

# **SAS<sup>®</sup> Forecast Studio 4.1 User's Guide**



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# About This Book

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## Audience

SAS Forecast Studio is designed for the following users:

- Persons responsible for determining the best forecasting model for their data
- Persons needing to review these forecasts

You might be assigned to a specific role, which determines the tasks that you can perform.

---

## Requirements

- SAS Forecast Server 4.1 installed by the SAS administrator at your site.
- A user ID and password for logging on to SAS Forecast Studio.
- Access to data sources that contains historical data.
- Access to stored processes that can be used to generate reports.



# What's New in SAS Forecast Server 4.1

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## Overview

In SAS Forecast Server 4.1, the following new features and enhancements are available:

- a redesigned SAS Forecast Server middle tier
- new role-based settings
- the ability to add code that runs when an environment or a project is opened or closed.
- expanded support for launching SAS Forecast Studio
- support for environment libraries
- support for custom time intervals
- updates to the SAS Forecast Server macros, such as new macros for defining and managing events
- model enhancements, such as combined models and the ability to export model selection lists
- rolling simulations to help improve your forecasts
- enhancements to graphs in the Forecasting View, Modeling View, and Series View
- additional ways to specify overrides, such as the ability to copy and paste values for overrides from one series to another or from a Microsoft Excel worksheet
- report enhancements, such as the ability to save reports.
- the ability to suppress the component series data set, which can reduce the amount of required disk space and processing time

*Note:* SAS Forecast Server is the client/server application that you purchase from SAS. SAS Forecast Studio is the client component of SAS Forecast Server.

---

## Redesigned Middle Tier for the SAS Forecast Server

The SAS Analytics Platform has been deprecated, and SAS Forecast Server 4.1 now supports deployment to Web application servers that are supported in SAS 9.3. Additional functionality that was previously provided by the SAS Analytics Platform is now provided by the SAS Web Infrastructure Platform. With the exception of the Log

On dialog box, these changes do not impact or change the user experience in SAS Forecast Studio, the client application for the SAS Forecast Server.

---

## New Role-based Settings

New role-based functionality enables your administrators to specify what functionality should be available to a group of users. For example, the user group might be able to generate forecasts and run reports, but this group cannot modify the forecasting settings for the project. The experts group can create new projects, generate forecasts, modify the forecasting settings, and run reports. Your role assignment depends on your job function and how you use SAS Forecast Studio.

By default, SAS Forecast Studio ships with several default roles. These roles manage the availability of application features, called capabilities. By using the SAS Forecast Server plug-in in SAS Management Console, your administrator can modify these roles, assign users to a specific role, and specify the capabilities that are available for each role. By using a stored process, your administrator can publish the capabilities to a SAS Information Map. For more information, see the *SAS Forecast Server: Administrator's Guide*.

*Note:* Because of the role-based settings, all the application features in SAS Forecast Studio might not be available to you. If you need access to an application feature, contact your site administrator.

---

## Start-up and Shutdown Code for an Environment or Project

You can now add custom SAS code that runs under the following circumstances:

- when an environment is opened or closed. For example, libraries can be assigned by including LIBNAME statements in the start-up code for an environment. These libraries are available only for the associated environment. For more information, see the *SAS Forecast Server: Administrator's Guide*.
- when a project is opened or closed. You can add this code when you create the project in the New Project wizard. After SAS Forecast Studio creates the project, you can add this code by changing the project's properties. For more information, see

[“How to Add Start-Up or Shutdown Code to Your Project”](#) on page 57 and the *SAS Forecast Server: Administrator's Guide*.

---

## Expanded Support for Launching SAS Forecast Studio

You can now use the following methods to start a SAS Forecast Studio session:

- In SAS Forecast Studio, you can create a project link that creates a shortcut to your project on your Windows desktop. For more information, see [“Create a Shortcut for a Project”](#) on page 60.
- New options enable you to open a specific project when you launch SAS Forecast Studio. For more information, see the *SAS Forecast Server: Administrator's Guide*.
- In the link that you use to launch Java Web Start, you can specify two new parameters to open a specific environment and project in the SAS Forecast Studio client. A directive that supports linking to the URL has also been added. For more information, see *SAS Forecast Server: Administrator's Guide*.

---

## Support for Environment Libraries

SAS Forecast Server has added support for local libraries. In addition, new security options are available to specify whether users have access to manually assigned libraries, automatic environment libraries, and configured environment libraries. For more information about configuring environment libraries, see the *SAS Forecast Server: Administrator's Guide*.

---

## Support for Custom Time Intervals

SAS Forecast Server 4.1 supports the use of custom time intervals. For more information, see [“Custom Time Intervals”](#) on page 37.

*Note:* Libraries used to define custom intervals must be defined in the server's configuration file or defined as a pre-assigned metadata library. This restriction ensures that the libraries for the custom time intervals are defined when used. SAS Forecast Studio also supports a plain text file called `Config/autolibs.config`

in the environment directory. This file is a list of the librefs that you want to assign when the environment is opened.

---

## Updates to the SAS Forecast Server Macros

- The `host=` parameter has been deprecated and replaced by the new `sasEnvironment=` parameter. This parameter specifies the name of the SAS environment that contains the middle tier for SAS Forecast Server.
- These new macros enable you to administer your event data outside of SAS Forecast Studio:

`%FSADDEVT`

Defines an event and adds it to the event repository for the specified project. All types of events and their attributes can be defined.

`%FSDELEVT`

Deletes specified events from the event repository for the specified project.

---

## Model Enhancements

- Often, combining several forecasting models can yield superior results when compared to a single forecasting model. Using SAS Forecast Studio, you can create a combined model list. Options in SAS Forecast Studio enable you to control different aspects of the forecast combination process for the candidate models. For more information, see [“Combining Models” on page 172](#).

After you have combined models in your project, you can include these combined models in your filters.

- You can export model selection lists to a central repository, so this model selection list can be used by other users at your site. For more information, see [“Export a Model Selection List” on page 169](#).
- User-defined function models can now be used in SAS Forecast Studio. These function models must be included in external model selection lists.

---

## Improving Your Forecasts by Using Rolling Simulations

Specifying an out-of-sample region can help improve your forecasts. To help you determine the value for the out-of-sample region for a selected series, you can use the new rolling simulations functionality. Rolling simulations enable you to view the statistics, generated values, and actual values for a range of observations simultaneously

rather than having to test each out-of-sample value individually. For more information, see [“Using Rolling Simulations to Determine the Out-of-Sample Region” on page 166](#).

---

## Graph Enhancements

- By default, the graph in the Forecasting View shows both the historical data and the generated forecasts. However, you can now specify whether to show only the historical data, only the generated forecasts, or both the historical data and generated forecasts. These options are especially useful if you have a large amount of historical data or a large number of generated forecasts because you can enlarge the graph to focus on the content that you are most interested in. For more information, see [“The Forecasting View” on page 14](#).
- In the Modeling View, you can now create a spectral analysis graph for the prediction errors.
- In the Series View, you can now create a spectral analysis graph.

---

## New Ways to Specify Overrides

- In SAS Forecast Studio, you can now update override values in the data table of the Forecasting View by using copy and paste. This functionality enables you to copy overrides from one time period to another time period in the same series, from one time period to another time period in different series, and from a Microsoft Excel worksheet to SAS Forecast Studio. For more information, see [“Copying and Pasting Overrides” on page 106](#).
- With the addition of the Branch or Filter Overrides dialog box, you can quickly add overrides to a series in a specific branch of the hierarchy or to a series that meets the criteria for a project filter. First you select the series to override. You can choose multiple series. The values for the series appear in a data table. To specify the overrides, you can edit the cells of the table or use the Override Calculator. For more information, see [“Specify Overrides for a Branch or Filter” on page 110](#).

---

## Report Enhancements

- SAS Forecast Server supports stored processes that are compatible with SAS 9.2 and stored processes that use newer features. For more information, see *SAS Stored Processes: Developer's Guide*.

*Note:* The sample reports that ship with SAS Forecast Server are compatible with SAS 9.2. The stored processes that generate these reports do not use the newer features.

- In the Reports and Stored Processes dialog box, you can now save reports to a specific location. This new functionality means that you can save previous runs of a report for future reference. For more information, see [“Save the Output from a Report” on page 81](#).

- Here are the new reports in this release:
  - The Export to Information Map report enables you to export the data sets in the projects as SAS Information Maps.
  - The Export to Data Set report exports the current project to a SAS data set.
  - The Using Package Files report shows how you can include files in the results package.

For more information, see [“Import and Export Reports” on page 278](#).

---

## Suppressing the Component Series Data Set

By default, SAS Forecast Studio includes the OUTCOMPONENT data set in the project. However, this data set can be quite large and might require additional disk space and computing time. Now, when you create a project, you can deselect the **Create the component series data set** check box, so this data set is not created. You can specify this option only when you create the project. After the project is created, you cannot change this option. For more information, see [“Suppress the Component Series Data Set” on page 54](#).

# Accessibility and Compatibility Features

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## Overview

SAS Forecast Studio 4.1 includes accessibility and compatibility features that improve the usability of the product for users with disabilities, with exceptions noted below. These features are related to accessibility standards for electronic information technology that were adopted by the U.S. Government under Section 508 of the U.S. Rehabilitation Act of 1973. If you have specific questions about the accessibility of SAS Forecast Studio, send them to [accessibility@sas.com](mailto:accessibility@sas.com).

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## Initial Focus in the New Project Wizard

For several steps in the New Project wizard, the initial focus is set on a button and so the previous text in the step is not read.

- In steps 3, 5, 6, and 7, the initial focus is set to the **Next** button.
- In step 4, the initial focus is set to the **Cancel** button.
- In step 8, the initial focus is set to the **Next** button. However, this button is disabled.

---

## Exceptions to Standard Keyboard Navigation

In the Scenario Analysis View, you cannot use the keyboard to open the context menu for the graph. Therefore, you cannot change the graph properties, action mode, or data options.

---

## Using SAS Forecast Studio with JAWS

The following components cannot be read by a JAWS screen reader:

- Data in some tables might not be read properly. For example, the input table in the Scenario Analysis View cannot be read. This is a known issue with Java.
- In the New Project wizard, the text for some of the options cannot be read.

- The JAWS screen reader recognizes window items, such as buttons, drop-down lists, and text boxes. However, the reader does not explain how to access these window items by using the keyboard.

---

## Issues with High Contrast

When your operating system is set to high contrast, the following icons and controls might be difficult to discern from the background:

- In the hierarchy, the expand (+) and collapse (-) icons for each branch of the hierarchy appear black on black in high contrast, so it is difficult to tell if a branch is fully expanded or collapsed.
- In step 3 of the New Project wizard, the arrow buttons that you use to assign variables to roles appear black on black in high contrast.
- In the Hierarchy and Variable Settings dialog box, the arrow buttons that you use to order variables in the hierarchy appear black on black in high contrast.
- In the Modeling View and Series View, the **Close** button in the plot and table windows appear black on black in high contrast.
- In the Scenario Analysis View, the colors in the grid table do not pass the foreground and background contrast ratio. Also the **Set scenario forecast values as overrides** link cannot be read. Finally, you cannot change the colors in the graph.

Low vision users who require high contrast might find the use of a screen magnifier with reverse video setting to be a sufficient accommodation. Graphs in the Modeling View and Series View and graphs that are output from a report use styles from the SAS Output Delivery System (ODS). To display these graphs in high contrast, select **View ⇒ Graph Style ⇒ High Contrast**.

# Recommended Reading

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Here is the recommended reading list for this title:

- the online Help for SAS Forecast Studio
- *SAS Forecast Server: Administrator's Guide*
- *SAS/ETS User's Guide*
- *SAS High-Performance Forecasting User's Guide*

The recommended reading list from SAS Press includes the following titles:

- *Demand-Driven Forecasting: A Structured Approach to Forecasting*
- *The Business Forecasting Deal: Exposing Myths, Eliminating Bad Practices, Providing Practical Solutions*

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**xx** *Recommended Reading*

## **Part 1**

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## Chapter 1

# About SAS Forecast Studio

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## What Is SAS Forecast Studio?

SAS Forecast Studio is a forecasting application that is designed to speed the forecasting process through automation. The software provides for the automatic selection of time series models for use in forecasting timestamped data.

Using this application, you can do the following tasks:

- Generate forecasts automatically by using models that ship with SAS Forecast Studio. You can generate forecasts by using a model selection list that you have selected.
- Create your own forecasting models or combine generated models.
- Perform top-down, bottom-up, and middle-out hierarchical forecasting.
- Visually analyze and diagnose time series data.
- Override forecasts and specify how conflicts should be resolved.
- Add events to a model or to the entire project.
- Analyze the effect on the forecasts of various future values for the input series.
- Export projects as SAS code for processing in a batch environment.
- Perform rolling simulations to determine the best model for your data.
- Generate reports to share forecasting results with other people at your site.

---

## Benefits of Using SAS Forecast Studio

SAS Forecast Studio provides users with the following benefits:

Provides forecasts quickly through a user-friendly graphical interface

Using SAS Forecast Studio, you can quickly produce high-quality forecasts without any SAS programming. From the user interface, you can interact and change forecasting models, add overrides to specific time periods, apply filters, and run reports.

Provides forecasts that reflect the realities of the business

SAS Forecast Studio recognizes business drivers, holidays, or events in the input data source. Therefore, forecasts better reflect the business and require less overriding and fewer manual interventions. SAS Forecast Studio automatically builds and selects the most appropriate model for your data.

Improves forecasting performance across all products and locations, at any level of aggregation

SAS has a complete array of advanced forecasting methods and can statistically estimate the effect of sales and marketing events. Graphical output quickly shows the effects of holidays, marketing events, sales promotions, and unexpected events, such as weather. Users can use this information to improve their forecasts and plan future sales promotions and marketing events.

---

## How SAS Forecast Studio Works

When you first open SAS Forecast Studio, you need to create a project. When a project is created, you can specify the following information:

- the input data set
- which variables contain the data for the time ID, dependent variable, and other roles
- whether to forecast hierarchically
- any events to include
- any customized forecast settings

After the project has been created, the historical and forecasted data appears in the main workspace. These forecasts are available as graphical and tabular output.

After analyzing the results, you can change your forecast by selecting a different forecasting model and specifying overrides for selected time periods.

---

## How SAS Forecast Studio Fits into the SAS Forecast Server

The SAS Forecast Server is a large-scale, automatic forecasting solution that enables organizations to produce huge quantities of high-quality forecasts quickly and automatically.

The SAS Forecast Server has these components:

- SAS Forecast Server middle tier, which is supported by the SAS Web Infrastructure Platform
- SAS Forecast Studio

For information about how to install each component, see the *SAS Forecast Server: Administrator's Guide*.

SAS Forecast Studio is the client component of the SAS Forecast Server. SAS Forecast Studio provides a graphical interface (based on Java) to the forecasting and time series analysis procedures contained in SAS High-Performance Forecasting and SAS/ETS software.

SAS High-Performance Forecasting automatically selects the appropriate model for each item being forecast, based on user-defined criteria. Holdout samples can be specified so that models are selected not only by how well they fit past data but by how appropriate they are for predicting the future. If the best forecasting model for each item is unknown or the models are outdated, a maximum level of automation can be chosen in which all three forecasting steps (model selection, parameter estimation, and forecast generation) are performed. If suitable models have been determined, you can keep the current models and reestimate the model parameters and generate forecasts. For maximum processing speed, you can keep previously selected models and parameters and choose to simply generate the forecasts.

For more information about these procedures and about the models underlying these procedures, see the *SAS High-Performance Forecasting: User's Guide* and the *SAS/ETS User's Guide*.

---

## How to Get Help for SAS Forecast Studio

There are two ways to access Help from within SAS Forecast Studio:

- Select **Help** ⇒ **SAS Forecast Studio Help**.
- Click the **Help** button, which is available from any SAS Forecast Studio dialog box, window, or wizard pane.



## Chapter 2

# Starting SAS Forecast Studio

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---

## How You Can Run SAS Forecast Studio

SAS Forecast Studio runs on Windows. Depending on your site, you can run SAS Forecast Studio in either of the following ways:

- from a local installation of SAS Forecast Server on your computer. If you installed SAS Forecast Studio on a computer in the Windows operating environment, select **Start** ⇒ **Programs** ⇒ **SAS** ⇒ **SAS Forecast Studio** ⇒ **SAS Forecast Studio 4.1**.
- by using Java Web Start. Contact your site administrator for the URL for your site.

---

## SAS Environments and SAS Forecast Server Environments

When you log on to SAS Forecast Studio, you must select the SAS environment (also known as the SAS deployment) that you want to use. A SAS environment is different from a SAS Forecast Server environment. In the Log On dialog box, each SAS environment is identified by a name assigned by your site administrator. Although it is possible for a SAS environment and a SAS Forecast Server environment to have the same name, the two environments are independent of each other.

A SAS environment represents a deployment. A SAS Forecast Server environment represents a product workspace for product sessions. The SAS Forecast Server environments are created by your SAS Forecast Server administrator and are used only by SAS Forecast Server and its clients.

SAS environments are available across products. Typically, your site administrator decides which SAS environments are available to you. The administrator also configures these environments. After an environment is configured, the Log On dialog box identifies the SAS environments that are available, applies any product-specific filtering

to the list of environments, and then presents the list of available environments in the Log On dialog box. If your site administrator provided a description of a SAS environment, then this description is available as well. If you need access to an environment that does not appear in the drop-down list or you receive an error message instead of the Log On dialog box, contact your site administrator.

For more information about environments, see *SAS Forecast Server: Administrator's Guide*.

---

## Remembering Passwords

When you log on to SAS Forecast Studio, you can select the **Remember password** check box. This option saves the password for the selected SAS environment and automatically uses that password for subsequent log ons. Each SAS deployment has an independent policy setting to control whether passwords can be stored. This policy setting is decided by your organization.

For more information about client-side storage of passwords, see the *SAS Intelligence Platform: Security Administration Guide*.

---

## Log On to SAS Forecast Studio

Whether you run a local installation of SAS Forecast Studio or you use Java Web Start, you need to log on to the application.

To log on to SAS Forecast Studio:

1. Select your SAS environment. The list of environments is managed by your site administrator. For more information, see *SAS Forecast Server: Administrator's Guide*.
2. Specify your user name and password for the SAS Forecast Server. If security policies at your site allow it, you can choose to have the SAS Forecast Server remember your password.
3. Click **Log On** to start SAS Forecast Studio.

## Chapter 3

# Using the Workspace

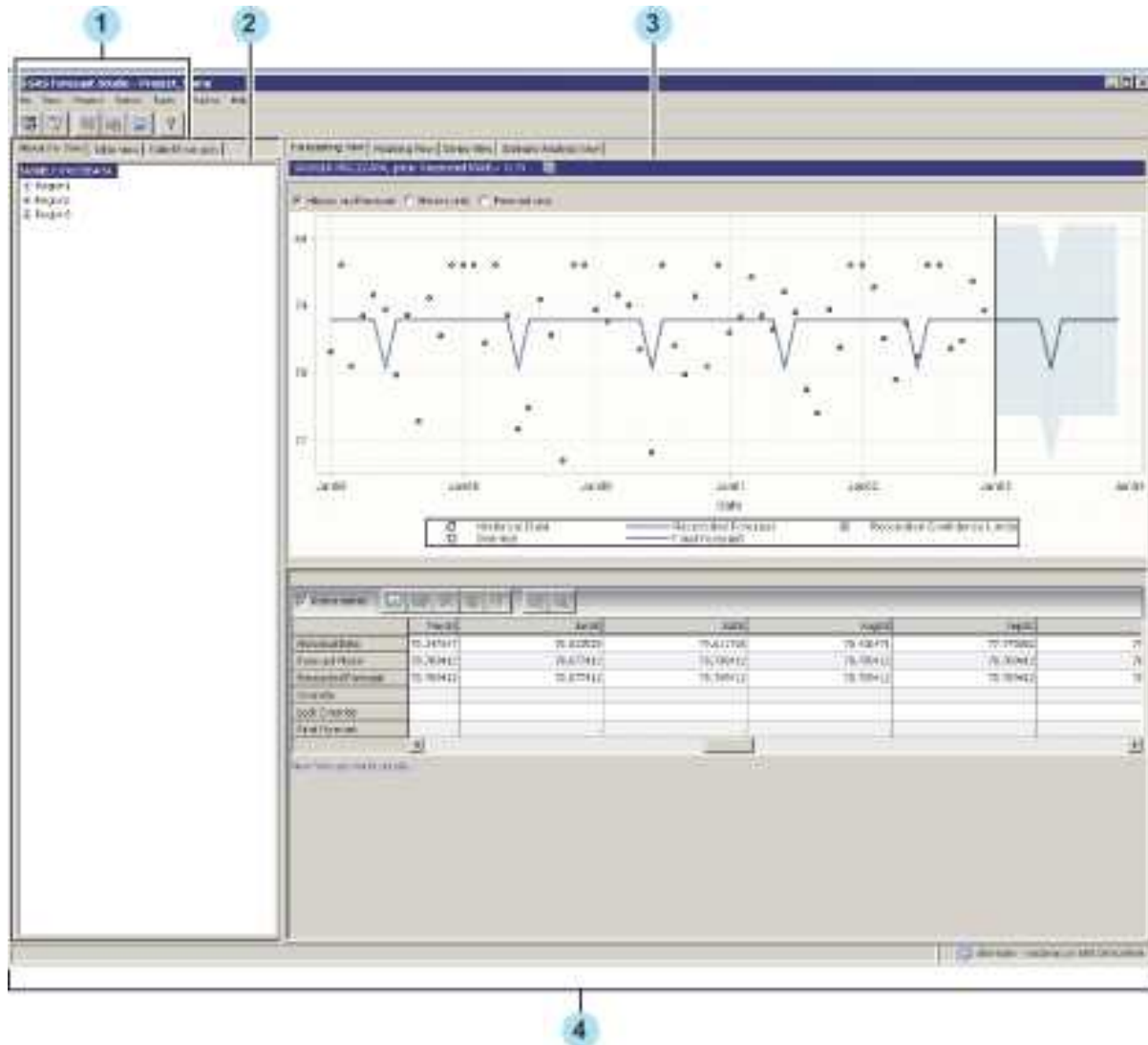
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## Overview of the Workspace

The SAS Forecast Studio workspace consists of the following components:

**Figure 3.1** SAS Forecast Studio Workspace



- 1 The toolbar displays some of the most commonly used SAS Forecast Studio options, so that you can quickly and easily manage your project.
- 2 The overview panel enables you to choose the series that you want to appear in the view area. The following tabs are available:
  - **Hierarchy View** - displays the project data as a tree when you forecast the data hierarchically. You can expand and collapse the branches of the tree.
  - **Table View** - displays the series that meet a selected filter criterion. You can select from predefined or user-defined filters.
  - **Failed Forecasts** - lists the series where the forecasts failed.

