Conference Venue

The conference will be held in the conference room of the "Bibliotheca Albertina", the main library of the University of Leipzig, which is located at Beethovenstr. 6, 04107 Leipzig.

Conference Fee

The conference fee is €50. Students, postgraduates and participants without regular employment pay €25. The conference fee includes conference bag and documents, lunch on Friday and Saturday, coffee and refreshments during breaks.

Registration

Please note that the number of participants is limited to 50. If you intend to participate, please send an informal letter of registration (E-Mail) with your position and contact details to Nico Koppo, M.A. [koppo@wifa.uni-leipzig.de].

Please pay your conference fee after registration by using the following bank details:

- Account holder: Universität Leipzig
- Bank: Ostschächsische Sparkasse Dresden
- Kontonr.: 315 301 137 0
- IBAN: DE82 8505 0300 3153 0113 70
- BIC: OSDD DE 81
- Reference number: 1714911
- Reason for payment: Forecast „Your Name“

After payment, a confirmation of the registration as well as further details will be sent.

The conference is jointly sponsored by

International Institute of Forecasters (IIF)

Feri Rating & Research, Bad Homburg

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Universität Leipzig

Organisation and Information

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The front image of this flyer shows the historical signet “sigillum magni universtitatis” of the University of Leipzig that dates back to 1449.

Institute of Empirical Economic Research (IEW)
in collaboration with

International Institute of Forecasters (IIF):

The Future of Economic Forecasting

International Conference,
16. /17. December 2005
The Future of Economic Forecasting

Until the early 1970s, there were great expectations as to future possibilities and accuracy of economic forecasting. Considerable resources were used to improve existing methods and to develop new ones and much was accomplished at both places. However, the rest of the decade saw a number of striking failures. Various "revolutions" offered explanations and suggested new approaches. Although the discussions which followed were often intellectually stimulating, we see now that they have not led to a substantial improvement in forecast accuracy. At the same time we perceive in all parts of the world a steadily increasing demand for "better" and "more" wide-ranging forecasts.

However, with respect to forecast accuracy both the producers and consumers of forecasts seem to have often ignored or have been unaware that from a longer perspective the record is particularly disappointing. The quest for better forecasts is usually answered with the demand for "better theories, data, or methods", without being specific about the possible role or contribution each of these elements and all three together can make.

Against this background, the conference has three major goals. First, to review current knowledge about forecasting accuracy and uncover why some of the most egregious errors occurred; second, to explore to which areas resources should be devoted in order to have the most impact on improving forecast accuracy? Should we continue to focus so much on predicting the onset of recessions or are there other, more promising or needed fields waiting to be more thoroughly worked on? Is there a law of diminishing returns also in forecast, and where do we stand with respect to theory, data, and methods; third, whatever the outcome: how should producers and consumers manage the risks and uncertainties associated with forecasts for the time being.

**Program**

**Friday, December 16th 2005**

9.00 am to 9.30 am
Addresses of welcome by
Franz Häuser/
President of the Universitäat Leipzig
Charlotte Bauer/
Provisional Director of University Library
Matthias Schmidt/
Deputy Dean of the Faculty of Economics and Management
Lars-Erik Öller/
President of the International Institute of Forecasters (IIF)

9.30 am to 10.00 am
Herman Stekler, George Washington University
Ullrich Heilemann, Universität Leipzig
Scope and intention of the conference – some introductory remarks

10.00 am to 11.00 am
Session I - The current state of forecast accuracy
Chair: Kajal Lahiri, University at Albany, USA
Robert Fildes, Lancaster University
Progress in time series forecasting – a critical evaluation
Discussion

11.00 am to 11.30 am
Coffee break

11.30 am to 12.30 pm
Session I, continued
Chair: Kajal Lahiri, University at Albany, USA
Bernd Schips, Swiss Institute for Business Cycle Research, ETH Zürich
Macroeconomic Forecasting - What goes wrong?
Discussion

12.30 pm to 1.30 pm
Lunch

1.30 pm to 3.30 pm
Session II - The promises of new methods, data, theories
Chair: Kenneth Wallis, University of Warwick, Coventry
Massimiliano Marcellino, Università Commerciale Luigi Bocconi, Milano
The use of leading indicators for forecasting
Lars-Erik Öller, Statistics Sweden/Stockholm University and Dr. Alex Teterukovsky, Statistics Sweden
Quality measures of macroeconomic variables
Discussion

3.30 pm to 4.00 pm
Coffee break

4.00 pm to 5.00 pm
Session II, continued
Chair: Kenneth Wallis, University of Warwick, Coventry
Kajal Lahiri, University at Albany, USA
How far ahead can we forecast?
Discussion

**Saturday, December 17th 2005**

9.00 am to 11.00 am
Session III - How to cope with forecast uncertainty
Chair: Bernd Schips, ETH Zürich
Roy Batchelor, City University Business School, London
Forecast Bias and Forecaster Behaviour
Kenneth Wallis, University of Warwick, Coventry
Forecast uncertainty, its measurement, representation and evaluation
Discussion

11.00 am to 11.30 am
Coffee break

11.30 am to 12.30 pm
Session III, continued
Chair: Lars-Erik Öller, IIF-President
On Learning from History and Expectations, and from Rules, Forecasts and Errors
Discussion

12.30 pm to 1.30 pm
Lunch

1.30 pm to 2.30 pm
Session III, continued
Chair: Robert Fildes, Lancaster University
Herman Stekler
The Forecasting Process
Discussion

2.30 pm to 3.00 pm
Coffee break

3.00 pm to 4.00 pm
Ullrich Heilemann/
Herman Stekler
Concluding remarks about the Future of Economic Forecasting
Final Discussion

Discussion