echelon systems
- Serial systems
- Service level in the supply chain
- System Dynamics in forecasting and stock control

Proceedings - A selection of the submitted papers will be published in a Special Issue of the *International Journal of Production Economics* (Elsevier). The selection will be based on a refereeing procedure after the symposium. Those who wish to have their papers published will be requested to submit their paper (approximately 25,000 characters) by email before **July 31, 2010**.

We look forward to seeing you at the conference!

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6th Colloquium on Modern Tools for Business Cycle Analysis: The Lessons from the Global Economic Crisis September 26-29th, 2010 – Luxembourg

This Colloquium will discuss the most recent developments in theoretical and empirical business cycle analysis and forecasting of economic activity in relation to the recent global economic crisis. It will be structured into invited plenary lectures, parallel contributed sessions and poster sessions. The Colloquium aims to bring together academics, public and private researchers, official statisticians, central banks analysts and economists all around the world and to facilitate the interactions and synergies among them.

Keynote lectures: Anirvan Banerji, Prof. Fabio Canova, Prof. Todd Clark, Prof. Francis X. Diebold, Prof. Jurgen A. Doornik, Prof. Eric Ghysels, Prof. Don Harding, Prof. Katarina Juselius, Prof. Marco Lippi, James C. Morley, Prof. Adrian R. Pagan, Prof. M. Hashem Pesaran, Prof. Lucrezia Reichlin, Prof. Philip Rothman, Prof. Glenn Rudebusch, Prof. Frank Smetz, Prof. Timo Teräsvirta, Prof. Massimiliano Marcellino, Prof. Herman K. van Dijk

Paper submission via Eurostat Euroindicators Colloquium page at http://epp.eurostat.ec.europa.eu/portal/page/portal/euroindicators_conferences/6th_colloquium.

EXTENDED Submission deadline: 9th June 2010

For more information, please contact: Estat-colloquium-2010@ec.europa.eu



SAS News

SAS Company News

Several new or updated whitepapers are now available for [free download](#):

- Demand Shaping: Achieving and Maintaining Optimal Supply-and-Demand Alignment
- How Does Forecasting Enhance Smart Grid Benefits
- Looking Inside SAS® Forecast Studio
- Turbo-Charging Spreadsheets: Accessing SAS Forecast Server from Microsoft Excel
- What Management Must Know About Forecasting

[SAS® Forecasting for SAP APO](#) is a new offering from the SAS Supply Chain Intelligence practice which seamlessly integrates SAS Forecast Server capabilities into SAP APO. The solution provides a SAS menu “add-in” to the SAP APO Demand Planning user interface allowing users to generate a statistical forecast with SAS interactively or in batch from within SAP APO. This solution provides businesses with a balance of rich SAS forecasting functionality and integration with their SAP planning components.

New version of SAS/ETS (9.22) includes two new experimental procedures:

- SEVERITY – fits models for statistical distributions of the severity (magnitude) of events
- TIMEID – analyzes sequences of ID values to identify the time interval between observations.

In addition, an experimental SAS/ETS Model Editor provides a GUI for editing non-linear models, and the SIMILARITY procedure (similarity analysis for sets of time series) is now production status.

SAS Personnel News

Bob Rodriguez, Sr. Director - Statistical R&D, has been elected President of the American Statistical Association. He will serve as President-elect in 2011, and President in 2012. In addition, two other SAS employees have been elected to ASA position:

- Mark Little, Director - Economics Technology R&D, Chair, Business and Economic Statistics section.
- John Castelloe, Research Statistician Developer, Council of Sections Representative, Section on Statistical Computing.

Evan Stubbs, Solutions Manager – Analytical Intelligence at SAS Aus-

tralia/New Zealand, is now authoring a blog [Left of the Date Line: Business analytics from the far side of the world](#).

Mike Gilliland, Product Marketing Manager, has just published [The Business Forecasting Deal: Exposing Myths, Eliminating Bad Practices, Providing Practical Solutions](#). Instructors may request an evaluation copy on the [Wiley Higher Education](#) website.

Forecasting Events

[F2010](#) (June 7-8 at SAS headquarters in Cary, NC) features pre-conference workshops by Charlie Chase, Michael Leonard, and Rakesh Selukar. Sven Crone of Lancaster University will be delivering a keynote on “Artificial Neural Networks – the Science Fiction of Forecasting?”

[ISE](#) (June 20-23 in San Diego) will feature pre-conference works by SAS:

- “Abstract Intervention Analysis” by Chip Wells, Statistical Training Specialist.
- “Time Series Data Mining” by Mike Leonard, R&D Manager – Analytical Solutions.
- “Demand Driven Forecasting” by Charlie Chase.

Additional sessions by SAS include:

Joe Katz and Andy Waclawski, “The Effect to Socio-Demographic and Econometric Data on Improving Time Series Forecasting of Medicaid Claim Expenditures by Category of Medical Service in the State of North Carolina.”

Mike Gilliland spoke on “What’s New in Analytics” at [Thornton May’s IT Value Studio](#), May 19. He will be delivering a webinar “[Forecasting 101](#)” on July 21, and is speaking on “What Management Must Know About Forecasting” at the IDEaS Customer Summit in New York, July 28-30.