- 3 The view area displays the forecasting results for the selected series in the overview panel. The following tabs are available:
  - **Forecasting View** - displays the forecast plot and the data table for the selected series.
  - **Modeling View** - enables you to view plots and tables for the selected model. Using this view, you can view, edit, copy, and create models. You can also change the model that is currently selected, compare and combine models, and perform running simulations.
  - **Series View** - enables you to view various plots and tables for the selected series. The plots in the Series View use the historical data of the time series.
  - **Scenario Analysis View** - enables you to vary the future values for the input series to determine the impact on the generated forecasts.
- 4 The status bar can contain the following information:
  - the status of the current action in SAS Forecast Studio. For example, if you are generating forecasts, then the status bar displays the name of the SAS procedure that is currently executing.
  - A warning icon appears if there are errors in the log from the last code submission, and you have not yet opened the SAS log to view these errors. Click  to open the SAS log.
  - the environment, metadata account, and your user ID.



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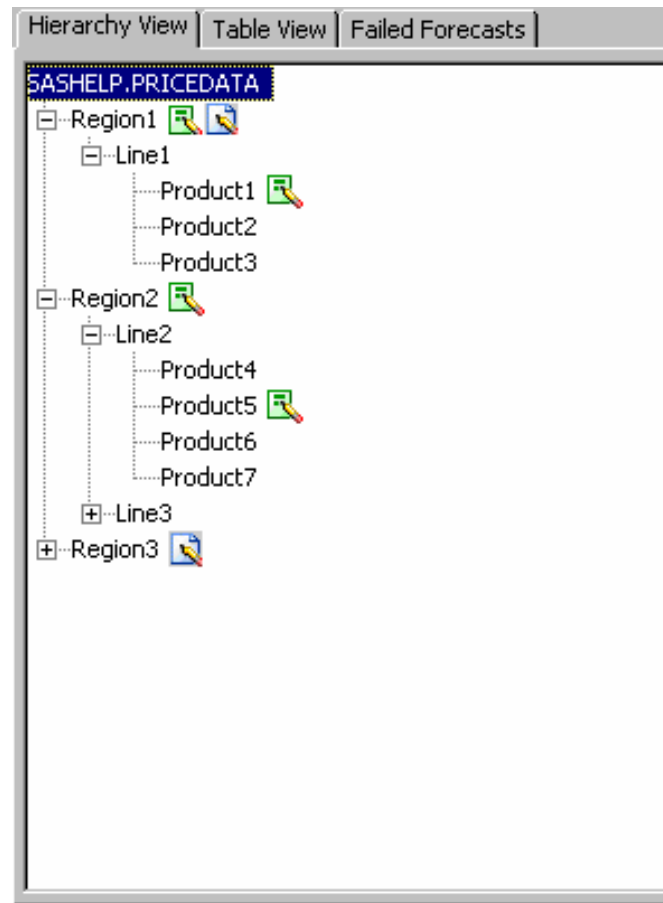
## The Hierarchy View

The Hierarchy View displays a tree view of the hierarchy. This hierarchy is defined by the variables that you assign as the classification (BY) variable for the project. To change the order of the BY variables in the hierarchy, see [“Configure the Hierarchy” on page 46](#).

*Note:* If the value for a BY variable is blank, then that value appears in the hierarchy as \_\_\_\_\_. If you have several blank values in your data, then you could have multiple \_\_\_\_\_ nodes in a hierarchy.

The following icons might appear in the hierarchy, depending on the changes that you have made to the project:

- If you add an override for a series, the  icon appears next to the series in the hierarchy. If you delete the override, then the override icon is removed from the hierarchy.
- If you add a note for a series, the  icon appears next to the series in the hierarchy.

**Display 3.1** Hierarchy View


---

## The Table View

By default, the Table View contains the following information:

- the series in the project that meet the criterion of the selected filter. You can filter the contents of the table by using the **Filter** drop-down list. SAS Forecast Studio automatically creates filters for all of the series and for each level of the hierarchy. In the following display, **All** is selected as the filter so all of the series appear in the Table View.

You can create additional filters. These user-defined filters are added to the **Filter** drop-down list. For more information, see [“Create a Filter” on page 69](#).

After selecting a filter, click **Refresh** to update the contents in the Table View.

- the selection statistic of fit for the statistical forecast for each series.
- the selection statistic of fit for the reconciled forecast for each series (if the project is reconciled).

Display 3.2 Table View

Hierarchy View   Table View   Failed Forecasts				
Statistics of fit calculated over an in-sample range.				
Filter: All				
(26 of 26 series) <span style="float: right;">Refresh</span>				
REGION...	PRODUC...	PRODUC...	MAPE /	Rec. MAPE
Region3	Line4	Product13	4.047	4.662
Region3	Line5	Product17	4.072	4.048
Region2	Line2	Product5	4.212	4.451
Region3	Line5	Product16	4.258	4.386
Region1	Line1	Product3	4.475	4.968
Region2	Line3	Product9	4.521	4.191
Region3	Line4	Product12	4.544	4.335
Region1	Line1	Product2	4.636	4.803
Region2	Line3	Product8	4.657	4.348
Region2	Line3	Product10	4.745	4.663
Region3	Line4	Product15	4.806	4.100
Region3	Line4	Product14	4.990	4.735
Region2	Line2	Product4	5.287	5.179
Region2	Line2	Product6	5.841	5.448

By default, the series are sorted in ascending order by the statistic of fit for model selection. Click a column heading to sort the table in ascending order by that column. You can sort only by one column at a time.

*Note:* An asterisk (\*) in the table indicates aggregation. An asterisk in a hierarchy level (BY variable) column means that all of the series at that level have been aggregated to the next level of the hierarchy.

If SAS Forecast Studio reforecasts the project, then the columns are again sorted by the statistic of fit for model selection. After a reforecast, a column remains in the table view if it meets one of the following criteria:

- The Table View always includes columns for any BY variables, one or more dependent variables, the statistic of fit that is used in model selection, and the reconciled statistic of fit that is used in model selection.
- Columns that are part of the selected filter definition appear in the Table View.
- You specifically add the column to the Table View. For more information, see [“Customize the Table View” on page 20](#).

## Failed Forecasts

The **Failed Forecasts** tab displays the series where one of the following problems occurred:

- A forecast was not produced. In the **Problems** column, these series are identified by "Failed to forecast."
- SAS Forecast Studio could not fit a model from the model selection list, and, instead, the system used a model from the default model selection lists that ship with SAS Forecast Studio. In the **Problems** column, these series are identified by "Model list

problem." For more information about these model selection lists, see [“Default Model Selection Lists”](#) on page 255.

An asterisk (\*) in the table indicates aggregation. An asterisk in a hierarchy level (BY variable) column means that all of the series at that level have been aggregated to the next level of the hierarchy.

## The Forecasting View


In the Forecasting View, you can view the forecast for the selected series in the hierarchy or the table view. If you open another view, you can return to the Forecasting View by selecting **View** ⇒ **Details** ⇒ **Forecasting View**.

**Figure 3.2** Forecasting View



The Forecasting View is divided into the following components:

- 1 At the top of the Forecasting View, you can see the name of the series that you selected, the dependent variable for the project, and the statistics of fit for the series.

If you specified an out-of-sample range, then you can click  to view additional information about the statistics of fit.

2 The default content of the forecast plot depends on how you create your project.

If you forecast your data hierarchically and you select the **Reconcile hierarchy** check box when you configure the hierarchy, then the forecast plot shows the following items:

- historical data
- reconciled or statistical forecasts
- the confidence intervals for the reconciled or statistical forecasts
- any overrides that you have specified
- final forecasts
- a legend

If you do not forecast your data hierarchically or you forecast your data hierarchically but do not select the **Reconcile hierarchy** check box, then the forecast plot shows statistical forecasts instead of the reconciled forecasts.

You can select what to display in the forecast plot. For example, you can specify whether to show the historical data and the forecasts, only the historical data, or only the forecasted values on the plot. Additional customizations can be made by using the Forecasting View Properties dialog box. For more information, see [“Customize the Contents of the Forecast Plot or Data Table” on page 20](#).

3 The data table appears immediately after the forecast plot in the Forecasting View.

When the **Active series** check box is selected, a forecast is produced for the current series. If this check box is not selected, then no forecast is produced for the series, and the series is considered inactive. For more information, see [“Specifying an Inactive Series” on page 66](#).

By default, the data table displays the following information:

- historical data. Historical values are displayed in regular font. Future values are displayed in bold. Missing values appear as . (a period).
- reconciled or statistical forecasts.
- overrides. You can specify overrides only for future time periods. The cells that you can edit have a white background. You can copy and paste values into the cells that you can edit. For more information, see [“Copying and Pasting Overrides” on page 106](#).
- final forecasts.

To customize the content of the data table, see [“Customize the Contents of the Forecast Plot or Data Table” on page 20](#).

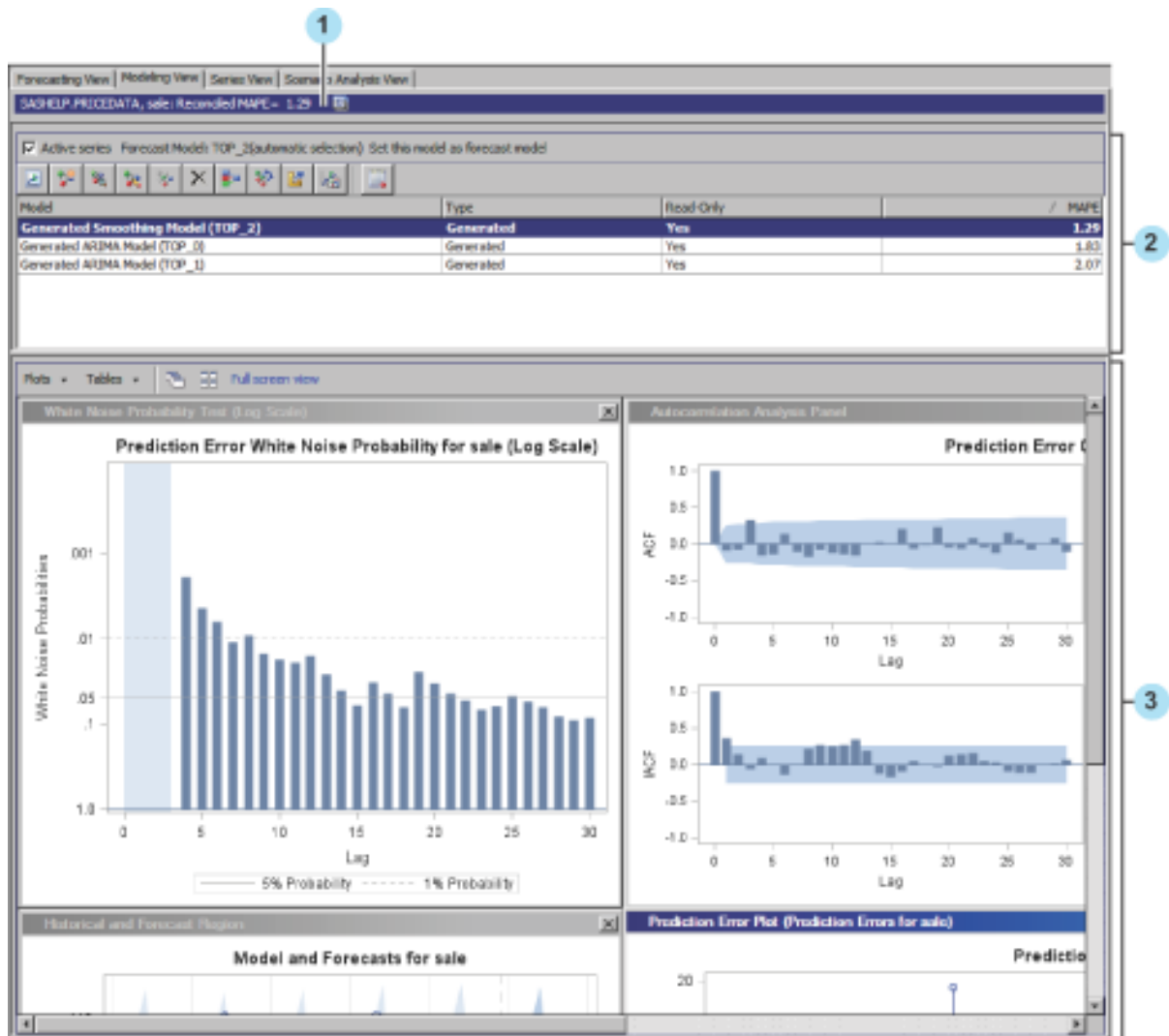
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## The Modeling View


In the Modeling View, you can view the model selection list for the selected series. You can also use plots and tables to compare how different models fit the data.

To open the Modeling View, select **View** ⇒ **Details** ⇒ **Modeling View**.

**Figure 3.3** Modeling View



The Modeling View is divided into the following components:

- 1 At the top of the Modeling View, you can see the name of the series that you selected, the dependent variable for the project, and the statistics of fit for the series. If you specified an out-of-sample range, then you can click  to view additional information about the statistics of fit.
- 2 The model selection list shows the models that have been fitted to this series. For each model, this list displays the model name, the model type, whether the model is read-only, and the fit criterion for the model. The model selection list also shows when a model has been rejected. The name of the current forecast model is in bold. For more information, see [“How SAS Forecast Studio Fits Models”](#) on page 161.
- 3 By default, the following plots appear in the Modeling View:
  - a plot that includes the generated forecasts in the forecast horizon
  - a plot of the residuals for the predicted errors
  - a plot of the white noise probability test for the dependent variable

- plots of the autocorrelation function, partial autocorrelation function, inverse autocorrelation function, and white noise probability test for the predicted errors

You can open additional plots or tables. SAS Forecast Studio saves your final configuration and uses that same configuration the next time you open the Modeling View while working in the current project. When you close the current project, then these settings are lost.

*Note:* For some series (such as a series with missing values), some of the plots or tables might not be available.

---

## The Series View

The Series View provides diagnostics to help you identify model components that might help to improve the accuracy of your forecasts. From the Series View, you can choose the time series plots and tables that you want to display for a selected series. The plots in the Series View use the historical data for the time series. You can also transform a time series from this window.


*Note:* If you have selected a series with all missing values, then you cannot create plots or tables in the Series View.

To open the Series View, select **View** ⇒ **Details** ⇒ **Series View**.

**Figure 3.4** Series View with the Plots Tiled in the Window



The Series View contains the following components:

- 1 At the top of the Series View, you can see the name of the series that you selected, the dependent variable for the project, and the statistics of fit for the series. If you specified an out-of-sample range, then you can click  to view additional information about the statistics of fit.
- 2 Use these options to transform the time series.
- 3 By default, the following graphs appear in the Series View:
  - a plot of the current time series.
  - a plot of the seasonal decomposition. This plot is not available for nonseasonal series, such as yearly data.
  - a plot in the log scale of the white noise probability test for the dependent variable.
  - plots of the autocorrelation function, partial autocorrelation function, inverse autocorrelation function, and white noise probability test.

You can open additional plots or tables to help you analyze the time series. SAS Forecast Studio saves your final configuration and uses that same configuration the

next time you open the Series View while working in the current project. When you close the current project, then these settings are lost.

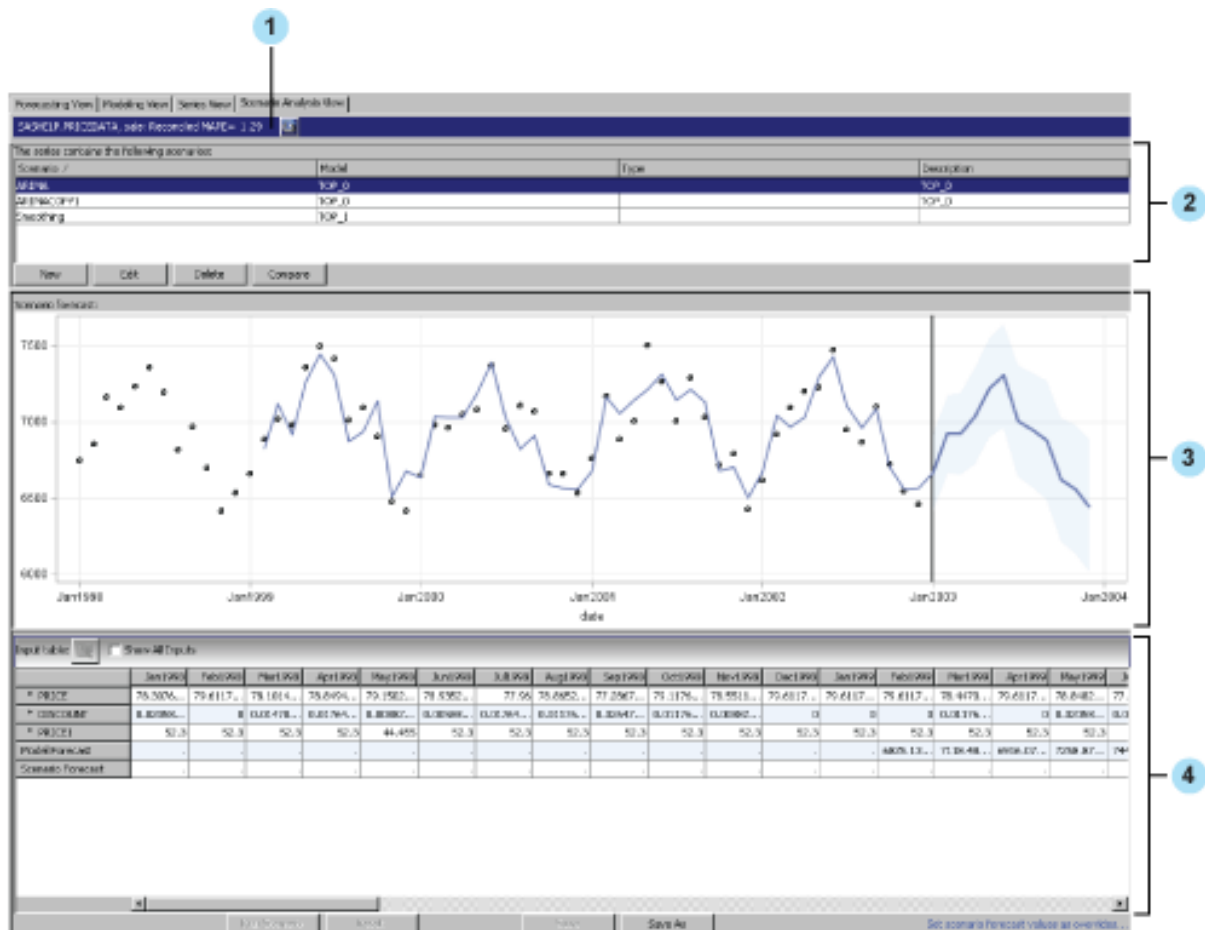
*Note:* For some series or time series transformations, some of the plots or tables might not be available.

## The Scenario Analysis View


The Scenario Analysis View enables you to vary the future values for the input series to determine the impact on the generated forecasts. You can create and edit scenarios from this view.

To open the Scenario Analysis View, select **View** ⇒ **Details** ⇒ **Scenario Analysis View**.

**Figure 3.5** Scenario Analysis View



The Scenario Analysis View contains the following components:

- At the top of the Scenario Analysis View, you can see the name of the series that you selected, the dependent variable for the project, and the statistics of fit for the series. If you specified an out-of-sample range, then you can click  to view additional information about the statistics of fit.


- 2 This table lists the scenarios for the project. You can use the options at the bottom of this section to add new scenarios, edit existing scenarios, delete scenarios, or compare scenarios.
- 3 The graph shows the historical time series data and the baseline forecast for the selected scenario.
- 4 The input table displays the current values for the independent variables, the forecasts that were generated by the model, and the forecasts that were generated by the scenario. You can change the input values that influence the forecasts. Any cells that you can edit have a black triangle in the corner.

---

## Customizing Your Workspace

### *Customize the Table View*

To specify what columns to display in the Table View:

1. Select **View** ⇒ **Select Table View Columns**. The Table View Columns dialog box appears.
2. Select a category from the **Available** drop-down list. Then select the statistics of fit or property to display in the table and click .
3. Select whether to include a column for overrides or a column for notes in the table.
4. Click **OK**.

### *Customize the Contents of the Forecast Plot or Data Table*

To specify what values to display in the forecast plot or in the data table:

1. Select **View** ⇒ **Edit Forecasting View Properties**. The Forecasting View Properties dialog box appears.
2. Select what properties to display on the forecasting plot and what properties to display in the data table. Click **OK**.

---

## Understanding Role-Based Settings in SAS Forecast Studio

Because SAS Forecast Studio is used by a variety of people and groups within an organization, your administrator might choose to restrict the menu items and functionality that each user can access. By default, SAS Forecast Server ships with several default roles. These roles manage the availability of application features, called *capabilities*.

By using the SAS Forecast Server plug-in in SAS Management Console, your administrator for SAS Forecast Server can modify these roles and specify the capabilities that are available to users at your site. For example, your administrator might

want to restrict who can modify forecasts or who can specify overrides. As a result, all of the capabilities that are documented might not be available to you. If you need access to an application feature, contact your site administrator.

For more information, see the *SAS Forecast Server: Administrator's Guide*.



## Part 2

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# Getting Started in SAS Forecast Studio

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## Chapter 4

# Preparing an Input Data Set for SAS Forecast Studio

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## Preprocessing Your Data

Often your data is not in the appropriate format for SAS Forecast Studio. To avoid misleading or incorrect analyses from your time series data, you should conduct data preprocessing.

- For general information about working with time series data, see the *SAS/ETS User's Guide*.
- For more information about creating time series data from transactional data, see "The TIMESERIES Procedure" and "The EXPAND Procedure" documentation in the *SAS/ETS User's Guide*.
- For more information about creating SAS data sets from Microsoft Excel files, see "The IMPORT Procedure" documentation in the *Base SAS Procedures Guide*.
- For more information about transposing data for statistical analysis, see "The TRANSPOSE Procedure" documentation in the *Base SAS Procedures Guide*.

---

## Understanding Time Series Data

### ***Requirements for Time Series Data***

To generate forecasts in SAS Forecast Studio, you need time series data. You might already have this time series data, or you might have transactional data. If you have transactional data, you can use the accumulation options in SAS Forecast Studio to convert the transactional data into a time series.

If you have time series data that you want to use in SAS Forecast Studio, the time series data must meet the following requirements:

- The data set contains one variable for each dependent variable.
- The data set contains a time ID variable that identifies the time period for each observation. When SAS Forecast Studio creates a project, the data is sorted by the time ID variable so that the observations are in order according to time.
- The data is equally spaced. This means that successive observations are a fixed time interval apart, and the data can be described by a single interval, such as hourly, daily, or monthly.

