

**TABLE 24**

COMPARISON OF OUT-OF-SAMPLE FORECASTING PERFORMANCE  
WITH THE COMMERCIAL MACROECONOMIC FORECASTING SERVICES

Model	Span <sup>a</sup>	Variable	Forecasts	RMSE	MAE
Yield Spread	1	Total Consumption (Nominal)	37	3.1	2.5
Data Resources	1	Total Consumption (Nominal)	37	3.4	2.7
Chase Econ.	1	Total Consumption (Nominal)	37	3.3	2.7
Yield Spread	2	Total Consumption (Nominal)	37	2.3	1.9
Data Resources	2	Total Consumption (Nominal)	37	2.6	2.2
Chase Econ.	2	Total Consumption (Nominal)	37	2.7	2.1
Yield Spread	3	Total Consumption (Nominal)	37	1.9	1.7
Data Resources	3	Total Consumption (Nominal)	37	2.1	1.7
Chase Econ.	3	Total Consumption (Nominal)	37	2.5	1.9
Yield Spread	1	Gross National Product (Real)	37	4.7	3.7
Data Resources	1	Gross National Product (Real)	37	3.8	3.1
Chase Econ.	1	Gross National Product (Real)	37	4.0	3.3
Yield Spread	2	Gross National Product (Real)	37	3.6	2.8
Data Resources	2	Gross National Product (Real)	37	2.8	2.2
Chase Econ.	2	Gross National Product (Real)	37	3.1	2.5
Yield Spread	3	Gross National Product (Real)	37	3.3	2.8
Data Resources	3	Gross National Product (Real)	37	2.4	1.9
Chase Econ.	3	Gross National Product (Real)	37	2.7	2.3
Yield Spread	1	Non. Res. Fixed Inv. (Real)	37	13.1	10.2
Data Resources	1	Non. Res. Fixed Inv. (Real)	37	10.2	8.2
Chase Econ.	1	Non. Res. Fixed Inv. (Real)	37	10.8	8.2
Yield Spread	2	Non. Res. Fixed Inv. (Real)	37	11.4	9.1
Data Resources	2	Non. Res. Fixed Inv. (Real)	37	8.9	7.3
Chase Econ.	2	Non. Res. Fixed Inv. (Real)	37	9.8	7.9
Yield Spread	3	Non. Res. Fixed Inv. (Real)	37	10.4	8.4
Data Resources	3	Non. Res. Fixed Inv. (Real)	37	8.3	6.6
Chase Econ.	3	Non. Res. Fixed Inv. (Real)	37	9.7	7.9
Yield Spread	1	Housing Starts	37	44.5	38.5
Data Resources	1	Housing Starts	37	39.9	29.3
Chase Econ.	1	Housing Starts	37	50.9	34.9
Yield Spread	2	Housing Starts	37	34.4	28.3
Data Resources	2	Housing Starts	37	28.9	23.3
Chase Econ.	2	Housing Starts	37	36.7	28.9
Yield Spread	3	Housing Starts	37	30.4	24.9
Data Resources	3	Housing Starts	37	28.9	20.5
Chase Econ.	3	Housing Starts	37	31.4	22.1

Parameters of each model are re-estimated at each point in the time series during 1975:4–1984:4. These parameters are used to forecast the 1976:1–1985:1 period. <sup>a</sup> “1” represents one quarter growth forecast.