Charlie Chase will be presenting two half-day tutorials (on “Demand-Driven Forecasting” and “Promotional/Event Driven Forecasting”) at the [IBF Demand Planning & Forecasting Tutorial](#), August 16-17 in Boston.

The 2nd annual [A2010 Analytics Conference](#) will be held in Copenhagen, Denmark on September 2-3.

IIF Sponsored Workshops for 2011

The International Institute of Forecasters sponsors annual workshops, each of which focuses on a specific theme (e.g., stochastic demographic forecasting). The purpose of these workshops is to hold smaller, informal meetings where experts in a particular field of forecasting can discuss forecasting problems, research, and solutions. Upcoming workshops in 2011 are:

7th IIF Workshop - Flash Indicators

Verbier-Switzerland
January 21-22, 2011

8th IIF Workshop - Forecasting the Business Cycle

Paris, France
December 2011

If you would like additional information on these workshops, contact: [Esther Ruiz](#) or [Michele Hibon](#)



Books for Review



The following books are available for review. For those interested in reviewing any of these books for the IJF, please contact the Section Editor: Monica Adya @ monica.adya@marquette.edu

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Authors	Book Title	Publisher	Hardback	Pages	Release Date
Wang, J. & Wang, S.	Business intelligence in economic forecasting: Technologies and Techniques	Business Science Reference	Yes	401	Apr. 2010
Arif, M. & Rahat, S.	New algorithms for multi-step ahead forecasting: Using computational intelligence paradigm	VDM Verlag	No	160	Apr. 2010
Biscontri, R.	An exploration of approaches to forecasting company earnings using a neural network paradigm	LAP Lambert	No	232	Apr. 2010
Dablemont, S.	Forecasting of high frequency financial time series: Concepts, methods, algorithms	LAP Lambert	No	384	Apr. 2010
O'Donnell	Forecasting English league football results: A fuzzy inference system approach	LAP Lambert	No	172	Apr. 2010
Soliman, S.A.	Electric load forecasting: Modeling and model construction	Butterworth-Heinemann	Yes	440	Apr. 2010
Edwards, P.N.	A vast machine: Computer models, climate data, and the politics of global warming	The MIT Press	Yes	528	Apr. 2010
Ao, Sio-long	Applied time series analysis and innovative computing (Lecture notes in Engineering)	Springer	Yes	112	May 2010
Putcha, C. & Gianos, P.L.	Methods of forecasting American election outcomes: Studies in strategies of prediction	Edwin Mellen	Yes	163	May 2010
Brooks, C. & Tsolacos, S.	Real estate modeling and forecasting	Cambridge University Press	Yes	474	May 2010
Molnar, A.T.	Economic forecasting (Economic issues, problems, and perspectives)	Nova Science Pub. Inc.	Yes	273	June 2010
Gilliland, M.	Business forecasting deal: Exposing myths, eliminating bad practices, providing practical solutions	Wiley	Yes	272	June 2010
Bain, R.	Toll road traffic and revenue forecasts	Robert Bain	Yes	124	Apr. 2009
Peng, G., Leslie, L.M., & Shao, Y.	Environmental modeling and prediction	Springer Berlin Heidelberg	No	496	Feb. 2010
Lehman, R.	Far from Random: Using Investor Behavior and Trend Analysis to Forecast Market Movement	Bloomberg Press	Yes	256	Nov. 2009





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SCHEDULE *Repeats Annually*

FALL 2010	Statistics
SPRING 2011	Econometrics
SUMMER 2011	Macroeconomic Forecasting
FALL 2011	Macroeconometrics Single-session Seminar on Forecasting in Organizations
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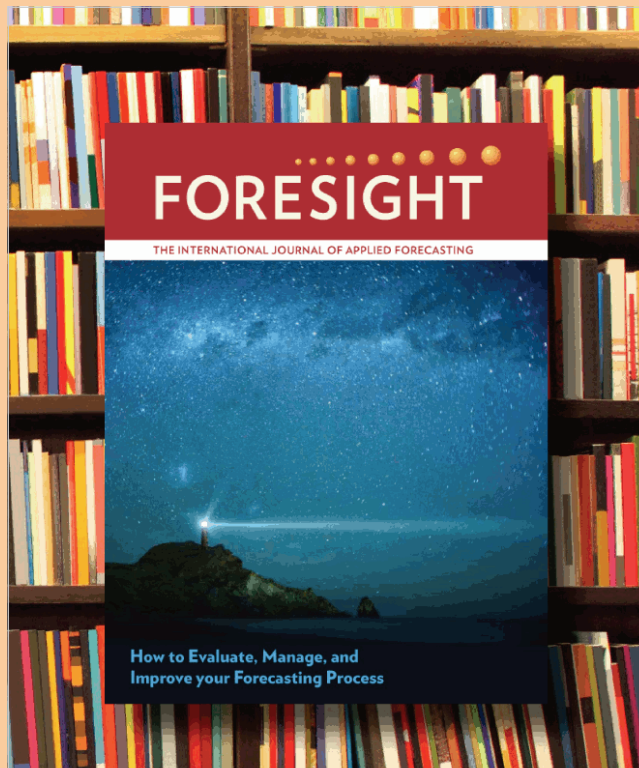
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