### ***How SAS Forecast Studio Creates Time Series Data***

SAS Forecast Studio creates time series data sets from your input data. SAS Forecast Studio creates the time series data through the following process:

1. The data is accumulated to the appropriate time interval if the input is one of the following types:
  - timestamped data that is recorded at no particular frequency (also called transactional data)
  - data recorded at a smaller time interval than needed for forecasting
2. If your input data set contains BY variables and you do not use all the BY variables in your project, then the observations are aggregated.
3. Any gaps in the data are filled in. Gaps appear when there is not an observation for each time period or when the data is not equally spaced. The added observations have the required values of the time ID variable and the value that you specified for missing values. For more information, see [“Working with Missing Values” on page 28](#).
4. The data is sorted by the BY variables and the time ID variable.

When you create a project, you select the input data set to use and assign variables to the time ID variable, BY variables, and dependent variables roles. SAS Forecast Studio uses this information to create the time series data.

## Requirements for the Input Data Set

### Required Format

SAS Forecast Studio requires a date or datetime variable in the data set to generate forecasts. SAS Forecast Studio generates forecasts from timestamped data that consists of unique and equally spaced data over time. If the data is not equally spaced with regard to time, SAS Forecast Studio uses the date or datetime variable to accumulate the data into a time series before forecasting. The input data set must be a single SAS data set.

You can have the following variables in the input data set:

- The time ID variable contains the date or datetime value of each observation.
- BY variables enable you to group observations into a hierarchy.
- Dependent variables are the variables to model and forecast.
- Independent variables are the explanatory, input, or indicator variables that are used to model and forecast the dependent variable.
- Reporting variables are not used for analysis but for reporting only.
- Indicator variables are used to signify any unusual events in the model, such as holidays and promotions. You can add an indicator variable to a SAS Forecast Studio project by assigning the variable to the independent variables role or by creating an event.

*Note:* The names of the variables cannot match any of the reserved variable names that are used in the output data set. For more information, see [“Reserved Variable Names” on page 233](#).

For more information, see [“Understanding Variable Roles” on page 31](#).

### Examples

Here are two examples of input data sets for SAS Forecast Studio:

- This input data set contains monthly sales revenue and price information for the past 12 months. The variable Holiday indicates whether there was a holiday during the month.

Date	Revenue	Avg. Price	Holiday
JAN2010	18817	26.3	0
FEB2010	52573	25.3	0
...	...	...	...
DEC2010	44205	20.3	1

- This input data set contains monthly retail sales information for different regions and product categories over the past 12 months. You can use the Region and Product variables to create a hierarchy for the sales forecasts.

Date	Sales	Avg. Price	Holiday	Region	Product
JAN2010	355	25.3	0	Region 1	Product 1
FEB2010	398	25.3	0	Region 1	Product 1
...	...	...	...	...	...
JAN2010	555	19.8	0	Region 1	Product 2
FEB2010	390	25.3	0	Region 1	Product 2
...	...	...	...	...	...
JAN2010	301	27.1	0	Region 2	Product 1
FEB2010	350	25.3	0	Region 2	Product 1
...	...	...	...	...	...
JAN2010	314	27.2	0	Region 2	Product 2
FEB2010	388	25.3	0	Region 2	Product 2
...	...	...	...	...	...
DEC2010	518	20.3	1	Region 2	Product 2

*Note:* In SAS Forecast Studio, the projects that contain hierarchies are limited to one dependent variable. If you want to forecast additional variables from the same hierarchy, then you need to create a separate project for each of the variables.

---

## Working with Missing Values

### *How SAS Forecast Studio Interprets Missing Values*

If your data contains missing values in variables other than the time ID variable (such as the dependent, independent, and reporting variables), you can specify how to interpret missing values (regardless of the variable role).

- You can specify how to replace missing values in the data. You can specify that SAS Forecast Studio should set missing values to one of the following values:
  - 0.
  - the accumulated average value.
  - the accumulated first nonmissing value.
  - the accumulated last nonmissing value.
  - the accumulated maximum value.
  - the accumulated median value.

- the accumulated minimum value.
- missing.
- the next accumulated nonmissing value. Missing values at the end of the accumulated series remain missing.
- the previous accumulated nonmissing value. Missing values at the beginning of the accumulated series remain missing.
- You can specify how missing values are removed from the accumulated time series. You can choose to keep all of the missing values, remove the beginning missing values, remove the ending missing values, or remove both the beginning and ending missing values.
- You can also specify how beginning and ending zero values are interpreted in the accumulated time series. You can choose to keep the beginning and ending zeros, set the beginning zero values to missing, set the ending zero values to missing, or set both the beginning and ending zero values to missing.

### ***Specify How to Interpret Missing Values***

When you create a project, you can specify how to treat missing values from the data preparation step in the New Project wizard. For more information, see [“Creating a New Project” on page 52](#).

After the project is created, you can change how SAS Forecast Studio interprets missing values from the Forecasting Settings dialog box.

To specify how to interpret missing values:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Data Preparation**.
3. Specify how to interpret embedded missing values. By default, missing values are interpreted as missing.
4. Specify whether to remove the leading or trailing missing values in the data set.
5. Specify whether to interpret any leading or trailing zero values as missing.
6. Click **OK**.

The project is automatically diagnosed using the new values for these options. For more information, see [“Process for Generating a Forecast” on page 63](#).

---

## **Including Future Input Values in the Input Data Source**

To include future input (independent) values for the time series in your project, include these future values in the input data set. For example, suppose that you are running a book store. For the next three months, the publisher will sell you copies of a book for \$20. Because you know this future input value for the series, you want to use the values from your input data set rather than have SAS Forecast Studio generate a forecast.



## Chapter 5

# Understanding Variable Roles

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## Overview of the Types of Roles

When you create a project in SAS Forecast Studio, you can assign the following roles to the variables in the input data set:

- time ID variable
- BY variable
- dependent variable
- independent variable
- reporting variable
- adjustment variable

---

## Time ID Variables

### *What Is the Time ID Variable?*

You specify the time ID variable when you create the project using the New Project Wizard. After the project has been created, you cannot change the time ID variable. The time ID variable is a variable in the input data set that contains the SAS date or datetime value for each observation. This variable is used to determine the frequency and ordering of the data and to extrapolate the time ID values for the forecasts. You can assign only one variable to this role, and it must be either a date variable, a datetime variable, or a numeric variable that contains date or datetime values.

SAS Forecast Studio does not support time values. When you assign a variable to the time ID role, SAS Forecast Studio recognizes the data's format. If your data uses a time format, then SAS Forecast Studio generates a message stating that time data is not valid for the time ID variable. If your data has no format, then SAS Forecast Studio assumes that the values are dates, and errors will occur when your project is created.

### *Basics on Time Intervals*

All time intervals (whether they ship with SAS or custom intervals that you create) must meet the following criteria:

- A discrete time interval has a beginning and an ending SAS date or SAS datetime.
- For SAS date intervals, the ending date is defined as 1 day before the beginning of the next interval.
- For SAS datetime intervals, the ending time is 1 second before the beginning of the next interval.
- All observations with an identifying SAS date or SAS datetime that is between the beginning and the end of the interval  $t_i$  correspond to the interval  $t_i$ .
- Alignment refers to the identifying date of the interval and does not affect the definition of the interval.

### *Time Intervals in SAS Forecast Studio*

SAS Forecast Studio supports the following time intervals:

Day  
specifies daily intervals.

Hour  
specifies hourly intervals.

ISO 8601 year  
specifies ISO 8601 yearly intervals. The ISO 8601 year starts on the Monday on or immediately preceding January 4. Note that it is possible for the ISO 8601 year to start in December of the preceding year. Also, some ISO 8601 years contain a leap week.

**ISO 8601 week**

specifies ISO 8601 weekly intervals of seven days. Each week starts on Monday. The starting subperiod (or subperiods) is in days (DAY). Note that WEEKV differs from WEEK in that WEEKV.1 starts on Monday, WEEKV.2 starts on Tuesday, and so on.

**Minute**

specifies minute intervals.

**Month**

specifies monthly intervals.

**Quarter**

specifies quarterly intervals (every three months). The starting subperiod is in months.

**Retail 4-4-5 Year**

specifies ISO 8601 weekly interval, except that the starting subperiod (or subperiods) is in retail 4-4-5 months.

**Retail 4-5-4 Year**

specifies ISO 8601 weekly interval, except that the starting subperiod (or subperiods) is in retail 4-5-4 months.

**Retail 5-4-4 Year**

specifies ISO 8601 weekly interval, except that the starting subperiod (or subperiods) is in retail 5-4-4 months.

**Retail 4-4-5 Month**

specifies retail 4-4-5 monthly intervals. The 3rd, 6th, 9th, and 12th months are five ISO 8601 weeks long with the exception that some 12th months contain leap weeks. All other months are four ISO 8601 weeks long. R445MON intervals begin with the 1st, 5th, 9th, 14th, 18th, 22nd, 27th, 31st, 35th, 40th, 44th, and 48th weeks of the ISO year.

**Retail 4-5-4 Month**

specifies retail 4-5-4 monthly intervals. The 2nd, 5th, 8th, and 11th months are five ISO 8601 weeks long. All other months are four ISO 8601 weeks long with the exception that some th months contain leap weeks. R454MON intervals begin with the 1st, 5th, 10th, 14th, 18th, 23rd, 27th, 31st, 36th, 40th, 44th, and 49th weeks of the ISO year.

**Retail 5-4-4 Month**

specifies retail 5-4-4 monthly intervals. The 1st, 4th, 7th, and 10th months are five ISO 8601 weeks long. All other months are four ISO 8601 weeks long with the exception that some th months contain leap weeks. R544MON intervals begin with the 1st, 6th, 10th, 14th, 19th, 23rd, 27th, 32nd, 36th, 40th, 45th, and 49th weeks of the ISO year.

**Retail 4-4-5 Quarter**

specifies retail 4-4-5 quarterly intervals (every 13 ISO 8601 weeks). Some fourth quarters will contain a leap week. The starting subperiod (or subperiods) is in retail 4-4-5 months.

**Retail 4-5-4 Quarter**

specifies retail 4-5-4 quarterly intervals (every 13 ISO 8601 weeks). Some fourth quarters will contain a leap week. The starting subperiod (or subperiods) is in retail 4-5-4 months.

**Retail 5-4-4 Quarter**

specifies retail 5-4-4 quarterly intervals (every 13 ISO 8601 weeks). Some fourth quarters will contain a leap week.

**Second**

specifies second intervals.

**Semimonth**

specifies semimonthly intervals. Each month consists of two periods. The first period starts on the first, and the second period starts on the 16th.

**Semiyear**

specifies intervals every six months. The starting subperiod is in months.

**Ten-day**

specifies ten-day intervals. Each month consists of three periods. The first period is the first through the tenth day of the month. The second period is the eleventh through the twentieth day of the month. The third period is the twenty-first through the end of the month.

**Week**

specifies weekly intervals of seven days.

The days of the week are numbered as follows:

Value of the Shift	Day of the Week
1	Sunday
2	Monday
3	Tuesday
4	Wednesday
5	Thursday
6	Friday
7	Saturday

**Weekday**

specifies daily intervals with weekend days included in the preceding weekday. The weekday interval is the same as the day interval, except that the weekend days are absorbed into the preceding weekday. The default weekend days are Saturday and Sunday, but you can specify the days to include in the weekend. If you use the default weekend, then there are five weekday intervals in a calendar week: Monday, Tuesday, Wednesday, Thursday, and the three-day period Friday, Saturday, and Sunday.

**Year**

specifies yearly intervals. The starting subperiod is in months.

## Understanding SAS Time Intervals

SAS Forecast Studio analyzes the variable assigned to the time ID role to detect the time interval of the data. SAS assumes that all of the values in the time ID variable are either date or datetime values and distinguishes between the values by their magnitude. This assumption fails if you have dates extending beyond July 21, 2196, or datetimes before January 1, 1960.

For many businesses, their time series data is equally spaced, or any two consecutive indices have the same difference between the time intervals. The following table shows an equally spaced time series with a one-year interval.

Year	Number of Sales
2005	42,100
2006	45,000
2007	47,000
2008	50,000

If the time interval cannot be detected from the variable that you assign, then you need to specify the interval and seasonal cycle length. For example, the following table shows an unequally spaced time series.

Year	Number of Sales
2003	32,100
2004	45,000
2007	47,000
2008	50,000

Often the time interval cannot be detected with transactional data (timestamped data that is recorded at no particular frequency). If this is the case, then SAS Forecast Studio accumulates the data into observations that correspond to the interval that you specify. For nontransactional data, you might need to specify the interval and seasonal cycle length if there are numerous gaps (missing values) in the data. In this case, SAS Forecast Studio supplies the missing values. A validation routine checks the values of the time ID to determine whether they are spaced according to the interval that you specified.

In SAS Forecast Studio, the interval determines the frequency of the output. You can modify the time interval. You can change the interval from a higher frequency to a lower frequency or from a lower frequency to a higher frequency. Time intervals are specified in SAS by using character strings. Each of these strings is formed according to a set of rules that enables you to create an almost infinite set of attributes. For each time interval, you can specify the type (such as monthly or weekly), a multiplier, and a shift (the offset for the interval). You can specify a greater time interval than that found in the input data. A smaller interval should not be used, because a small interval will generate a large number of observations.

*Note:* If you change the time interval after adding overrides to your project, then any overrides, custom models, and notes are removed.

Seasonal cycle length specifies the length of a season. This value is populated automatically if SAS Forecast Studio can determine the seasonal cycle length from the time ID variable. However, you can specify a seasonal cycle length other than the default if you want to model a cycle in the data. For example, your data might contain a 13-week cycle, so you need to specify a 13-week seasonal cycle length in SAS Forecast Studio.

Here is the syntax for an interval:

*name*<*multiplier*><*.starting-point*>

Here is an explanation of each of the user-supplied values:

*name*

is the name of the interval.

*multiplier*

specifies the multiplier of the interval. This value can be any positive number. By default, the multiplier is 1. For example, YEAR2 indicates a two-year interval.

*.starting-point*

specifies the starting point for the interval. By default, this value is one. A value greater than 1 shifts the start to a later point within the interval. The unit for the shift depends on the interval. For example, YEAR.4 specifies a shift of three months, so the year is from April 1 through March 31 of the following year.

The examples in the following table show how the values that you specify for the interval, seasonal cycle length, multiplier, and shift work together.

Interval Name (in SAS code format)	Default	Shift Period	Example
YEARm.s	January 1	Months	YEAR2.7 specifies an interval of every two years. Because the value for the shift is 7, the first month in the year is July.
SEMIYEARm.s	January 1 July 1	Months	SEMIYEAR.3 - six-month intervals, March-August and September-February.
QTRm.s	January 1 April 1 July 1 October 1	Months	QTR3.2 - three-month intervals starting on April 1, July 1, October 1, and January 1.
SEMIMONTHm.s	First and sixteenth of each month	Semimonthly periods	SEMIMONTH2.2 - intervals from the sixteenth of one month through the fifteenth of the next month.
MONTHm.s	First of each month	Months	MONTH2.2 - February-March, April-May, June-July, August-September, October-November, and December-January of the following year.

Interval Name (in SAS code format)	Default	Shift Period	Example
TENDAYm.s	First, eleventh, and twenty-first of each month	Ten-day periods	TENDAY4.2 - Four ten-day periods starting at the second ten-day period.
WEEKm.s	Each Sunday	Days (1=Sunday . . . 7=Saturday)	WEEK6.3 specifies six-week intervals starting on Wednesdays.
DAYm.s	Each day	Days	DAY3 - three-day intervals starting on Sunday.
HOURLm.s	Start of the day (midnight)	Hours	HOURL8.7 specifies eight-hour intervals starting at 6:00 a.m., 2:00 p.m., and 10:00 p.m.

## Custom Time Intervals

### What Is a Custom Time Interval?

Depending on your data, the standard time intervals that are available in SAS Forecast Studio might not be appropriate. Here are some examples of when you might need to create a custom interval:

- In SAS, the MONTH interval begins on the 1<sup>st</sup> of every month, but your fiscal months begin on a different day (such the 10<sup>th</sup>) of every month.
- Using a standard interval results in gaps in your data. For example, you have retail data that is collected hourly. However, the business is closed at night. You do not want to include the hours when the business is closed in your forecasts.
- You have irregular gaps in the data, such as holidays.
- You need to transform a function to improve stationarity.

A custom time interval is a base time interval that you define by using a SAS data set. For more information about custom intervals, see *SAS Language Reference: Concepts* and the *SAS/ETS User's Guide*.

### Creating a Custom Time Interval

In order to create a custom time interval, you must be familiar with SAS programming and have access to the autoexec.sas or sasv9\_usermods.cfg file for the SAS server. Therefore, it is recommended that you ask your site administrator to create the custom interval that you need and make this custom interval available in SAS Forecast Studio. For more information about creating a custom time interval, see *SAS Forecast Server: Administrator's Guide*.

### How to Use a Custom Time Interval in SAS Forecast Studio

Custom intervals should appear in the same drop-down lists as the time intervals that ship with SAS Forecast Studio. For example, you can select a custom interval when creating a new project in the New Project wizard. After the project is created, you can select the time interval from the Forecasting Settings dialog box. If you do not see the interval that you need or you need more information about an interval, contact your site administrator.

## Classification (BY) Variables

SAS Forecast Studio groups together observations that have the same value for the BY variable. Assigning a BY variable enables you to obtain separate analyses for groups of observations. You can assign character and numeric variables to this role. The order of the BY variables describes the structure of the hierarchy. If you choose to forecast the data hierarchically, then you specify the order of the hierarchy.

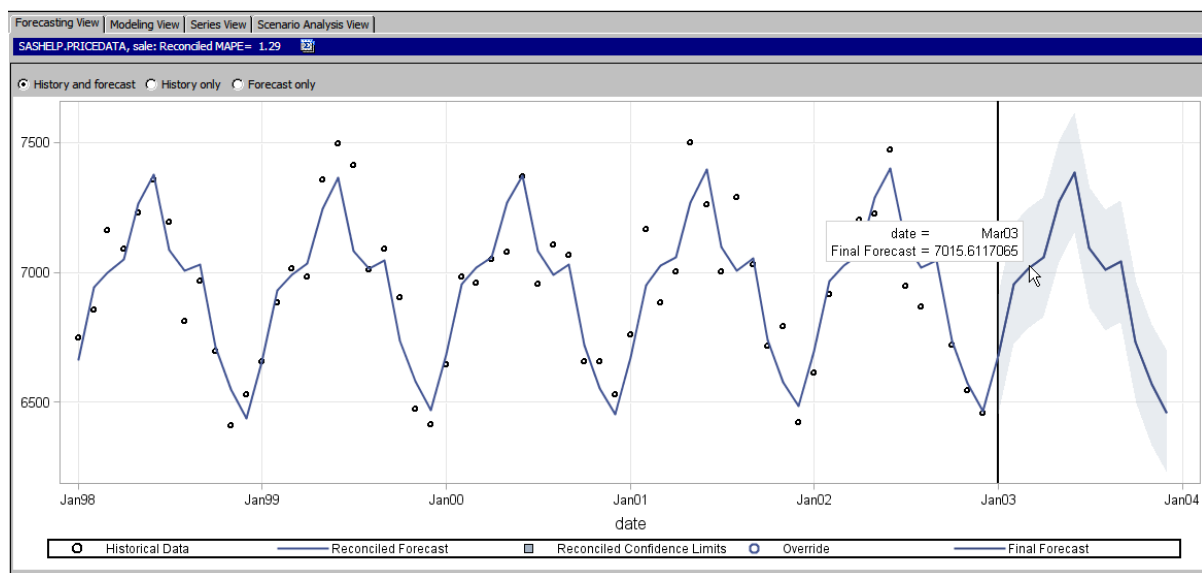
For more information about hierarchies, see [“Forecasting Hierarchically”](#) on page 45.

## Dependent Variables

Dependent variables are the variables that you want to model and forecast. You must assign at least one numeric variable to this role. If you forecast your data hierarchically, then only one dependent variable can be forecast.

For example, you want to forecast the sales for each product. When you create your project in SAS Forecast Studio, you assign the Sales variable to the dependent variable role. When the project is created, the forecasting plot shows the sales forecast, as shown in the following display.

**Display 5.1** Forecast Values for Sales Dependent Variable

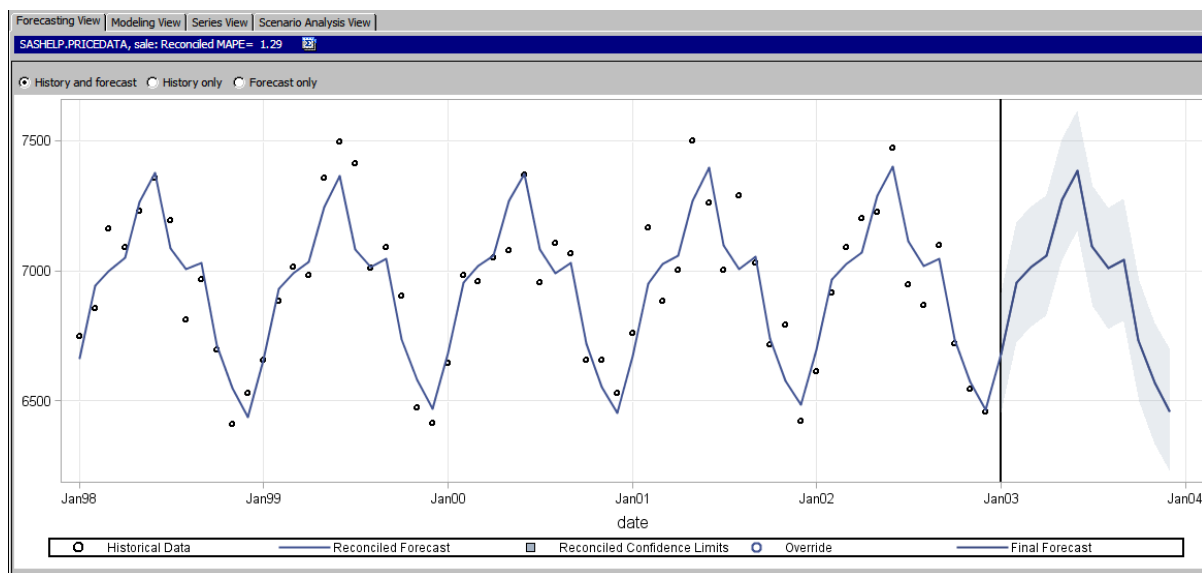


## Independent Variables

Independent variables are any explanatory, input, predictor, or causal factor variables. You can assign only numeric variables to this role. When creating the system-generated models, SAS Forecast Studio tries to use the independent variables in the model generation.

