

The Use and Abuse of Real-Time Data in Economic Forecasting

Evan F. Koenig, Sheila Dolmas, Jeremy Piger

[Author and Article Information](#)

The Review of Economics and Statistics (2003) 85 (3): 618–628.

<https://doi.org/10.1162/003465303322369768> Article history 

[Cite](#) [Permissions](#) [Share](#) ▾

Abstract

We distinguish between three different strategies for estimating forecasting equations with real-time data and argue that the most popular approach should generally be avoided. The point is illustrated with a model that uses current-quarter monthly industrial production, employment, and retail sales data to predict real GDP growth. When the model is estimated using either of our two alternative methods, its out-of-sample forecasting performance is superior to that obtained using conventional estimation and compares favorably with that of the Blue Chip consensus.

This content is only available as a PDF.

© 2003 President and Fellows of Harvard College and the Massachusetts Institute of Technology

You do not currently have access to this content.

Sign in

Don't already have an account? [Register](#)

Client Account

Email address / Username

Password

[Sign In](#)

[Skip to main content](#)

[Reset password](#)

[Register](#)

Sign in via your Institution

Sign in via your Institution

Buy This Article

Email Alerts

[Article Activity Alert](#)

[Latest Issue Alert](#)



[View Metrics](#)

Latest

[Most Read](#)

[Most Cited](#)

[Learning Before Testing: A Selective Nonparametric Test for Conditional Moment Restrictions](#)

[Health Insurance and Consumption Risk](#)

[Long Story Short: Omitted Variable Bias in Causal Machine Learning](#)

[Willingness-To-Pay versus Administrative Hurdles: Understanding Barriers to Social Insurance Enrollment in Thailand](#)

Cited By

[Web of Science \(105\)](#)

[Skip to Main Content](#)

[Google Scholar](#)

[Crossref \(149\)](#)

Related Articles

Shibboleth: Policing by Ear and Forensic Listening in Projects
by Lawrence Abu Hamdan

October (May,2016)

Is a Global History of Architecture Displayable? A
Historiographical Perspective on the 14th Venice Architecture
Biennale and Louvre Abu Dhabi

ARTMargins (February,2015)

Rational Bias in Yield Curve Forecasts

The Review of Economics and Statistics (August,2001)

Multivariate Forecast Evaluation and Rationality Testing

The Review of Economics and Statistics (November,2012)

Related Book Chapters

Forecasting Inflation

Understanding Inflation and the Implications for Monetary Policy: A
Phillips Curve Retrospective

Forecast Encompassing

Encompassing: Practical Applications Through Simulation

Forecasting pollution

Urban Air Pollution Modeling

Against Forecasting

Energy at the Crossroads: Global Perspectives and Uncertainties

The Review of Economics and Statistics

Online ISSN: 1530-9142 Print ISSN: 0034-6535

[Skip to Main Content](#)



MIT Press Direct

[Newsletter sign up](#)



MIT Press Direct

[About MIT Press Direct](#)

[Books](#)

[Journals](#)

[CogNet](#)

Information

[Accessibility at MIT](#)

[MIT Press Direct VPAT](#)

[For Authors](#)

[For Customers](#)

[For Librarians](#)

[Direct to Open](#)

[Open Access](#)

[Media Inquiries](#)

[Rights and Permissions](#)

[For Advertisers](#)

MIT Press

[About the MIT Press](#)

[The MIT Press Reader](#)

[MIT Press Blog](#)

[Seasonal Catalogs](#)

[MIT Press Home](#)

[Give to the MIT Press](#)

Contact Us

[FAQ](#)

[Direct Service Desk](#)

