PHILOSOPHICAL TRANSACTIONS OF THE ROYAL SOCIETY A

MATHEMATICAL, PHYSICAL AND ENGINEERING SCIENCES



Restricted access

Article

Chaos and nonlinear forecastability in economics and finance

Blake LeBaron

Published: 15 September 1994 https://doi.org/10.1098/rsta.1994.0099

Abstract

Both academic and applied researchers studying financial markets and other economic series have become interested in the topic of chaotic dynamics. The possibility of chaos in financial markets opens important questions for both economic theorists as well as financial market participants. This paper will clarify the empirical evidence for chaos in financial markets and macroeconomic series emphasizing what exactly is known about these time series in terms of forecastability and chaos. We also compare these two concepts from a financial market perspective contrasting the objectives of the practitioner with those of the economic researchers. Finally, we will speculate on the impact of chaos and nonlinear modelling on future economic research.

Footnotes

This text was harvested from a scanned image of the original document using optical character recognition (OCR) software. As such, it may contain errors. Please contact the Royal Society if you find an error you would like to see corrected. Mathematical notations produced through Infty OCR.



Your choice regarding cookies on this site. We use cookies to optimise site functionality and give you the best possible experience. Privacy policy

Cookies Settings

Reject All Cookies

Accept All Cookies

PHILOSOPHICAL TRANSACTIONS A	
About this journal	
Propose an issue	
Contact information	
Purchasing information	
Journal metrics	
Recommend to your library	
Search help	
ROYAL SOCIETY PUBLISHING	
Our journals	
Historical context	
Open access	
Open science	
Publishing policies	
Permissions	
Conferences	
Videos	
Blog	
Manage your account	
Terms & conditions	
Privacy policy	
Cookies	
THE ROYAL SOCIETY	
About us	
Contact us	
Fellows	
Events	
Your choice regarding cookies on this site. We use cookies to optimise site functionality and give you the best possible experience. Privacy policy	Cookies Settings Reject All Cookies

Accept All Cookies