For example, in your initial forecasts, you assign the Sales variable to the dependent variable role, and you do not assign an independent variable. After studying your forecasts, you want to see what impact the Cost variable has on your forecasts, so you assign the Cost variable to the independent variable role. SAS Forecast Studio uses this independent variable when generating the models, but in this case, the forecasts do not change.

**Display 5.2** Forecast Values When Cost Is an Independent Variable

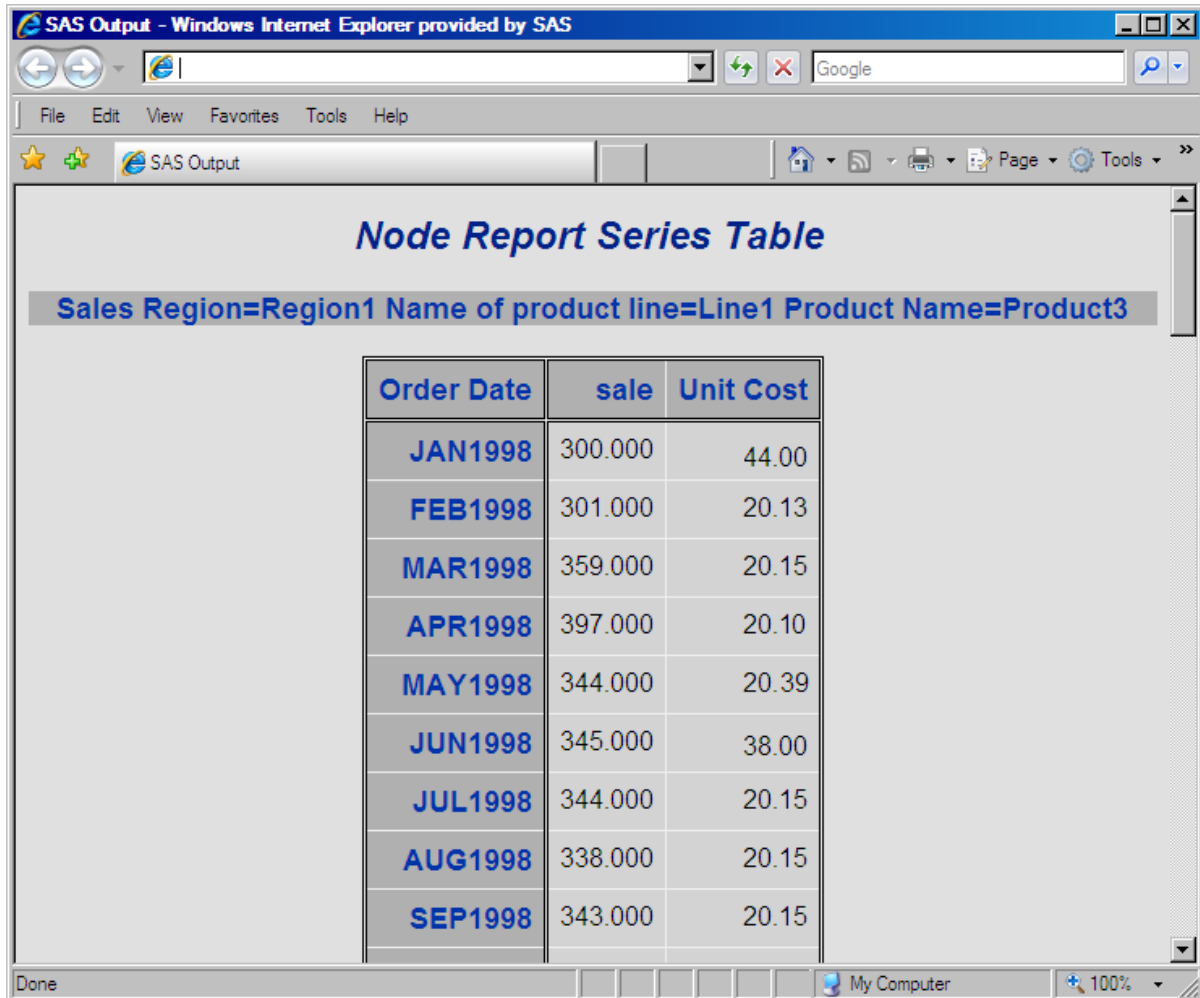


## Reporting Variables

Reporting variables are the additional variables that you want to include in the reports. Unlike independent variables, reporting variables are not used to generate the forecasts.

For example, you might want to run a report that compares the unit cost to the sales for a given month. In this example, Sales is the dependent variable, and Cost is a reporting variable. The values for the Cost variable do not influence the forecasts.

**Display 5.3** Cost as a Reporting Variable



**Node Report Series Table**

Sales Region=Region1 Name of product line=Line1 Product Name=Product3

Order Date	sale	Unit Cost
JAN1998	300.000	44.00
FEB1998	301.000	20.13
MAR1998	359.000	20.15
APR1998	397.000	20.10
MAY1998	344.000	20.39
JUN1998	345.000	38.00
JUL1998	344.000	20.15
AUG1998	338.000	20.15
SEP1998	343.000	20.15

## Adjustment Variables

### *What Is an Adjustment Variable?*

Systematic variations and deterministic components are included in time series data. You can specify an adjustment variable to identify the data that should be excluded before a statistical analysis.

Using SAS Forecast Studio, you can specify adjustments in the following ways:

- before generating the forecasts. After the timestamped data has been accumulated and interpreted, you might need to adjust the time series before generating forecasts. By adjusting the time series for any known systematic variations or deterministic

components, the underlying time series process can be more easily identified and modeled.

Examples of systematic adjustments are exchange rates, currency conversions, and trading days. Examples of deterministic adjustments are advanced bookings and reservations and contractual agreements.

- after the forecasts have been generated. You might need to adjust the statistical forecast to return the forecasts to the metric used in the original data.

Generally, the adjustments before and after generating the forecasts are operations that are the inverse of each other.

### **Add an Adjustment Variable**

To add an adjustment variable:

1. Select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
2. Click **Adjustments**. The Adjustments dialog box appears.
3. Click **New**. The Adjustment Properties dialog box appears.
4. Select the dependent variable that you want to adjust.
5. Select the variable that you want to use in the adjustment. The variable that you assign to this role cannot have another role in the project.
6. (Optional) Specify a description of the adjustment variable.
7. Specify the operations to perform before and after forecasting. You can choose from minimum, maximum, add, subtract, multiply, and divide.
8. Click **OK**.

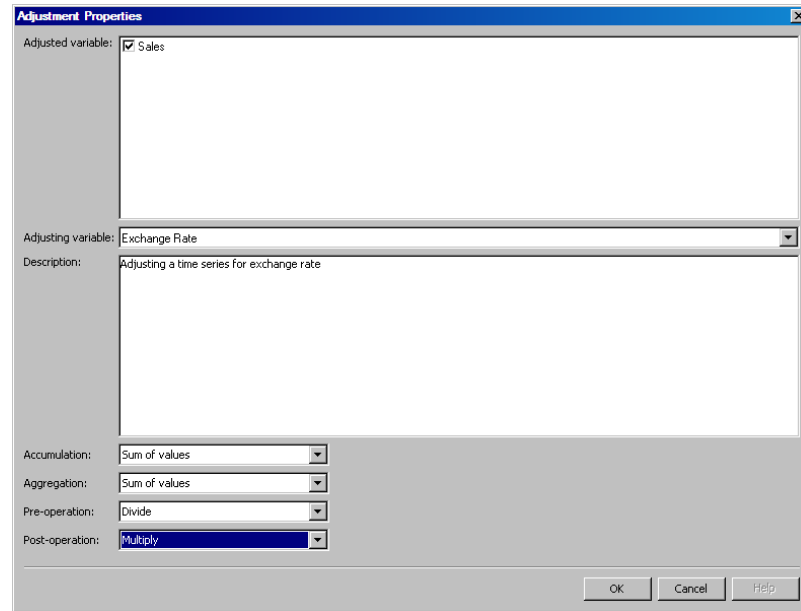
### **Examples of Adjustment Variables**

#### **Example 1: Adjusting Sales for the Exchange Rate**

In the following example, you need to adjust your sales data for the exchange rate. Before generating the forecasts, SAS Forecast Studio divides the sales value by the exchange rate. After the forecasts are generated, SAS Forecast Studio adjusts the forecasts by multiplying the sales values by the exchange rate.

To create this adjustment variable:

1. Select **Project** ⇒ **Hierarchy and Variables Settings**. The Hierarchy and Variables Settings dialog box appears.
2. Click **Adjustments**. The Adjustments dialog box appears.
3. Click **New**. The Adjustment Properties dialog box appears.
4. In the **Adjusted variable** list box, select the **Sales** dependent variable.
5. From the **Adjusting variable** drop-down list, select **Exchange Rate**.
6. In the **Description** text box, type **Adjusting a time series for exchange rate**.
7. From the **Pre-operation** drop-down list, select **Divide**.
8. From the **Post-operation** drop-down list, select **Multiply**.

**Display 5.4** Adjustment Properties Dialog Box for the Exchange Rate

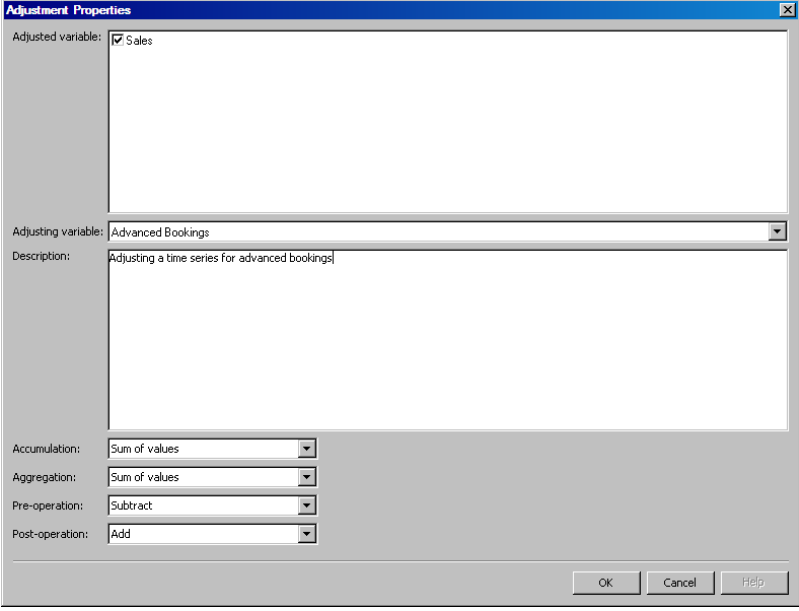
9. Click **OK**.

### **Example 2: Adjusting Sales for Advanced Bookings**

In the following example, you need to adjust your sales data for any advanced bookings. Before generating the forecasts, SAS Forecast Studio subtracts the advanced bookings from the time series. After the forecasts are generated, SAS Forecast Studio adjusts the forecasts by adding the advanced bookings.

To create this adjustment variable:

1. Select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
2. Click **Adjustments**. The Adjustments dialog box appears.
3. Click **New**. The Adjustment Properties dialog box appears.
4. In the **Adjusted variable** list box, select the **Sales** dependent variable.
5. From the **Adjusting variable** drop-down list, select **Advanced Bookings**.
6. In the **Description** text box, type **Adjusting a time series for advanced bookings**.
7. From the **Pre-operation** drop-down list, select **Subtract**.
8. From the **Post-operation** drop-down list, select **Add**.

**Display 5.5** Adjustment Properties Dialog Box for the Advanced Bookings

The dialog box is titled "Adjustment Properties" and contains the following fields and controls:

- Adjusted variable:** A list box containing "Sales" with a checkmark.
- Adjusting variable:** A dropdown menu set to "Advanced Bookings".
- Description:** A text area containing the text "Adjusting a time series for advanced bookings".
- Accumulation:** A dropdown menu set to "Sum of values".
- Aggregation:** A dropdown menu set to "Sum of values".
- Pre-operation:** A dropdown menu set to "Subtract".
- Post-operation:** A dropdown menu set to "Add".
- Buttons:** "OK", "Cancel", and "Help" buttons at the bottom right.

9. Click **OK**.



## Chapter 6

# Forecasting Hierarchically

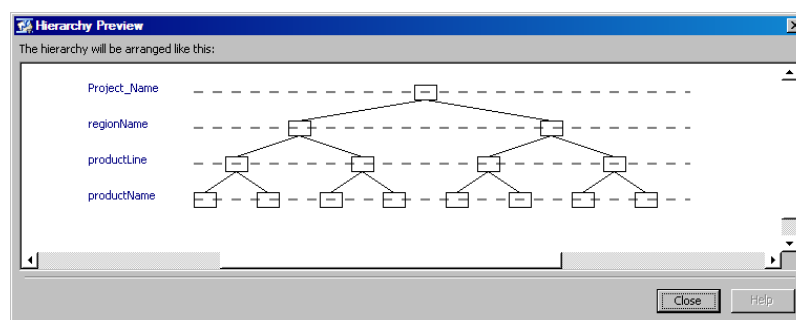
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## Understanding Hierarchies

To forecast hierarchically in SAS Forecast Studio, you must assign at least one classification (BY) variable. When you assign a classification variable, you can specify whether SAS Forecast Studio should forecast your data hierarchically. If you choose to forecast your data hierarchically, then SAS Forecast Studio sorts the dependent variable into individual series using the hierarchy specified by the BY variables. If you choose to forecast hierarchically, then only one dependent variable can be forecast.

An example of a hierarchy is Region > Product Line > Product Name. In SAS Forecast Studio, you can preview the hierarchy for your project.

**Display 6.1** Example of Hierarchy



*Note:* If you have a hierarchy and get a message that the time interval of the data cannot be detected, verify that the BY variables are specified in the same order that the data set is sorted.

When you forecast hierarchically, you must specify whether SAS Forecast Studio should reconcile the hierarchy to resolve any override conflicts. You can also select the reconciliation method to use. For more information, see [“Understanding Reconciliation Methods” on page 46](#).

For the dependent, independent, adjustment, and reporting variables in your project, you can specify how to aggregate the data across the levels of the hierarchy. For more information, see [“Understanding Aggregation and Accumulation” on page 47](#).

---

## Configure the Hierarchy

When you create a project, you specify the BY variables to include in the hierarchy and the order of the hierarchy in the New Project wizard. After the project is created, you cannot remove BY variables from the hierarchy. However, you can change the order of the hierarchy.

*Note:* Changing any of the hierarchy settings results in SAS Forecast Studio rebuilding the entire project.

To change the order of the hierarchy:

1. Select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
2. Select the variable that you want to move and click the up or down arrow. To see your changes, click **Preview**.
3. When you are finished, click **OK** to apply the changes to your project.

---

## Understanding Reconciliation Methods

### *What Are the Reconciliation Methods?*

When forecasting hierarchically in SAS Forecast Studio, you can choose from the following reconciliation methods:

#### Top-down

aggregates the data from the lowest levels in the forecast and then uses these values to generate the forecasts at the highest level. SAS Forecast Studio then uses this forecast and the disaggregation method that you specified to reconcile the forecasts for lower levels in the hierarchy.

The top-down method enables you to remove the excessive noise from the data at the lower levels of the hierarchy. However, you also might lose the pattern (such as the seasonality) in the forecast.

#### Bottom-up

uses the data at the lowest level of the hierarchy to generate the forecasts. These forecasts are then used to reconcile the forecasts for the higher levels in the hierarchy.

The bottom-up method enables you to see any patterns (such as seasonality) in the data. However, because you are at the lowest level of the hierarchy, you can also have too much noise or randomness in the data. Also, these forecasts might fail because the data at the lowest level of the hierarchy can be sporadic or too sparse.

#### Middle-out

aggregates the data from the lower levels and then uses these values to generate the forecasts for the middle level. SAS Forecast Studio uses the forecasts at the middle level to reconcile the forecasts for both the higher and lower levels. Some hierarchies have more than one middle level, so in SAS Forecast Studio, you need to specify the level that you want to use. If you have more than one middle level, then the option name is **Middle Out – name-of-level**.

### Select the Reconciliation Method

When you create a project, you can specify the reconciliation method to use. By default, SAS Forecast Studio uses the top-down reconciliation method.

*Note:* Changing any of the hierarchy settings results in SAS Forecast Studio rebuilding the entire project.

To change the reconciliation method:

1. Select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
2. From the **Reconcile the hierarchy** drop-down list, select the reconciliation method to use, and click **OK**.

You can specify additional reconciliation options for your project. For more information, see [“Specify the Advanced Reconciliation Options” on page 117](#).

---

## Understanding Aggregation and Accumulation

### Difference between Aggregation and Accumulation

Aggregation is the process of combining more than one time series to form a single series. Aggregation combines data within the same time interval. For example, you can aggregate data into a total or average. In the New Project wizard, you can specify the aggregation and accumulation options for the dependent, independent, adjustment, and reporting variables in your project.

The following examples explain when you might want to use an aggregation method:

- Your data set contains the sales for a group of products. If you want to know the total sales for a category, you would choose **Sum of values** as the aggregation method.
- Your data contains the price of each product. If you want to know the average price for a product line, you would choose **Average of values** as the aggregation method.

Accumulation can be either of the following:

- the process of converting a time series that has no fixed interval into a time series that has a fixed interval (such as hourly or monthly)
- the process of converting a time series that has a fixed interval into a time series with a lower frequency time interval (such as hourly into daily)

Accumulation combines data within the same time interval into a summary value for that time period.

Because this process is not dependent on whether you have a hierarchy, you might need to accumulate data regardless of whether you forecast your data hierarchically.

### The Accumulation and Aggregation Methods

*Note:* The difference between accumulation and aggregation is the dimension along which each method is applied. The following equations focus on accumulation, but the same equations also apply to the aggregation methods that you specify when you configure the hierarchy.

Let  $R = \{r_q\}_{q=1}^Q$  be the data vector ordered by the time series occurrence in the data set with respect to the observation index. Let  $q = 1, \dots, Q$  be the index that represents this ordering. Let  $Q_N$  be the number of nonmissing values and let  $Q_{NMIS} = Q - Q_N$  be the number of nonmissing values in the data vector. Let  $\bar{r} = \frac{1}{Q_N} \sum_{q=1}^Q r_q$  be the average value of the data vector with the missing values ignored.

The following example accumulates the observation series  $Z^{(N)} = \{z_t\}_{t=1}^N$  to the time series  $Y^{(T)} = \{y_t\}_{t=1}^T$ ,  $y_t = \text{Accumulate}(Z_t^{(T)})$ , for  $t = 1, \dots, T$ . In this situation,  $R = Z_t^{(T)}$  and  $Q = N_t^{(T)}$  for  $t = 1, \dots, T$ .

Let  $a = \text{Accumulate}(R)$  be this accumulated value for this data vector when the following accumulation methods are applied:

None

does not accumulate the vector values.

Sum

accumulates the vector values based on the summation of their values.

$$a = \sum_{q=1}^Q r_q$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

Average

accumulates the vector values based on the average of their values.

$$a = \bar{r} = \frac{1}{Q_N} \sum_{q=1}^Q r_q$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

Minimum

accumulates the vector values based on the minimum of their values.

$$a = \min(\{r_q\}_{q=1}^Q)$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

Maximum

accumulates the vector values based on the maximum of their values.

$$a = \max(\{r_q\}_{q=1}^Q)$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

Median

accumulates the vector values based on the median of their values.

$$a = \text{median}(\{r_q\}_{q=1}^Q)$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

Number of Nonmissing Observations

accumulates the vector values based on the number of nonmissing values.

$$a = Q_N$$

Number of Observations

accumulates the vector values based on the number of values.

$$a = Q$$

Number of Missing Observations

accumulates the vector values based on the number of missing values.

$$a = Q_{NMIS}$$

First Occurrence

accumulates the vector values based on the first observation in the data.

$$a = r_1$$

Last Occurrence

accumulates the vector values based on the last observation in the data.

$$a = r_Q$$

Standard Deviation

accumulates the vector values based on their standard deviation.

$$a = \sqrt{\frac{1}{Q_N - 1} \sum_{q=1}^Q (r_q - \bar{r})^2}$$

Missing values are ignored in the summation. If  $Q_N \leq 1$ , then  $a$  is set to missing.

Uncorrected Sum of Squares

accumulates the vector values based on their uncorrected sum of squares.

$$a = \sum_{q=1}^Q (r_q)^2$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

Corrected Sum of Squares

accumulates the vector values based on their corrected sum of squares.

$$a = \sum_{q=1}^Q (r_q)^2$$

Missing values are ignored in the summation. If  $Q_N = 0$ , then  $a$  is set to missing.

### Specify the Aggregation and Accumulation Methods

When you create a project, you can specify the aggregation and accumulation method to use for the dependent, independent, adjustment, and reporting variables in the New Project wizard.

*Note:* Changing any of the hierarchy settings results in SAS Forecast Studio rebuilding the entire project.

To specify an aggregation or accumulation method for a variable in your project:

1. Select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
2. From the **Reconcile the hierarchy** drop-down list, select the reconciliation method to use, and click **OK**.

---

## Example: How Forecasts Are Generated

The following example shows how the forecasts are generated for the hierarchy Region > Product Category > Product Line > Product, based on the reconciliation method that you choose. Aggregation forecasts for the higher levels in the hierarchy are created based on the aggregation statistic that you select. Disaggregation forecasts for the lower levels in the hierarchy are created based on the disaggregation method that you select.

Hierarchy Level	Reconciliation Method			
	Bottom Up	Middle Out – Product Category	Middle Out – Product Line	Top Down
Region	Aggregation Forecast	Aggregation Forecast	Aggregation Forecast	Forecast
Product Category	Aggregation Forecast	Forecast	Aggregation Forecast	Disaggregation Forecast
Product Line	Aggregation Forecast	Disaggregation Forecast	Forecast	Disaggregation Forecast
Product	Forecast	Disaggregation Forecast	Disaggregation Forecast	Disaggregation Forecast

## Chapter 7

# Working with Projects

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## What Is a Project?

SAS Forecast Studio organizes the files that are created when you generate a forecast into a project. Each project is saved on the SAS Workspace Server. (This is the same server on which the SAS processing occurs.)

The default location for the project files depends on your SAS configuration directory. An example of a default directory path in a Windows operating environment is **C:\SAS\Forecast\Lev1\AppData\SASForecastServer4.1.**

The name of the project directory is the name that you specify when you create a project. For a complete list of the directories that are part of an individual project, see the *SAS Forecast Server: Administrator's Guide*.

*Note:* For a project to work correctly, the input data set must be available. If you move, migrate, or copy a project to a different environment, the input data set must also be available in that environment.

---

## Creating a New Project

### Overview of the New Project Wizard

You can have only one project open in SAS Forecast Studio at a time. You can create a new project either when you first open SAS Forecast Studio or after you close an existing project. You create a new project by using the New Project wizard.

How you open the wizard depends on where you are in the application.

- To create a new project when you open SAS Forecast Studio, click **New** in the Projects dialog box.
- To create a new project when SAS Forecast Studio is already running, select **File** ⇒

**New Project** or click  in the toolbar.

### Step 1: Name Your Project

First, select the environment for your project. Environments are created and managed by your SAS Forecast Server administrator. For more information, see [“SAS Environments and SAS Forecast Server Environments” on page 7](#).

Specify a name and description for your project. The project name must be a valid SAS name. For more information about SAS naming conventions, see *SAS Language Reference: Concepts*.

In this step, you can also add any start-up and shutdown code that you want to run. For more information, see [“How to Add Start-Up or Shutdown Code to Your Project” on page 57](#).

Click **Next**.

### Step 2: Select the Data Set That You Want to Forecast

When selecting a data set, remember the following conditions:

- Before you can use a data set in SAS Forecast Studio, it must be in the required format. For more information, see [“Preparing an Input Data Set for SAS Forecast Studio” on page 25](#).
- You should not create a project using a data set in the Work library. The Work library is a temporary directory that exists only for the current session. Any data that is within this library is deleted when you close SAS Forecast Studio. If you create a

project using a data set in the Work library, then SAS Forecast Studio will be unable to find this data the next time you open the project. Also no files in the Work library should be modified while SAS Forecast Studio is running.

Click **Next**.

### **Step 3: Specify Classification (BY) Variables and Whether to Forecast Hierarchically**

1. Assign one or more variables to the BY variables role.
2. To forecast the data hierarchically, select the **Forecast a hierarchy using the above classification (BY) variables** check box. The hierarchy is created based on the order that the variables appear in the **Classification (BY) variables selected** check box.
3. To have SAS Forecast Studio reconcile the hierarchy after any changes, select the **Reconcile the hierarchy** check box and then select the reconciliation method to use.
4. To select a disaggregation method, to specify how to resolve conflicts between locked overrides, or whether to restrict the direction of the reconciliation, click **Advanced**.
5. Click **Next**.

### **Step 4: Specify the Properties of the Time Dimension of Your Data**

1. From the **Time ID variable** drop-down list, select the variable in the data set that contains the time dimension of your data.
2. (Optional) Specify the interval, multiplier, shift, seasonal cycle length, and format of the time ID variable. To specify a custom interval, select **Custom** from the **Interval** drop-down list. Select the name of the custom interval. For more information, see [“Custom Time Intervals” on page 37](#).

*Note:* By default, SAS Forecast Studio determines the time interval automatically. For more information about when SAS Forecast Server cannot detect the time interval and other common errors, see [“Troubleshooting the Time ID Variable” on page 229](#).

3. Click **Next**.

### **Step 5: Assign Roles to Variables in Your Data**

1. Specify the roles of the remaining variables in your data set. If you are forecasting hierarchically, only one variable can be assigned to the dependent variable role.
2. Select the accumulation and aggregation methods for each variable. If you are forecasting hierarchically, you can use same method for accumulation and aggregation.
3. Specify how the independent variables should be used in a system-generated model.
4. (Optional) To specify any adjustment variables, click **Adjustments**.
5. Click **Next**.

**Step 6: Specify How to Prepare the Data for Each Forecast**

1. Specify how SAS Forecast Studio should interpret missing values in the data.
2. (Optional) To specify a starting date for your forecasts, select the **Ignore data points earlier than the following date** check box. Then specify the starting date.
3. Click **Next**.

**Step 7: Finish Creating Your Project****General Steps**

1. Specify the number of periods to forecast (also called the horizon). By default, the horizon is 12.
2. To change the diagnostics or model settings, click **Change other forecasting settings**. The Forecasting Settings dialog box appears. Most of these forecasting options can be set after the project is created. An exception is the option for suppressing the component series data set. For more information, see [“Suppress the Component Series Data Set” on page 54](#).
3. To add an event to your project, click **Create and import events**. For more information, see [“Creating New Events” on page 87](#).
4. Click **Next**.

**Suppress the Component Series Data Set**

By default, the component series data set is automatically created when you create a project. A component data set is created for each BY variable in the project. Because a component data set can also contain several other variables, these data sets could be quite large, and as a result, it could require additional disk space and computing time. For more information, see [“OUTCOMPONENT= Data Set” on page 240](#).

If you want to suppress the creation of the component data set, you must specify this option when you create the project. However, if you suppress this data set, then you will not see the effects of events or outliers in the plot and data table in the Forecasting View. Suppressing the component data set does not affect the component plots and tables that are available in the Modeling View.

To suppress the creation of the component series data set:

1. In the selection pane of the Forecasting Settings dialog box, click **Forecast**.
2. Deselect the **Create the component series data set** check box.
3. Click **OK** in the Forecasting Settings dialog box to return to the New Project wizard.

**Step 8: Optional Project Actions**

Specify whether to generate the forecasts when you finish or to save the SAS code to run later. Click **Finish**.

You can monitor the progress of the forecasts from the status bar. The Forecast Summary dialog box appears after SAS Forecast Studio is finished. For more information, see [“Reviewing a Summary of the Forecast Run” on page 65](#).

---

## Migrating SAS Forecast Studio Projects

### *Update the Project Version*

Before you can open a SAS Forecast Studio 3.1 project in 4.1, your site administrator must have migrated your 3.1 project to a 4.1 environment. For more information about migrating projects, see *SAS Forecast Server: Administrator's Guide*.

To update a SAS Forecast Studio project from 3.1 to 4.1:

1. Open the SAS Forecast Studio 3.1 project in 4.1. The Update Project Version dialog box appears.
2. Specify how to update the statistical models for each series.
3. (Optional) Select the **Reset all series to "automatic selection"** check box.
4. (Optional) Specify whether the project should use any updated data, if it is available. If you select the **Use updated data if available** check box, then SAS Forecast Studio determines whether the data source has been updated, and, if so, updates the project data and reforecasts the existing series based on the option that you selected.
5. Click **OK**. SAS Forecast Studio automatically converts any 3.1 projects to be compatible with 4.1.

### *Overview of the Changes to Projects in SAS Forecast Studio 4.1*

You can open a SAS Forecast Studio 3.1 project in SAS Forecast Studio 4.1. When you open a 3.1 project in SAS Forecast Studio 4.1, you will see the following changes:

- When you migrate a project, most of the data sets in the SAS Forecast Studio project must be re-created using SAS High-Performance Forecasting 4.1. Consequently, a SAS Forecast Studio 3.1 project might take longer to open in SAS Forecast Studio 4.1. When the 3.1 project is opened in 4.1, the project is converted to the 4.1 format, so subsequent openings of the project in SAS Forecast Studio 4.1 will be faster.
- The output from your reports might look different. In SAS 9.3, the style for HTML output changed to STATISTICAL. You can change the style of your output when you run a report. For more information, see [“Run a Report” on page 78](#).
- The functionality that is available to you in SAS Forecast Studio depends on the capabilities that your site administrator has assigned to you. For more information, see [“Understanding Role-Based Settings in SAS Forecast Studio” on page 20](#).
- The time interval that SAS Forecast Studio selects for your data might change. For example, SAS Forecast Studio 3.1 might have selected an interval of DAY, but when you open the project in SAS Forecast Studio 4.1, the WEEK interval is selected. In SAS Forecast Studio 4.1, the input data is analyzed using BY groups. (These groups are created from the variables that you assigned to the classification (BY) variables role). If multiple intervals are detected, then SAS Forecast Studio selects the most frequently used base interval, which in the previous example is WEEK. Although SAS Forecast Studio selects the default interval, you can change this interval using the **Interval** option in the New Project wizard or the Forecasting Settings dialog box.

---

## Open an Existing Project

You can open a project in the following ways:

- When you first invoke SAS Forecast Studio, you can open a project from the Projects dialog box.
- After SAS Forecast Studio is running, select **File** ⇒ **Projects** to open the Projects dialog box.

*Note:* You can have only one project open at a time in SAS Forecast Studio.

---

## Sharing a Project

By default, only the creator of the project and SAS Forecast Server administrators have permission to open or edit an existing project. Any projects that are not available to you appear dimmed in the Projects dialog box. After initially creating a project, you decide to share it with other users in the same SAS Forecast Server environment.

To allow others to view and edit one of your projects:

1. Select **File** ⇒ **Project Properties**. The Project Properties dialog box appears.
2. Select the **Allow other users to view and edit this project** check box. Only the project creator or a SAS Forecast Server administrator can change this option.
3. Click **OK** to save your changes and to close the Project Properties dialog box.

*Note:* Although the project is shared, the functionality that is available depends on the capabilities that are available to that user. For more information, see [“Understanding Role-Based Settings in SAS Forecast Studio” on page 20](#).

---

## Adding Start-Up or Shutdown Code to Your Project

### *Understanding Start-Up or Shutdown Code*

You can customize your project by specifying SAS code to run when the project is open or when the project is closed.

When you start a project, you might want to run code to enable some functionality. For example, you specify the MPRINT system option so SAS statements that are generated when you run the SAS Forecast Studio macros are traced for debugging.

*Note:* It is not recommended that you use the start-up code to specify the input libraries for your project.

Although the start-up and shutdown code is associated with a project, the scope of the code applies to your entire session, so it is important that the shutdown code closes any processes that were started by the start-up code. For example, in the start-up code that

you specified the MPRINT system option. If you do not turn off the MPRINT system option in the shutdown code and then you close the current project and open another project, SAS Forecast Studio will still be tracing any SAS statements that are generated for macro variables. You can see that the MPRINT option is still specified in the log. If you turn off the MPRINT system code in the shutdown code and then you close the current project, the tracing functionality is turned off when you open another project.

When you close a project, you also might want SAS Forecast Studio to perform these actions:

- remove any temporary files that were created
- make backup copies of the files
- automatically export results to an external data set

Whether you have permission to add this code to the project depends on the capabilities that are available to you. If this functionality is not available, contact your site administrator. For more information about how to write the start-up and shutdown code, see the *SAS Forecast Server: Administrator's Guide*.

*Note:* Site administrators can specify whether this code should run for a SAS deployment. If the code will not be run, a message stating that code execution is not permitted appears in the Project Properties dialog box.

## How to Add Start-Up or Shutdown Code to Your Project

When you create a project, you can add this code by using the New Project wizard. After the project is created, you can add or edit this code by using the Project Properties dialog box.

To add SAS code that runs when the project is opened or closed:

1. Select **File** ⇒ **Project Properties**. The Project Properties dialog box appears.
2. Click **Modify**. The SAS Start-up and Shutdown Code dialog box appears.
3. In the **Start-up Code** and **Shutdown Code** tabs, enter the SAS code that you want to include in the project. For more information, see the *SAS Forecast Server: Administrator's Guide*.
4. (Optional) To run the code that you entered in the **Shutdown Code** tab, select the **Run the revised shutdown code when you close the current session** option.

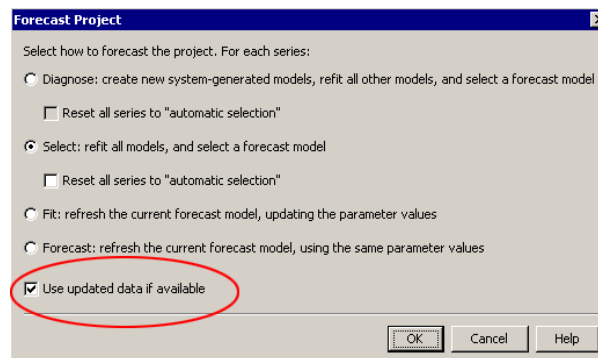
*Note:* Before selecting this option, remember that the start-up code and the shutdown code must be complementary. Because the project is already open, the shutdown code that ends this session must close any processes that were started. Therefore, you might want to wait until your next session before running the revised shutdown code. By default, this option is not selected, and the shutdown code that ran the last time that you shut down the project runs. However, the revised code is saved to a file and is available the next time that you open the project.

5. Click **OK** to save your changes and to close the Project Properties dialog box.

## Updating Your Project Data

The data for the project might have changed since the last time you forecast your data. For example, the data might include a new BY variable (such as a new product) or new observations (such as sales data for the last three months). If the input data source for your project is a data view (rather than a SAS data set) and the data view is updated, then you must update the data in your project to generate accurate forecasts.

When you reforecast a project, SAS Forecast Studio recognizes if the project data has changed. In the Forecast Project dialog box, you can choose whether to use the updated version of the data.



For more information about how to update your project data, see [“Reforecast a Project” on page 67](#).

*Note:* To keep track of your forecasts and any BY groups that have been removed from the data, it is recommended that you archive your project before reforecasting the project using any updated data. For more information about archiving a project, see the *SAS Forecast Server: Administrator's Guide*.

## Viewing Properties

### View Project Properties

To view the properties for a project:

1. Select **File** ⇒ **Project Properties**. The Project Properties dialog box appears.
2. (Optional) Specify the code to run when the project starts or when you close the project. Click to add this code.
3. (Optional) To add a project description, type the description in the **Description** box.
4. (Optional) To share this project with other users at your site, select the **Allow other users to view and edit this project** check box. This option is not selected by default. If this check box is not selected, only the person who created the project can open it. Only the project creator or a SAS Forecast Server administrator can change this option.
5. Click **OK** to save your changes and to close the Project Properties dialog box.

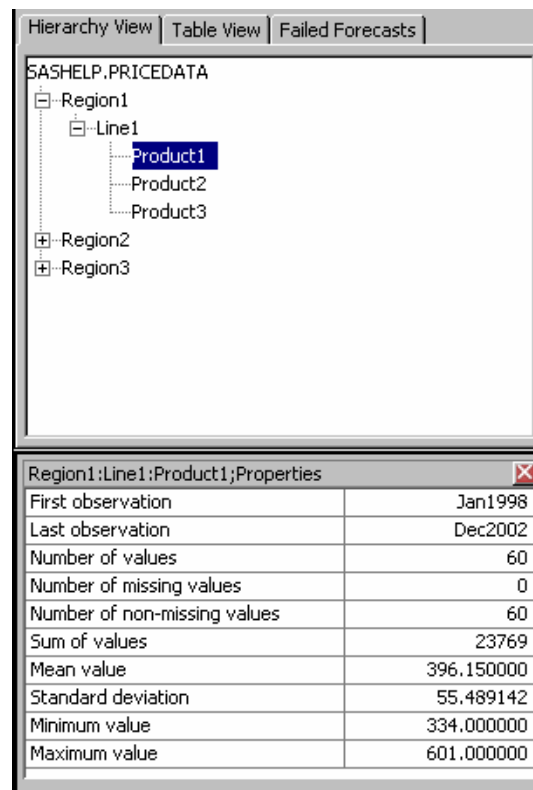
## View Series Properties

To view the properties for a series:

1. Select the series in the **Hierarchy View**, **Table View**, or **Failed Forecasts** tab.
2. Select **View** ⇒ **Series Properties**. The series properties appear at the bottom of the tab.

For example, the following figure shows the series properties for the Region1:Line1:Product1 node in the hierarchy. The series properties show the statistics for the raw data.

**Display 7.1** Series Properties for Node in Hierarchy View



## Save a Copy of the Project

To save a copy of the project:

1. Select **File** ⇒ **Projects**. The Projects dialog box appears.
2. Specify a name for the project. By default, the name is *project-name\_Copy\_n*, where *n* is the lowest available integer.
3. Click **OK**.

*Note:* If a project with that name already exists, you are prompted to overwrite the existing project.

The new project is saved to the SAS Forecast Studio directory. The current project is closed, and the new project is automatically opened in SAS Forecast Studio.

---

## Create a Shortcut for a Project

For local installations of SAS Forecast Studio, you can create a shortcut to your project on your Windows desktop.

To create a shortcut to a project:

1. Select **File** ⇒ **Save Project Link** . The Save dialog box appears.
2. Specify a name for the project link. By default, the name is *project-name.fs*.
3. Click **Save**.

## Part 3

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# Analyzing Your Results

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## Chapter 8

# Generating Forecasts

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## Process for Generating a Forecast

SAS Forecast Studio uses the following forecasting processes:

1. Accumulation: The time-stamped data is accumulated into time series data based on a particular frequency.
2. Interpretation: Missing values and zero values are interpreted before the time series is analyzed.
3. Adjustment: If required, the time series is adjusted before the analysis. After the analysis, the forecast might require a post-forecast adjustment to return forecasts to the original metric.
4. Diagnose: The series are analyzed for trends, seasonality, and cyclicity. The series diagnostics provide recommendations about whether the forecasting model should contain a log transform, trend terms, or seasonal terms. For example, identifying trends in the series can help you determine whether a dependent series requires simple and seasonal differencing. These diagnostics also help determine whether the time series is intermittent.

SAS Forecast Studio performs the following diagnostic tests:

- The intermittent test computes the average time interval between demands. If the average time interval is greater than the specified limit, then an intermittent forecasting model is used.
- A seasonality test is also performed. A seasonal dummy model with AR(1) errors is fit, and the joint significance of the seasonal dummy estimates is tested. If the

seasonal dummies are significant, the AIC statistic for this model is compared to the AIC statistic for the AR(1) model without seasonal dummies.

For more information about these tests, see [“Set the Diagnose Properties for Each Series” on page 64](#).

Any system-generated models that are appropriate for the series are created. Any independent variables or events are included in the system-generated ARIMA and unobserved components models. These variables and events are used in the models if they improve performance.

5. **Select:** All models are evaluated against the data. Using the model selection criterion, SAS Forecast Studio selects the best-performing model.
6. **Fit:** The best-performing model is fit to the data to estimate a final set of parameters.
7. **Forecast:** SAS Forecast Studio uses the model parameter estimates, the model residual variance, and the full range of data to generate the forecasts (predictions, prediction standard errors, prediction errors, and confidence limits). After forecasts are produced for each series, the hierarchy is reconciled.
8. **Evaluation:** The in-sample statistics of fit are computed-based on the one-step-ahead forecasts and the actual data. These statistics help identify poorly fitting models.

When you change the forecast settings or properties of a project, SAS Forecast Studio automatically regenerates the forecasts. When you choose to reforecast a series or project or you choose to update the project data, you can select where to start in the forecasting process. If SAS Forecast Studio performs a nondestructive diagnose, then any user-created models are preserved, and any system-generated models are re-created. A destructive diagnose re-creates all models.

---

## Set the Diagnose Properties for Each Series

To set the diagnose properties for each series:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Diagnostics**.
3. In the **Perform intermittency test** box, specify a number greater than 1 that is used to determine whether a time series is intermittent. This option is selected by default, and the default value is 2. To specify a different sensitivity, type a new value in the **Sensitivity** box.
4. Specify the options for performing the seasonality test. You can specify no seasonality test or specify a significance probability value for the test. Series with strong seasonality have small test probabilities. A significance probability value of 0 always implies seasonality. A significance probability value of 1 always implies no seasonality. The default is a significance probability value of .01. To specify a different sensitivity, type a new value in the **Sensitivity** box.
5. Specify the minimum number of seasonal cycles for a seasonal model. No seasonal model is fit to a series that contains fewer observations than  $n$  multiplied by the seasonal length.
6. Specify the minimum number of observations for a trend model. No trend model is fit to a series that contains fewer than  $n$  nonmissing values.

Incorporation of a trend is checked only for the following models:

- simple smoothing models
  - unobserved component models that do not include a slope component
  - ARIMA models with no differencing of the dependent variable
7. Specify the minimum number of observations for a non-mean model. Any series with fewer than  $n$  nonmissing values are not fit using the models in the selection list. Instead, these models are forecast as the mean of the observations in the series.
  8. Select the functional transformation to apply to the dependent variable.
  9. Specify how SAS Forecast Studio should diagnose the independent variables.
  10. Specify how to calculate the forecasts for the system-generated models. Forecasts can be based on the mean or median.
  11. Specify the criteria for detecting outliers in ARIMA models.
  12. Click **OK**.

---

## Specify the Number of Periods to Forecast

To specify how to fit the forecast model for each series:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Forecast**.
3. Specify the number of periods into the future for which multistep forecasts are made. The larger the horizon value, the larger the prediction error variance at the end of the horizon. By default, the horizon is 12.
4. Specify whether to calculate the statistics of fit over an out-of-sample range.
5. Specify the confidence level for the series. By default, this confidence level is 0.05, which is a 95% confidence limit.
6. To allow negative forecasts, select the **Allow negative forecasts** check box.

*Note:* If you clear the **Allow negative forecasts** check box, then any negative values in the forecast model are set to 0, and any overrides with negative values are removed.

---

## Reviewing a Summary of the Forecast Run

After you create a project, the forecast summary is available by default. When you reforecast your project, this summary does not automatically open. To view the forecast summary, select **Project** ⇒ **Forecast Summary**.

From the forecast summary, you can view the following information for each level in the hierarchy or for the single level in the project if you did not forecast your data hierarchically:

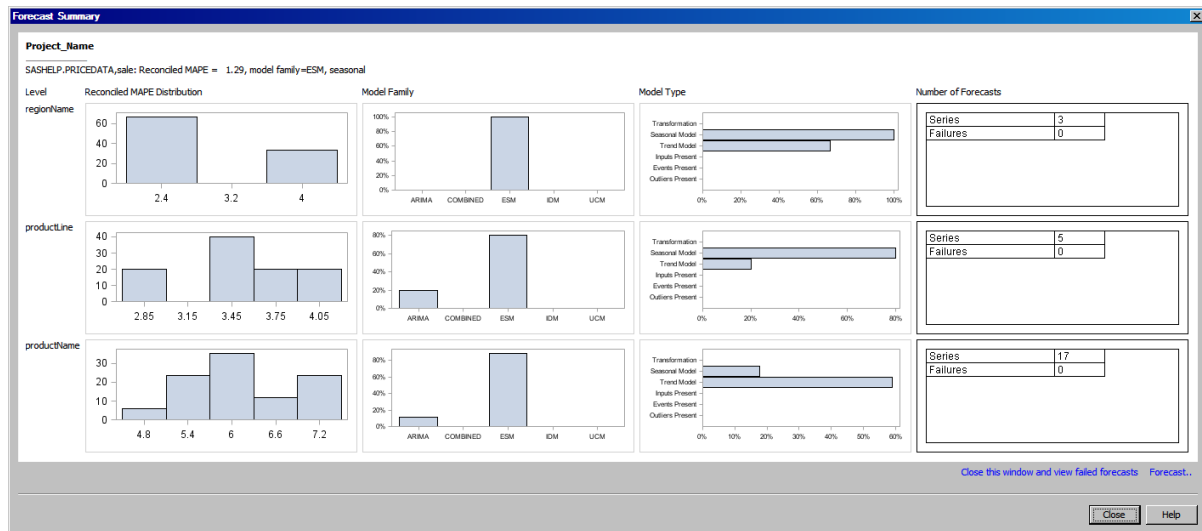
- a graph of the distribution of the statistic of fit

- a graph of the different types of model families. This graph shows how each model type (ARIMA, Combined, Exponential Smoothing, Intermittent Demand, and Unobserved Components) fits the series.
- a graph of the model type. This graph shows whether the model included a dependent transformation, a seasonal component, a trend component, inputs (such as independent variables), events, and outliers.
- a table of the number of errors. This table shows the number of failed forecasts, the number of series where SAS Forecast Studio used the best-performing model, the number of warnings in the SAS log, and the number of errors in the logs.

To view more information about a graph or table, double-click the graph or table to open it in a separate window. From this dialog box, you can also view the failed forecasts or forecast the project.

Here is an example of the Forecast Summary dialog box:

**Display 8.1** Forecast Summary Dialog Box



## Specifying an Inactive Series

### What Is an Inactive Series?

When you specify a series as inactive, then the following occurs:

- No baseline forecast is selected in the Modeling View. As a result, no forecasts are produced for the series.
- Any child series must also be inactive. SAS Forecast Studio prompts you to confirm making these child series inactive when you clear the **Active series** check box in the Forecasting View. (You can also make a series inactive by clearing the **Active** check box in the Modeling View.)
- Any overrides that you have specified for this series are removed, and you cannot add new overrides to an inactive series.

- A "Reconciliation needed" message appears above the Forecasting View. You can click **Reconcile** to reconcile the hierarchy.

### Set a Series as Inactive

To specify an inactive series:

1. In the hierarchy or table view, select the series that you want to make inactive.
2. Deselect the **Active series** check box in the data table of the Forecasting View.

A series remains inactive even after SAS Forecast Studio rediagnoses the project. To make the series (and any child series) active again, select the **Active series** check box.

---

## Reforecasting a Series or Project

### Reforecast a Series

After you initially create the project, you might change some parameters or create a new model. After these changes, you might want to reforecast a series.

To reforecast the selected series:

1. Select the series in the hierarchy or table view and select **Series** ⇒ **Forecast Series**. The Forecast Series dialog box appears.
2. Specify how to forecast the series.
3. (Optional) To have SAS Forecast Studio select the best-performing model, select the **Reset the series to "automatic selection"** check box. If you select this option, any models that you might have selected for a series are ignored. For more information about how to select a forecast model, see ["Specifying the Forecast Model" on page 163](#).
4. Click **OK** to reforecast the series.

### Reforecast a Project

After you initially create the project, you might change some parameters or create a new model. After these changes, you might want to reforecast the project.

To reforecast all the series in a project:

1. Select **Project** ⇒ **Forecast Project**. The Forecast Project dialog box appears.
2. Specify how to forecast the project.

*Note:* If you choose any option other than **Diagnose: create new generated models, refit all models, and select a model**, then any new series are forecast using the model selection list that ships with SAS Forecast Studio. For more information, see ["Default Model Selection Lists" on page 255](#).

3. (Optional) To have SAS Forecast Studio select the best-performing model, select the **Reset all series to "automatic selection"** check box. If you select this option, any models that you might have selected for a series are ignored. For more information

about how to select a forecast model, see [“Specifying the Forecast Model”](#) on page 163.

4. (Optional) Select the **Use updated data if available** check box. SAS Forecast Studio determines whether the data source has been updated, and if so, updates the project data and reforecasts the existing series based on the new data.
5. Click **OK** to reforecast the project.

## Chapter 9

# Working with Filters

---

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---

## What Is a Filter?

Filters help you identify forecasts that meet a specific criterion. If you forecasted hierarchically, then SAS Forecast Server automatically generates a filter for each level in the hierarchy. For example, if the hierarchy for your data is Region > Product Line > Product, then here are the system-generated filters:

- Region\_level - displays all series at the Region level
- Productline\_level - displays all series at the Product Line level
- Product\_level - displays all series at the Product level

You cannot edit or delete these system-generated filters.

In SAS Forecast Studio, you can create additional filters. For an example of how to create a filter, see [“Examples of Filters” on page 70](#).

To view the results from a filter, click the **Table View** tab in the overview panel.

---


## Create a Filter

To create a filter:

1. Select **Tools** ⇒ **Filters**. The Filters dialog box appears.
2. Click **New**. The Filter Properties dialog box appears.
3. Specify a valid SAS name. You can also specify a description for the filter.

- Specify the hierarchy level for the filter. By default, the filter is applied to all the levels in the hierarchy. If you select a specific level in the hierarchy, then the results from the filter contain only series in that level of the hierarchy.

*Note:* The **Hierarchy level** drop-down list is available only if you forecast your data hierarchically.

- Specify the filter by using the columns in the table.
- (Optional) To add additional filter expressions, click .
- Specify whether the series must have overrides, notes, or both.
- Click **OK**. The new filter now appears in the Filters dialog box.

---

## View the Results from a Filter

To view the series that meet the filter criterion:

- In the overview panel, click the **Table View** tab.
- From the **Filter** drop-down list, select the filter that you want to apply. SAS Forecast Studio automatically updates the contents of the table. The resulting rows in the table show the series that meet the filter criterion.

---

## Examples of Filters

### *Example 1: Creating a Simple Filter*

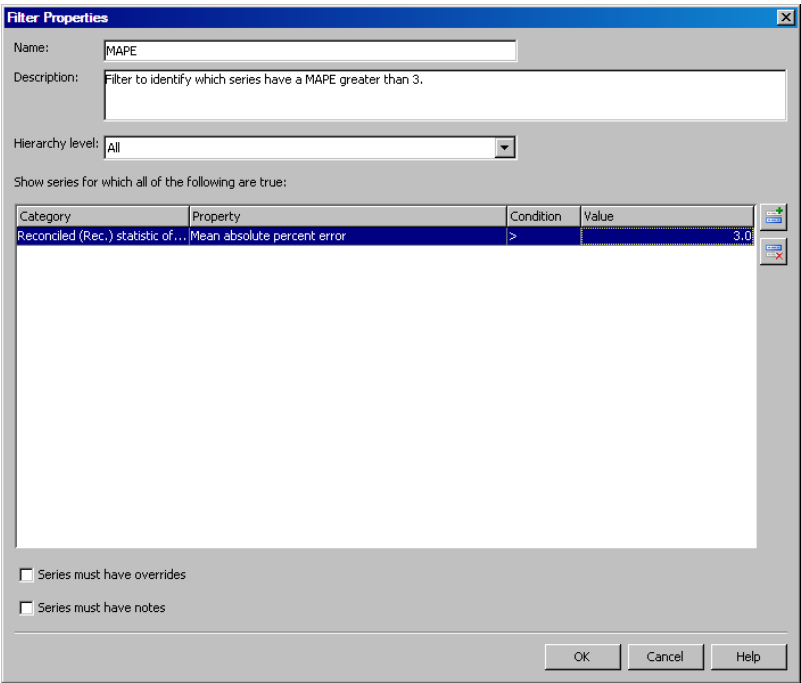
In this example, you want to know which series have a Mean Absolute Percent Error (MAPE) greater than 3.

To create this filter:

- Select **Tools** ⇒ **Filters**. The Filters dialog box appears.
- Click **New**. The Filter Properties dialog box appears.
- In the **Name** box, type **MAPE**.
- In the **Description** box, type **Filter to identify which series have a MAPE greater than 3**.
- From the **Hierarchy level** drop-down list, select **All**.
- In the table, specify the following values for each column:
  - In the **Category** column, select **Reconciled (Rec.) statistic of fit**.
  - In the **Property** column, select **Mean absolute percent error**.
  - In the **Condition** column, select **>**.
  - In the **Value** column, type **3** and press ENTER.

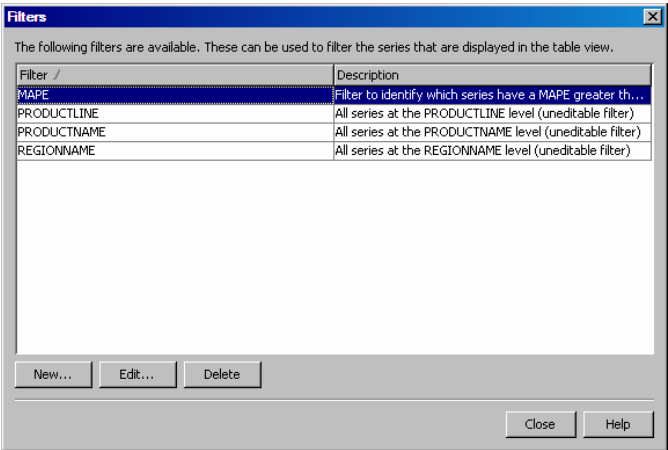
The Filter Properties dialog box should look like the following display:

**Display 9.1** Completed Filter Properties Dialog Box for Filter Example



7. Click **OK** to add the filter to the list in the Filters dialog box.

**Display 9.2** New Filter in Filters Dialog Box



8. Click **Close** in the Filters dialog box to return to the project.

To view the series that meet this filter criterion:

1. In the overview panel, click the **Table View** tab.
2. From the **Filter** drop-down list, select **MAPE**.

Here are the results:

**Display 9.3** Results in the Table View After Applying the MAPE Filter


Hierarchy View   Table View   Failed Forecasts			
Statistics of fit calculated over an in-sample range.			
Filter: MAPE			
(20 of 26 series)			Refresh
REGION...	PRODUC...	PRODUC...	MAPE /
Region3	Line5	*	3.18
Region1	*	*	3.31
Region1	Line1	*	3.31
Region2	Line2	Product7	3.67
Region1	Line1	Product1	3.93
Region2	Line3	Product11	3.97
Region3	Line4	Product13	4.05
Region3	Line5	Product17	4.07
Region2	Line2	Product5	4.21
Region3	Line5	Product16	4.26
Region1	Line1	Product3	4.48
Region2	Line3	Product9	4.52
Region3	Line4	Product12	4.54
Region1	Line1	Product2	4.64
Region2	Line3	Product8	4.66
Region2	Line3	Product10	4.74
Region3	Line4	Product15	4.81
Region3	Line4	Product14	4.99
Region2	Line2	Product4	5.29
Region2	Line2	Product6	5.84

### Example 2: Creating a Filter with Multiple Expressions

In this example, you want to know which series have a Mean Absolute Percent Error (MAPE) greater than 3 and a Minimum value (Min) less than 300.

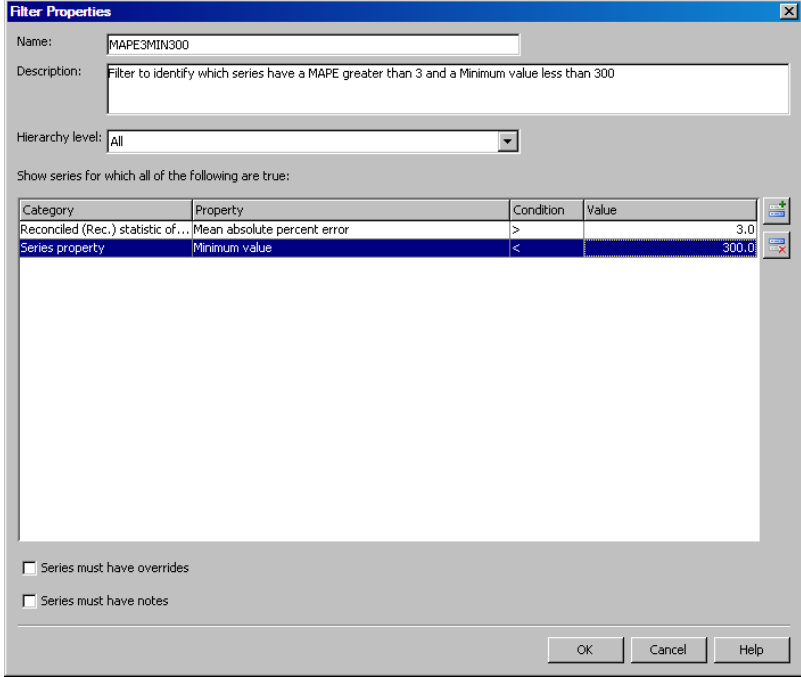
To create this filter:

1. Select **Tools** ⇒ **Filters**. The Filters dialog box appears.
2. Click **New**. The Filter Properties dialog box appears.
3. In the **Name** box, type **MAPE7MIN300**.
4. In the **Description** box, type **Filter to identify which series have a MAPE greater than 3 and a Minimum value less than 300**.
5. From the **Hierarchy level** drop-down list, select **All**.
6. In the table, specify the following values for each column:
  - a. In the **Category** column, select **Reconciled (Rec.) statistic of fit**.

- b. In the **Property** column, select **Mean absolute percent error**.
  - c. In the **Condition** column, select **>**.
  - d. In the **Value** column, type **3** and press ENTER.
7. . A new row appears in the Filter Properties dialog box. SAS Forecast Studio automatically joins the filter conditions by AND.
8. In the new row, specify the following values for each column:
  - a. In the **Category** column, select **Series property**.
  - b. In the **Property** column, select **Minimum value**.
  - c. In the **Condition** column, select **<**.
  - d. In the **Value** column, type **300** and press ENTER.

The Filter Properties dialog box should look like the following display:

**Display 9.4** Completed Filter Properties Dialog Box for Filter Example



**Filter Properties**

Name: MAPE3MIN300

Description: Filter to identify which series have a MAPE greater than 3 and a Minimum value less than 300

Hierarchy level: All

Show series for which all of the following are true:

Category	Property	Condition	Value
Reconciled (Rec.) statistic of ...	Mean absolute percent error	>	3.0
Series property	Minimum value	<	300.0

☐ Series must have overrides

☐ Series must have notes

OK Cancel Help

9. Click **OK** to add the filter to the list in the Filters dialog box.
10. Click **Close** in the Filters dialog box to return to the project.

The filter that you created is now available from the table view in the overview panel. From the **Filter** drop-down list, select **MAPE3MIN300** to view the series that meet these filter criteria.

**Display 9.5** Results in the Table View After Applying the MAPE3MIN300 Filter

EGION...	PRODUC...	PRODUC...	MAPE /
Region2	Line3	Product11	3.97
Region1	Line1	Product3	4.48
Region2	Line2	Product6	5.84

### Example 3: Creating a Filter for Missing Values

In this example, you want to know which series have missing values. In SAS Forecast Studio, missing values are represented by . (a period).

To create this filter:

1. Select **Tools** ⇒ **Filters**. The Filters dialog box appears.
2. Click **New**. The Filter Properties dialog box appears.
3. In the **Name** box, type **Missing\_Values**.
4. In the **Description** box, type **Filter to identify which series have missing values**.
5. From the **Hierarchy level** drop-down list, select **All**.
6. In the table, specify the following values for each column:
  - a. In the **Category** column, select **Reconciled (Rec.) statistics of fit**.
  - b. In the **Property** column, select **Mean absolute percent error**.
  - c. In the **Condition** column, select **=**.
  - d. In the **Value** column, type **.** and press ENTER.

The Filter Properties dialog box should look like the following display:

**Display 9.6** Completed Filter Properties Dialog Box for Filter Example


Category	Property	Condition	Value
Reconciled (Rec.) statistic of...	Mean absolute percent error	=	

7. Click **OK** to add the filter to the list in the Filters dialog box.
8. Click **Close** in the Filters dialog box to return to the project.

#### Example 4: Create a Filter for a Combined Model

In your project, you have several combined models. In this example, you want to know which combined models have a Mean Absolute Percent Error (MAPE) greater than 3.

To create this filter:

1. Select **Tools** ⇒ **Filters**. The Filters dialog box appears.
2. Click **New**. The Filter Properties dialog box appears.
3. In the **Name** box, type **CombinedMAPE3**.
4. In the **Description** box, type **Filter to identify which series in the combined models have a MAPE greater than 3**.
5. From the **Hierarchy level** drop-down list, select **All**.
6. In the table, specify the following values for each column:
  - a. In the **Category** column, select **Model property**.
  - b. In the **Property** column, select **Model family**.
  - c. In the **Condition** column, select **=**.
  - d. In the **Value** column, type **COMBINED**.
7. Click . A new row appears in the Filter Properties dialog box. SAS Forecast Studio automatically joins the filter conditions by AND.

8. In the new row, specify the following values for each column:
  - a. In the **Category** column, select **Reconciled (Rec.) statistic of fit**.
  - b. In the **Property** column, select **Mean absolute percent error**.
  - c. In the **Condition** column, select **>**.
  - d. In the **Value** column, type **3** and press ENTER.

The Filter Properties dialog box should look like the following display:

**Display 9.7** Completed Filter Properties Dialog Box for Filter Example

**Filter Properties**

Name: CombinedMAPE3

Description: Filter to identify which series in the combined models have a MAPE greater than 3

Hierarchy level: All

Show series for which all of the following are true:

Category	Property	Condition	Value
Model property	Model family	=	COMBINED
Reconciled (Rec.) statistic of...	Mean absolute percent error	>	3.0

☐ Series must have overrides

☐ Series must have notes

OK Cancel Help

9. Click **OK** to add the filter to the list in the Filters dialog box.
10. Click **Close** in the Filters dialog box to return to the project.

## Chapter 10

# Running Reports

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---

## Overview of Reports

You can use reports to run custom SAS code against your project data. The reports in SAS Forecast Studio are created from stored processes. A stored process is a SAS program that is designed to be stored on a central server and accessed by numerous remote clients. Stored processes consist of two distinct parts: the SAS code and the stored process definition that resides on a metadata server.

One advantage to using stored processes to create reports is that you can include parameters in the stored process code. Including parameters in your code increases your ability to reuse code and also enables you to customize the report at run time. The author of the stored process can also specify whether parameters are required or whether you can use the default values. If a parameter is required, then you must specify a value before SAS Forecast Studio will run the report.

When you run a report, you can specify the output format as HTML, PDF, RTF, PS, CSV, or XML. You can also select a style for the output. By default, SAS Forecast Studio lists several available styles. However, you can specify any style in the SAS Output Delivery System (ODS).

---

## Sample Reports in SAS Forecast Studio

SAS Forecast Studio ships with a collection of sample reports. These reports are visible from the Reports and Stored Processes dialog box. For a description of each of the sample reports, see [“Sample Reports in SAS Forecast Studio” on page 263](#).

In addition to these sample reports, you might want to create your own reports. For more information, see [“Create a Report” on page 78](#).

*Note:* Some sample reports, included for illustration purposes, require SAS products (such as SAS OLAP Server) that are not directly licensed with SAS Forecast Server. If your site has licenses for these additional SAS products, then you can run these sample reports. If your site does not have licenses for these procedures, then these reports will not run properly. Warnings or errors appear in the SAS log when a procedure for an unlicensed SAS product is required. For more information about what is available at your site, contact your site administrator.

---

## Create a Report

Although SAS Forecast Studio ships with sample reports, you can create your own reports. To create a report, you must write the SAS code for the report and then register the code as a stored process in SAS Management Console.

For more information about how to write a stored process and make it available in SAS Forecast Studio, see "Additional Administration Tasks" in the *SAS Forecast Server: Administrator's Guide*.

---

## Generating a Report

### Run a Report

To run a report for the selected series:

1. Select **Tools** ⇒ **Reports and Stored Processes**. The Reports and Stored Processes dialog box appears.
2. From the tree, select the report that you want to run. When you select a report from the list, the Information pane displays a brief description (if one has been provided) and the date that the report was created.
3. Select the format and style of the output.
4. Specify whether to view the output immediately or to save the output to a file for later viewing.
5. Click **Run**. If the stored process code that generates the report includes any parameters that need to be customized at run time, a dialog box appears and prompts the user. If no parameters are included, then this dialog box does not appear.

After you have specified values for any required parameters, the report opens in a new Web browser window or is saved to the output location that you specified.

*Note:* If the report that you select requires information that the current project does not have, then an error message appears and the report does not run. For example, you cannot run a report that requires a reporting variable if you have not assigned any variables to the reporting role.

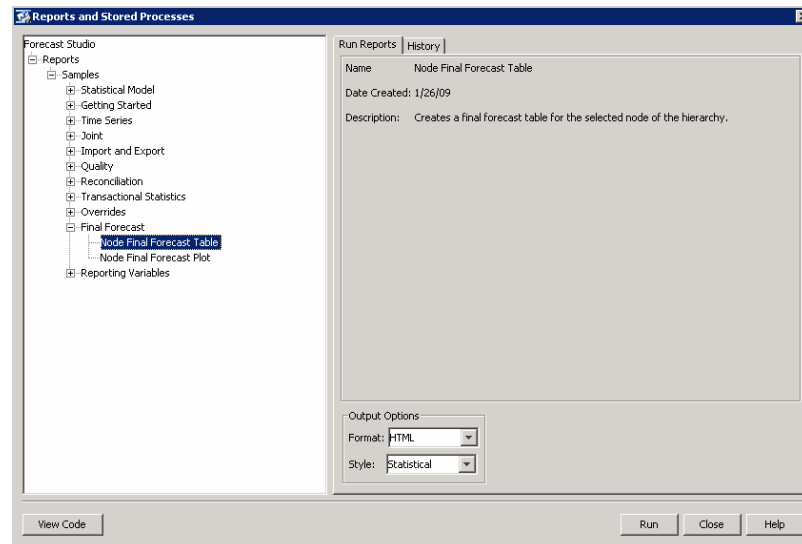
### Example: Generating a Report on the Final Forecasts for a Selected Node

To improve the accuracy of your forecasts, you added overrides to the Jan2003, Jun2003, Dec2003 time periods for the top node in the hierarchy. You want to generate a report that shows the impact of these overrides on the final forecasts.

To generate this report:

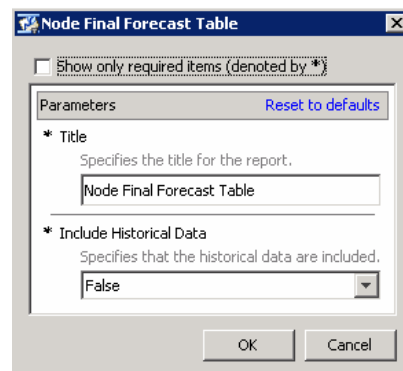
1. Select **Tools** ⇒ **Reports and Stored Processes**. The Reports and Stored Processes dialog box appears.
2. Expand the Reports, Samples, and Final Forecast nodes. In the Final Forecast node, select **Node Final Forecast Table** and click **Run**. By default, reports are generated in HTML.

**Display 10.1** Selected Report in Reports and Stored Processes Dialog Box



3. In the prompt dialog box, click **OK** to accept the default values for the prompts.

**Display 10.2** Example of a Prompt Dialog Box



A report (similar to the following) automatically opens in your Web browser.

**Display 10.3** Example of the Output from a Report

SAS Output - Windows Internet Explorer provided by SAS

C:\Documents and Settings\Local Settings\Temp\hpf4230.html

File Edit View Favorites Tools Help

SAS Output

**Node Final Forecast Table**

Variable Name=sale

Order Date	Predicted Values	Lower Confidence Limits	Upper Confidence Limits	Prediction Standard Errors	Final Prediction	Lower Confidence Limits Before Reconciling Overrides	Upper Confidence Limits Before Reconciling Overrides	Prediction Standard Errors Before Reconciling Overrides	Override Reconciliation Status
JAN2003	6680.61	6450.36	6910.87	117.477	6680.61	6450.36	6910.87	117.477	0
FEB2003	6954.81	6724.25	7185.38	117.638	6954.81	6724.25	7185.38	117.638	0
MAR2003	7015.61	6784.73	7246.49	117.798	7015.61	6784.73	7246.49	117.798	0
APR2003	7058.41	6827.22	7289.61	117.959	7058.41	6827.22	7289.61	117.959	0
MAY2003	7270.82	7039.30	7502.33	118.120	7270.82	7039.30	7502.33	118.120	0
JUN2003	7384.22	7152.39	7616.05	118.281	7384.22	7152.39	7616.05	118.281	0
JUL2003	7094.63	6862.48	7326.77	118.442	7094.63	6862.48	7326.77	118.442	0
AUG2003	7009.24	6776.78	7241.69	118.603	7009.24	6776.78	7241.69	118.603	0
SEP2003	7042.85	6810.07	7275.62	118.765	7042.85	6810.07	7275.62	118.765	0
OCT2003	6730.06	6496.97	6963.15	118.926	6730.06	6496.97	6963.15	118.926	0
NOV2003	6567.48	6334.07	6800.88	119.088	6567.48	6334.07	6800.88	119.088	0
DEC2003	6462.69	6228.97	6696.42	119.249	6462.69	6228.97	6696.42	119.249	0

Done My Computer 100%

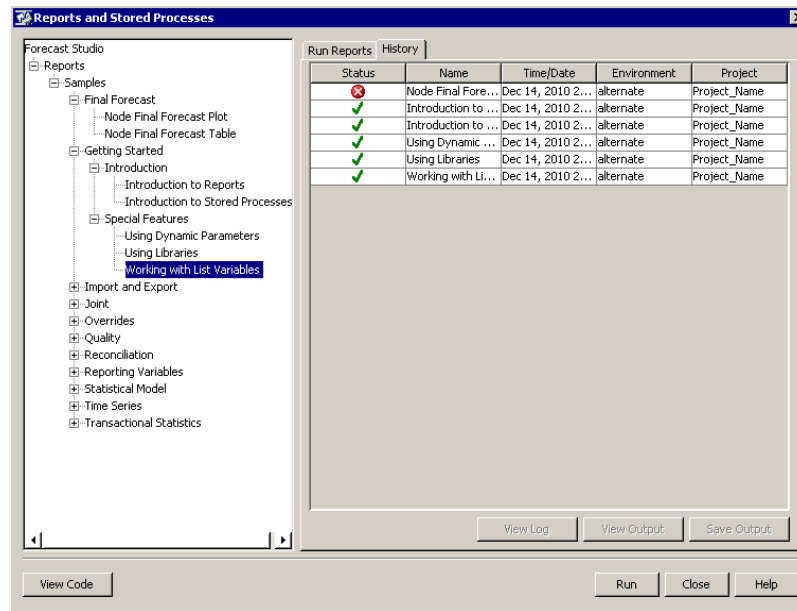
## View Your Report History

SAS Forecast Studio logs when you try to run a report and if the report ran successfully. After running several reports, you might want to compare the results from different reports or compare the results of the same report on different days.

To view your report history:

1. Select **Tools** ⇒ **Reports and Stored Processes**. The Reports and Stored Processes dialog box appears.
2. Click the **History** tab.

Here is an example of the contents in the **History** tab:



For any reports that failed, you can view the log to determine why the report failed. For any reports that ran successfully, you can view the log, view the output, or save the output.

## Save the Output from a Report

You might want to save the output for a report for future reference or to share the results with people in your organization who do not use SAS Forecast Studio. You can save the report output when you initially run the report. (For more information, see [“Run a Report” on page 78](#).) You can also save the output from the **History** tab in the Reports and Stored Processes dialog box.

To save the output for a report that you previously ran:

1. Select **Tools** ⇨ **Reports and Stored Processes**. The Reports and Stored Processes dialog box appears.
2. Click the **History** tab.
3. Select the report from the table and click **Save Output**. The Save dialog box appears.
4. Specify the location and filename for the output, and click **Save**.

If the output format uses multiple files (for example, HTML output generates several files), all files are saved to the same location. The filenames are assigned by the server. Do not change these filenames to ensure the referential integrity of the output.

Because of the number of output files, you might want to save your reports to an empty directory, so the files are associated with the report output.



## Part 4

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# Improving Your Forecasts

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## Chapter 11

# Working with Events

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## Understanding Events

### *What Is an Event?*

The most likely problem with your initial forecast model is that the model ignores a known event. You can improve the accuracy of your model by adding events. When you add or delete an event in a project, SAS Forecast Studio must reforecast the project in order for the models to reflect these changes.

An event is an incident that disrupts the normal flow of a process that generates the time series. Examples of events are holidays, retail promotions, and natural disasters. Defining an event enables you to model the effect that special events have on the

dependent time series. When you create and apply an event to a time series, SAS Forecast Studio creates an indicator variable (also called a dummy variable) that indicates the occurrence of the event at any time period. This indicator variable is used as a regressor variable for time series modeling and forecasting.

For example, retail sales data follows a fairly steady pattern depending only on the day of the week. However, when you include events such as a one-time New Year's Day promotion, the forecasting model can predict a temporary increase in sales and then return to normal sales levels after the event. Some yearly events that occur on a fixed date, such as New Year's Day, can be modeled as part of the regular seasonal model. Seasonal events that are most effectively modeled as regressors are those that occur on a different date each year, such as Thanksgiving.





You can use SAS Forecast Studio to predict the effect of a future event. Before the forecasting model can predict the effects of a future event, your data must include the effects of past occurrences of the event. For example, after reviewing your December sales data in the United States, you decide to create an event for next Christmas. SAS Forecast Studio must have data that explains how retail sales were impacted by previous Christmas events. Without this data, SAS Forecast Studio cannot predict the effect of the next Christmas event on retail sales.

In SAS Forecast Studio, the following components can define an event:

- the event type
- the occurrence
- the recurrence

## Event Types

In SAS Forecast Studio, you can select from four types of events.

Event Type	Shape of the Event	Description
pulse		Temporary change in the magnitude of a time series process. The magnitude returns to the former level immediately after the change.
level shift		Persistent change in the level of a time series process.
ramp		A sudden growth or decay in the trend or slope of a time series process. This change in growth could persist or end when the time series reaches a new level.
temporary change		Temporary change in the magnitude. The magnitude decays to the former level after the change.

## Event Occurrence

The occurrence is the date of the event. For each occurrence, you can specify the duration and the time period of the occurrence. For example, you want to create an event to reflect sales of candy for Halloween. In the United States, Halloween is celebrated on October 31, so you specify the date of the event as October 31. However, you anticipate higher than normal sales in the days before October 31. Therefore, you specify that the time of the occurrence is seven days before October 31.

## Event Recurrence

The recurrence is how frequently the event occurs and how long the recurrence should last. The event can recur at the same interval or at a longer interval as the interval for the time ID variable. You cannot specify a recurrence if you have selected two or more occurrences or if you select a holiday as the occurrence.

For example, your company has an annual 25% sale during the month of June. You create an occurrence for the month of June. Your forecasting model needs to reflect this yearly increase in sales. You create an indefinite recurrence that occurs before and after the selected occurrence date. Now, your model can account for the increase in sales for your historical data and for any future data that you record.

---

# Creating New Events

## Create an Event

To create a new event:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Click **New**. The Event Properties dialog box appears.
3. Specify a valid SAS name for the event. You can also specify a description for the event.
4. Click **Change** to specify an event type. For more information about these event types, see [“What Is an Event?” on page 85](#).
5. From the **Usage in system-generated models** drop-down list, specify whether an event is used for all of the models that SAS Forecast Studio generates. For more information, see [“How Events Are Used in Model Generation” on page 96](#).
6. Click **Add** to add an occurrence. From the Select Occurrences dialog box, select the time period for the occurrence and click **OK**. The **Occurrence** box in the Event Properties dialog box now displays a list of the occurrences for the event.

*Note:* The options that are available depend on the timestamp of your data.

7. To specify the options for the occurrence, click **Edit** next to the **Options** box. From the Event Options dialog box, you can specify the duration of the occurrences and the time of the occurrences.
8. To specify the recurrence, click **Edit** next to the **Recurrence** box. From the Event Recurrence dialog box, you can specify how frequently the event will recur and how long the recurrence will last.


*Note:* Before you can specify a recurrence, you must specify an occurrence. However, you cannot specify a recurrence if you have selected two or more occurrences or if you have selected a holiday for the event occurrence.

- Click **OK** to save the event. The new event appears in the Event Repository dialog box.

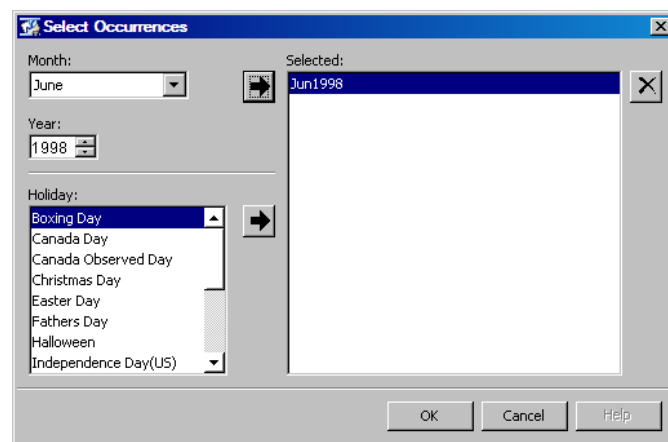
### Example 1: Creating an Event for Annual Promotion

Your company holds its annual sale during the month of June. Historical data shows that sales increase significantly during this month, so when forecasting your data, you want SAS Forecast Studio to try to include this event in model generation. The recurrence option in SAS Forecast Studio enables you to create an event and specify how frequently this event will occur. The following example shows how to create a pulse event for this annual promotion.

To create an event for the June promotion:

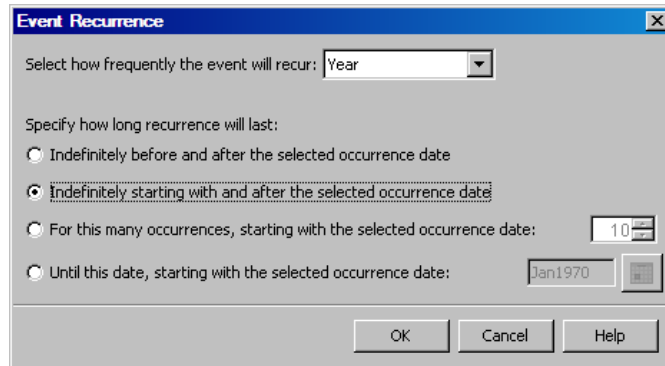
- Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
- Click **New**. The Event Properties dialog box appears.
- In the **Name** box, type **Annual\_Sale**.
- In the **Description** box, type **Event for annual sale in June**.
- To add an occurrence, click **Add**. The Select Occurrences dialog box appears.
- From the **Month** drop-down list, select **June** and click  to select this event.

**Display 11.1** Select Occurrences Dialog Box



Click **OK**. The **Occurrence** box in the Event Properties dialog box now lists Jun1998 as the occurrence of this event.

- To specify the recurrence, click **Edit**. The Event Recurrence dialog box appears.
- From the **Select how frequently the event will recur** drop-down list, select **Year**. To specify how long the recurrence will last, select **Indefinitely starting with and after the selected occurrence date**.

**Display 11.2** Event Recurrence Dialog Box


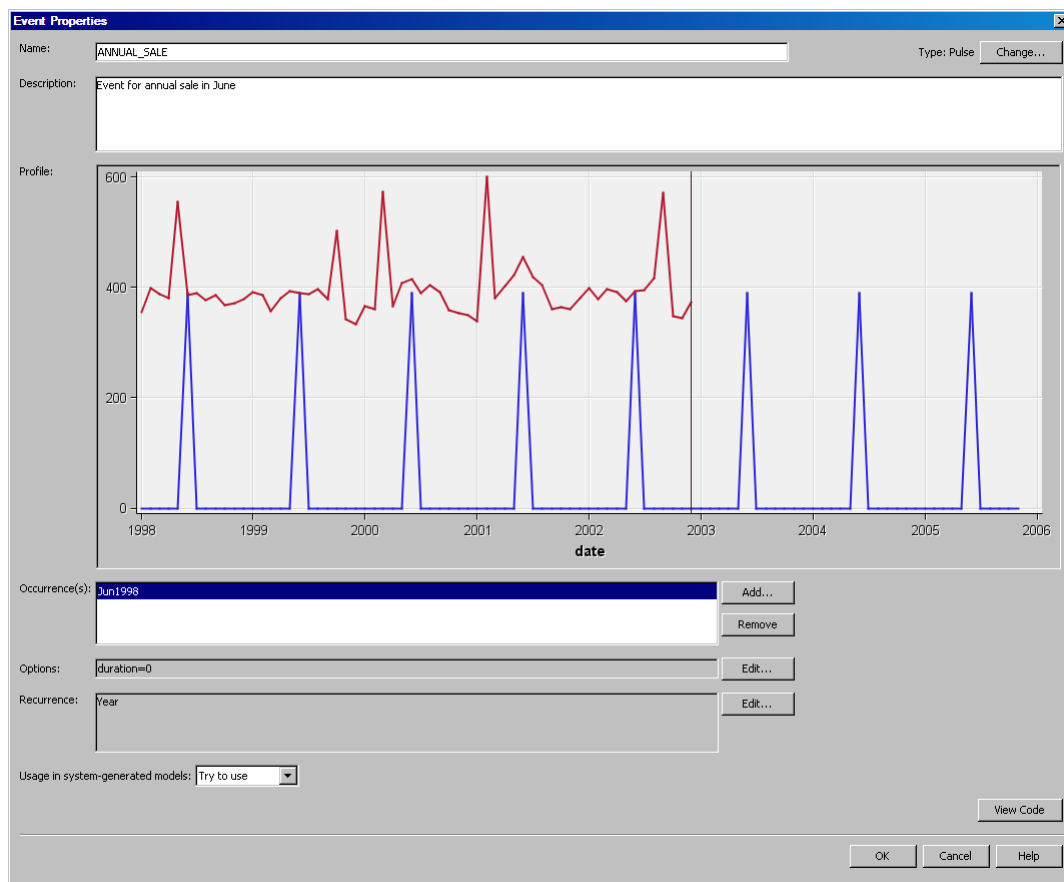
The **Event Recurrence** dialog box is shown. It has a title bar with a close button. The main area contains the following controls:

- Select how frequently the event will recur:** A dropdown menu set to **Year**.
- Specify how long recurrence will last:**
  - ☐ Indefinitely before and after the selected occurrence date
  - ☒ Indefinitely starting with and after the selected occurrence date
  - ☐ For this many occurrences, starting with the selected occurrence date: A text box containing **10**.
  - ☐ Until this date, starting with the selected occurrence date: A date field showing **Jan1970**.
- At the bottom are three buttons: **OK**, **Cancel**, and **Help**.

Click **OK**. The **Recurrence** box in the Event Properties dialog box now lists **Year** as the recurrence of the event.

- From the **Usage in system-generated models** drop-down list, select **Try to use**, so SAS Forecast Studio will try to use this event in all system-generated models.

The Event Properties dialog box looks similar to the following display:

**Display 11.3** Event Properties for an Annual Event


The **Event Properties** dialog box is shown for an event named **ANNUAL\_SALE**. It includes the following sections:


- Name:** **ANNUAL\_SALE** (with a **Change...** button).
- Description:** **Event for annual sale in June**.
- Profile:** A line graph showing the event's impact over time from 1998 to 2006. The y-axis ranges from 0 to 600. A red line shows the underlying data, and a blue line shows the event's pulse, which spikes to approximately 400 in June of each year.
- Occurrence(s):** A list box containing **Jun1998**. To its right are **Add...** and **Remove** buttons.
- Options:** A text box containing **duration=0** with an **Edit...** button.
- Recurrence:** A dropdown menu set to **Year** with an **Edit...** button.
- Usage in system-generated models:** A dropdown menu set to **Try to use**.
- At the bottom right is a **View Code** button.
- At the very bottom are **OK**, **Cancel**, and **Help** buttons.

- Click **OK** to create the event.

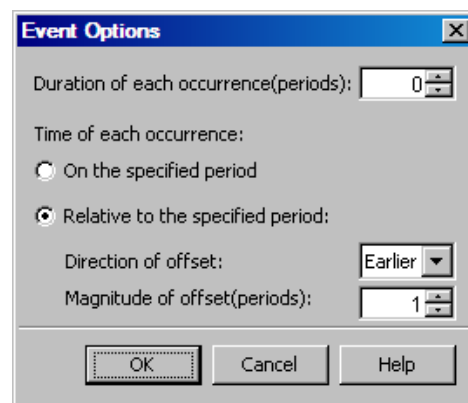
**Example 2: Creating an Event for a Holiday**

In the United States and Europe, your company has an increase in sales before the Christmas holiday. The following example shows how to create a pulse event for a holiday.

To create an event for a holiday:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Click **New**. The Event Properties dialog box appears.
3. In the **Name** box, type **Holiday\_Sale**.
4. To add an occurrence, click **Add**. The Select Occurrences dialog box appears.
5. From the list of predefined holidays, select **Christmas** and click  to select this event.  
Click **OK**. The **Occurrence** box in the Event Properties dialog box now lists Christmas Day as the occurrence of this event.
6. To specify options for the event, click **Edit** next to the **Options** box. The Event Options dialog box appears.
7. To specify that sales will increase before the event, select **Relative to the specified period** and select **Earlier** from the **Direction of offset** drop-down list.

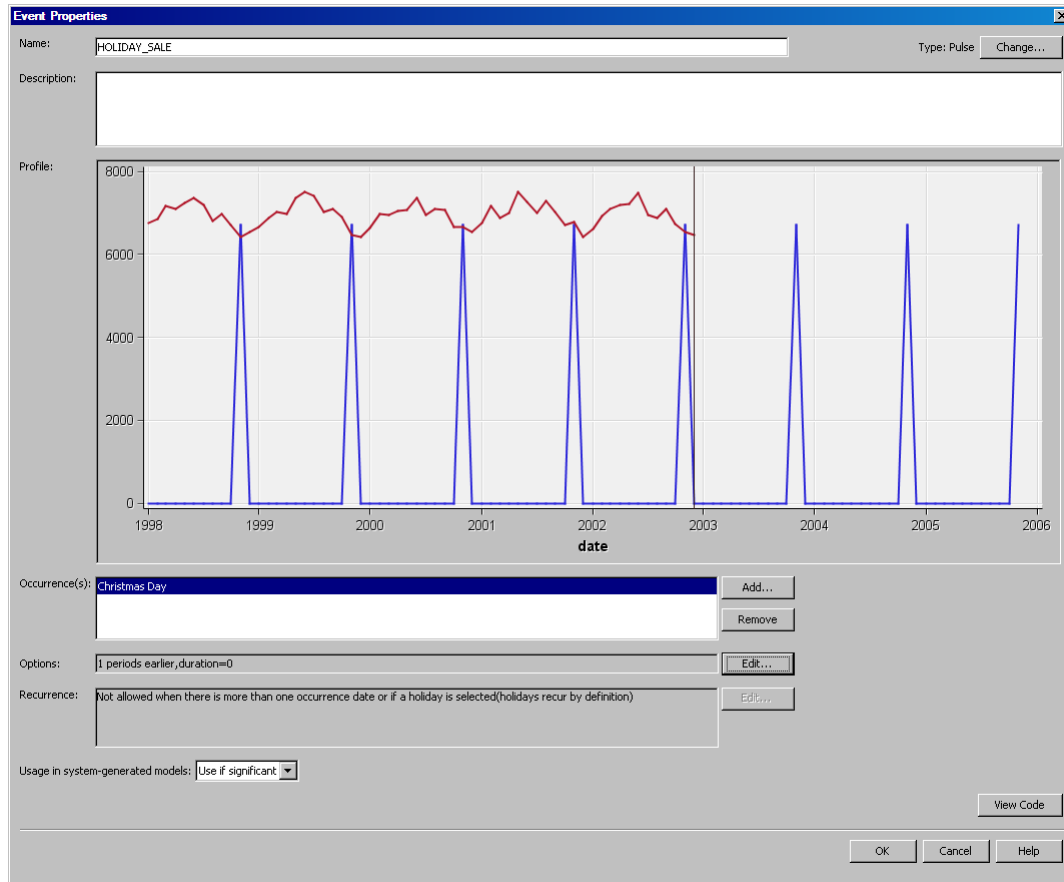
**Display 11.4** Event Options Dialog Box



Click **OK**. The **Options** box in the Event Properties dialog box now lists the timing and duration of the event.

The Event Properties dialog box looks like the following display:

**Display 11.5** Event Properties for a Holiday Event



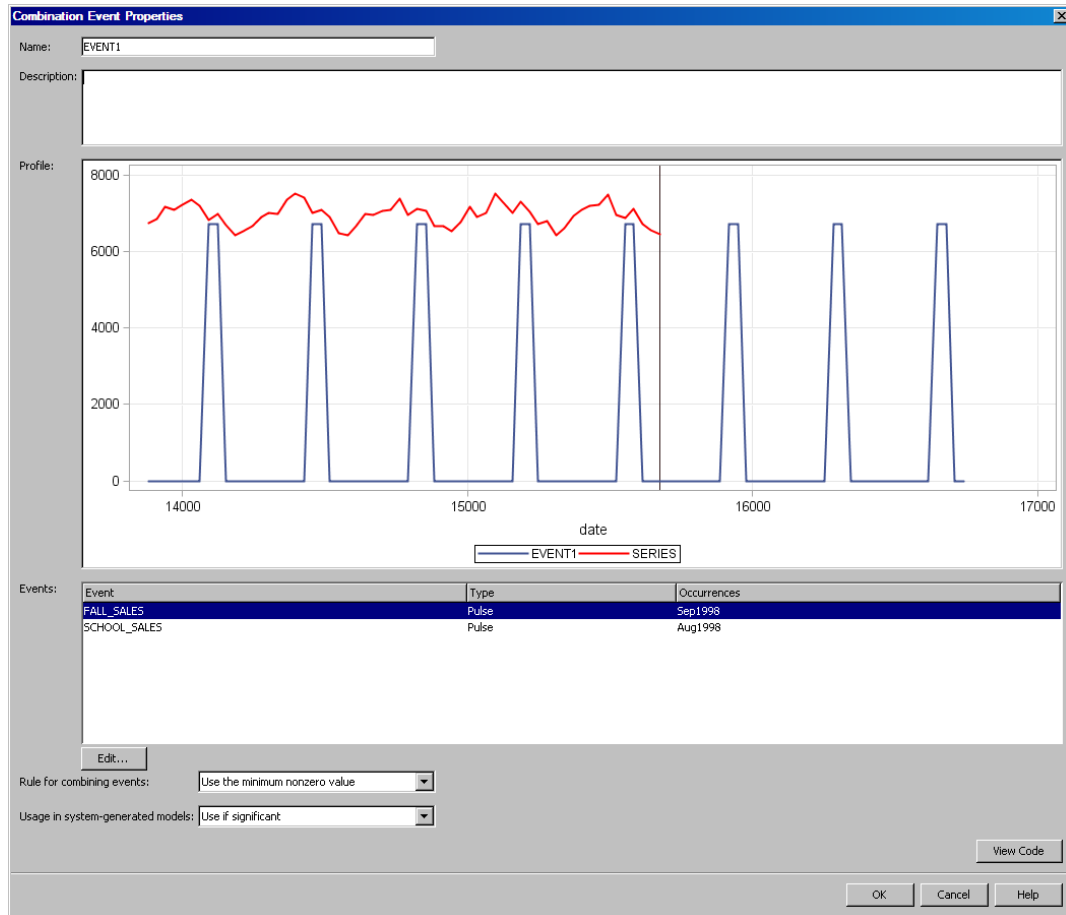
8. Click **OK** to create the event.

## Understanding Combination Events

### Combine Events

To combine events:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Click **Combine**. The Select Events dialog box appears.
3. Select the events that you want to combine and click **OK**. The Combination Event Properties dialog box appears.

**Display 11.6** Combination Event Properties Dialog Box

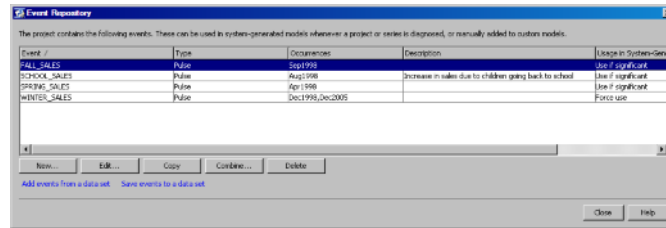
- Specify a name and a description for the combined event.
- Specify the events to include in the combination event. By default, the **Events** box lists the events in the combination event. To add or remove an event, click **Edit**.
- From the **Rule for combining events**, specify what value to use in the combination event.
- Click **OK**. The combined event appears in the Event Repository dialog box.

### Example 3: Creating an Event for Third-Quarter Sales

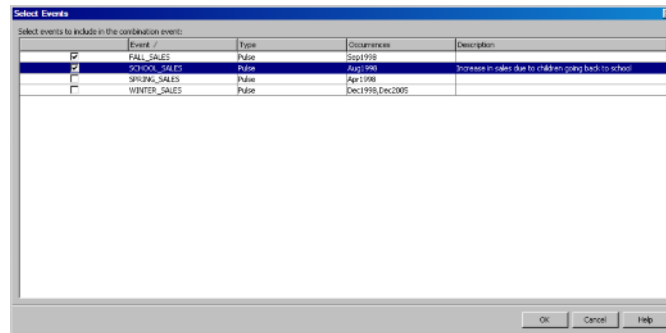
In your project, you have an event for back-to-school sales and an event for fall sales. You want to add the values in these two events to get a single event for third-quarter sales.

To create an event for third-quarter sales:

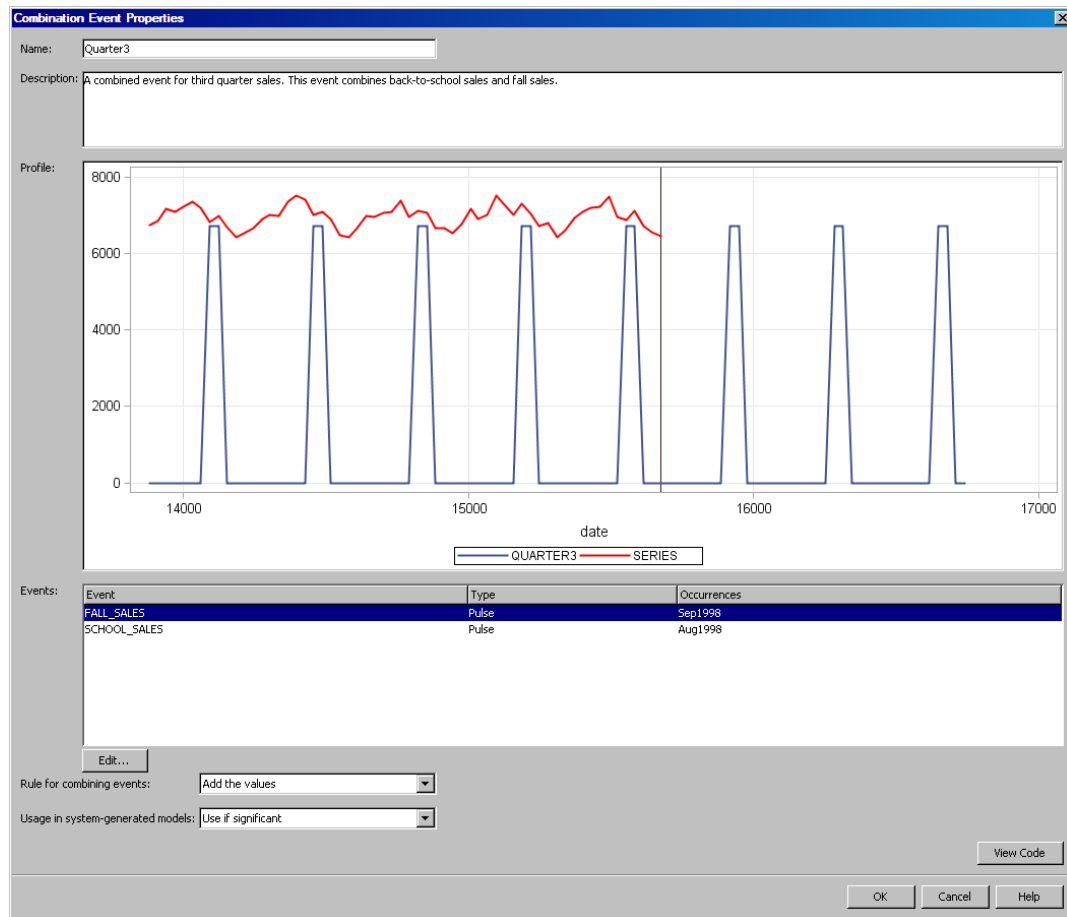
- Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.

**Display 11.7** Events in the Events Repository

2. Click **Combine**. The Select Events dialog box appears.
3. Select the check boxes for the FALL\_SALES and SCHOOL\_SALES events and click **OK**. The Combination Event Properties dialog box appears.

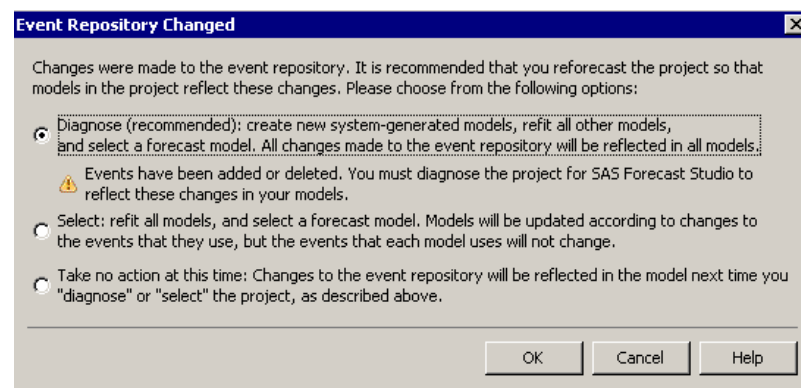
**Display 11.8** Select the Events

4. In the **Name** box, type **Quarter3** and in the **Description** box, type **A combined event for third-quarter sales**. This event combines back-to-school sales and fall sales.
5. From the **Rule for combining events** drop-down list, select **Add the values**.

**Display 11.9** Combination Event Properties Dialog Box for the Quarter3 Event

6. Click **OK**. The Quarter3 event now appears in the Event Repository dialog box.

You must reforecast the project to incorporate the new event in the project. SAS Forecast Studio displays the Event Repository Changed dialog box, so you can quickly reforecast the project.

**Display 11.10** Event Repository Changed Dialog Box

---

## Edit an Event

To edit an event:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Select the event to modify and click **Edit**. The Event Properties dialog box appears. The options in this dialog box are the same as when you created the event.
3. Edit the event properties that you want to change and click **OK**.

---

## Copy an Event

To copy an event:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Select an event and click **Copy**. The Event Properties dialog box appears. By default, the copied event is named **event-nameCOPYn** where **n** is the lowest integer value available.
3. Edit the event properties that you want to change and click **OK**. The new event appears in the Event Repository dialog box.

---

## Sharing Events

### **Add Events from a SAS Data Set**

You might want to use events that are saved in a repository that is external to SAS Forecast Studio. These event repositories can be created by using the HPFEVENTS procedure. When writing your SAS code, do not specify the CONDENSE option in the EVENTDATA statement. If you do, then the output data set does not include all of the variables that are required by SAS Forecast Studio. For more information about the HPFEVENTS procedure, see the *SAS High-Performance Forecasting: User's Guide*.

After the event repository data set is created, you can import these events into SAS Forecast Studio.

To import an event:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Click **Add events from a data set**. The Import Events dialog box appears.
3. Select the data set that contains the events that you want to import into your project.  
  
If an event with the same name already exists in your project, you are prompted whether to overwrite the event with the same name.
4. Click **OK**. The imported events appear in the list of events for the project.

## Save Events to a SAS Data Set

By saving events to a SAS data set, you can share events with other SAS Forecast Studio users at your site. This SAS data set is saved to an events repository. Other SAS Forecast Studio users can then import these events into projects that are running on the same SAS Workspace Server as the events repository.

To save an event to a data set:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Click **Save events to a data set**. The Save As dialog box appears.
3. To view the libraries on a server, double-click the name of the server.
4. Select the library where you want to save the SAS data set that contains the event data. You must have Write permission to save the events data set to the library that you select. You cannot save to the Sashelp or Sasuser libraries.
5. Specify a name for the data set in the **Data set name** text box.
6. Click **Save**.

*Note:* When you export an event, two SAS data sets are created. The first data set (called *data-set-name*) contains the variables for your event. The second data set (called *data-set-name2*) contains the information about whether the event should be included in the model generation. Only the *data-set-name* data set is visible in SAS Forecast Studio when you import an event. However, both data sets are automatically imported when you select the *data-set-name* data set. For more information, see [“Add Events from a SAS Data Set” on page 95](#).

---

## How Events Are Used in Model Generation

### Understanding How SAS Forecast Studio Interprets Events

For each event, you can specify how to include the event when SAS Forecast Studio generates the models. You can choose from the following options:

**Do not use**

does not include the event in the model.

**Try to use**

includes the event in the model if feasible and if the resulting model is stable and an improvement over the simple model.

**Use if significant**

includes the event in the model if feasible, if the resulting model is stable, an improvement over the simple model, and if the event is significant.

**Force use**

includes the event in the model if feasible.

This status is used for all the models that SAS Forecast Studio generates. However, you can also choose to include an event only in an ARIMA, Subset ARIMA, Unobserved Components, or Multiple Regression model. You add this event as part of the model specification. For more information, see [“Adding an Event to a Custom Model” on page 97](#).

## Specify the Event Status

To specify the status of an event for all the models that SAS Forecast Studio generates in the project:

1. Select **Project** ⇒ **Event Repository**. The Event Repository dialog box appears.
2. Select the event (or events) whose status you want to change.
3. From the drop-down list in the **Usage in System-Generated Models** column, specify how the event should be used in model generation. For more information about these options, see [“Understanding How SAS Forecast Studio Interprets Events” on page 96](#). For more information about these options, see [“Understanding How SAS Forecast Studio Interprets Events” on page 96](#).

*Note:* If you selected multiple events, then specifying the value of the **Usage in System-Generated Models** column for one event changes the value for all the selected events.

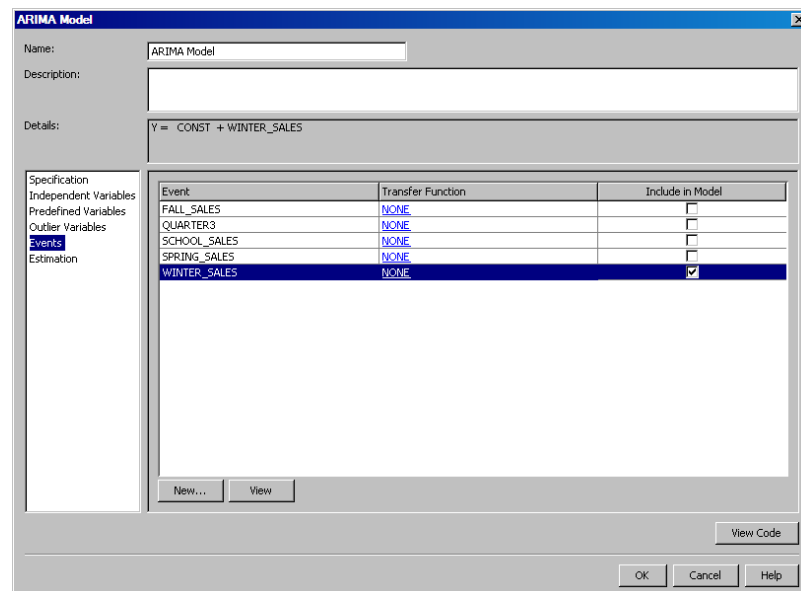
## Adding an Event to a Custom Model

### Add an Event to an ARIMA Model

To add an event only to an ARIMA model:

1. Open the ARIMA Model dialog box.
2. In the selection pane, click **Events**. All of the events in the project are available from the Events panel. To create a new event, click **New**.
3. In the **Include in Model** column, select the check box of the events that you want to include in the model.
4. For those events that you included in the model, click **NONE** in the **Transfer Function** column.

**Display 11.11** Events in the ARIMA Model Dialog Box



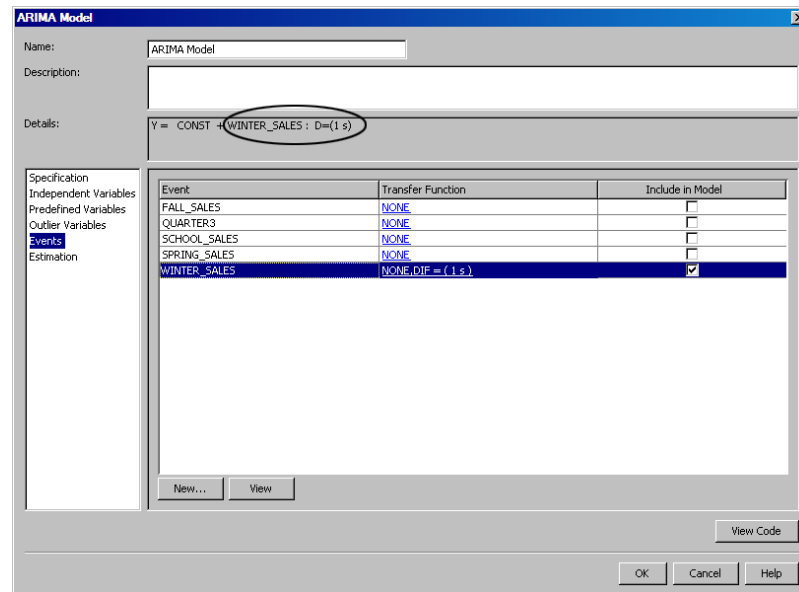
5. In the Transfer Function dialog box, specify the lagging periods, simple differencing, seasonal differencing, numerator factors, and denominator factors.

*Note:* Predefined events that are applied to custom ARIMA models must be manually differenced to match the specification.

Click **OK**.

You can now see the impact of the event from the Details area. The following example shows a model with the WINTER\_SALES event with simple and seasonal differencing.

**Display 11.12** Event in the ARIMA Model Specification



### Add an Event to a Subset (Factored) ARIMA Model

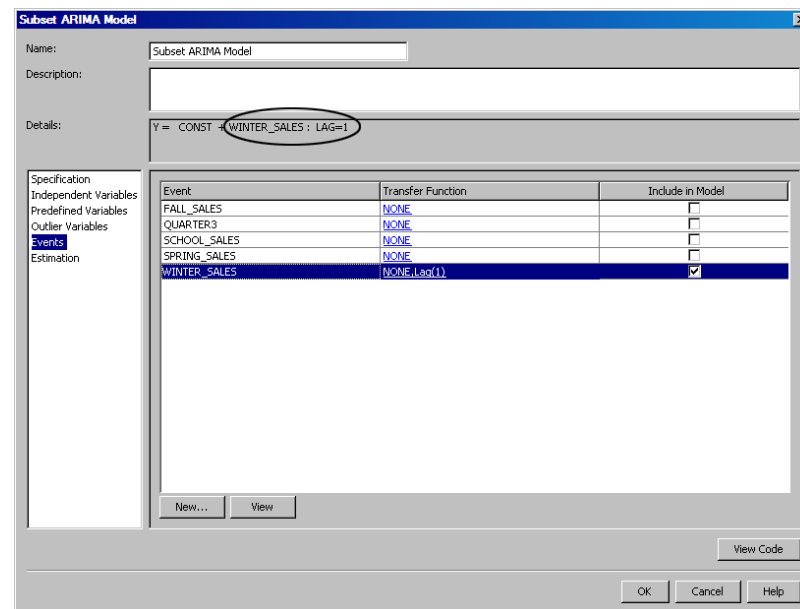
To add an event only to a subset ARIMA model:

1. Open the Subset ARIMA Model dialog box.
2. In the selection pane, click **Events**. All of the events in the project are available from the Events panel. To create a new event, click **New**.
3. In the **Include in Model** column, select the check box of the events that you want to include in the model.
4. For those events that you included in the model, click **NONE** in the **Transfer Function** column.
5. In the Transfer Function dialog box, specify the lagging periods, differencing order, numerator polynomial, and denominator polynomial.

Click **OK**.

You can now see the impact of the event from the Details area. The following example shows a model with the WINTER\_SALES event that includes a lag of one period.

**Display 11.13** Event in the Subset ARIMA Model Specification



### Add an Event to an Unobserved Components Model

To add an event only to an unobserved components model:

1. Open the Unobserved Components Model dialog box.
2. In the selection pane, click **Events**. All of the events in the project are available from the Events panel. To create a new event, click **New**.
3. In the **Include in Model** column, select the check box of the events that you want to include in the model.
4. For those events that you included in the model, click **NONE** in the **Transfer Function** column.
5. In the Transfer Function dialog box, specify the lagging periods and differencing order.

Click **OK**.

You can now see the impact of the event from the Details area. The following example shows a model with the WINTER\_SALES event that includes a lag of two periods and a differencing order of  $d=(1,2)$ .

**Display 11.14** Event in the Unobserved Components Model Specification

Event	Transfer Function	Include in Model
FALL_SALES	NONE	<input type="checkbox"/>
QUARTER3	NONE	<input type="checkbox"/>
SCHOOL_SALES	NONE	<input type="checkbox"/>
SPRING_SALES	NONE	<input type="checkbox"/>
WINTER_SALES	NONE, Lag(2), DIF = (1 2)	<input checked="" type="checkbox"/>

### Add an Event to a Multiple Regression Model

To add an event only to a multiple regression model:

1. Open the Multiple Regression dialog box.
2. In the selection pane, click **Events**. All of the events in the project are available from the Events panel. To create a new event, click **New**.
3. In the **Include in Model** column, select the check box of the events that you want to include in the model.

You can now see the impact of the event from the Details area. The following example shows a model with the FALL\_SALES and WINTER\_SALES events.

**Display 11.15** Event in the Multiple Regression Specification

**Multiple Regression Model**

Name: Multiple Regression Model

Description:

Details:  $Y = \text{CONST} + \text{FALL\_SALES} + \text{WINTER\_SALES}$

Specification

Independent Variables

Events

Events	Include in Model
FALL_SALES	<input checked="" type="checkbox"/>
QUARTER3	<input type="checkbox"/>
SCHOOL_SALES	<input type="checkbox"/>
SPRING_SALES	<input type="checkbox"/>
WINTER_SALES	<input checked="" type="checkbox"/>

New...

View Code

OK Cancel Help

## View the Effect of Events

You can view the effect of events from the forecast plot or the data table.

To view the effect of events:

1. Open the Forecasting View.
2. Select **View** ⇒ **Edit Forecasting View Properties**. The Forecasting View Properties dialog box appears.
3. For the forecast plot and data table, select the **Effect of events** check box.



## Chapter 12

# Working with Overrides

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## Understanding Overrides

### *What Is an Override?*

An override is a replacement value that you specify in place of a forecasted value. How the override is applied depends on whether you have forecasted your data hierarchically.

- If you have forecasted your data hierarchically, then the override is an adjustment that is done with respect to the reconciled statistical forecast.
- If you have not forecasted your data hierarchically, then the override is an adjustment that is done with respect to the statistical forecast.

You can specify overrides only for future values. Series that have an associated override are identified by the Override  icon.

Two types of overrides exist in SAS Forecast Studio:

- **Locked overrides.** A locked override is a user-supplied value for a forecast that is honored when the hierarchy is reconciled. When you specify a locked override, SAS Forecast Studio changes the final forecast to the override value.

- **Unlocked overrides.** An unlocked override is a user-supplied value for a forecast that acts as a guideline for the final forecast value. SAS Forecast Studio might not honor this override value.

You might want to add a note to explain each override. For more information, see [“Add a Note to a Series” on page 111](#).

### When Can You Specify an Override?

You can specify overrides only for future values.

When you are specifying overrides, it is important to remember the following:

- You can enter overrides only for the time ID values in the horizon. The horizon is determined by the value that you specify for the **Number of periods to forecast (horizon)** option in the Forecasting Settings dialog box and the end date for the series. The end date for the series is the largest time ID with a nonmissing value for the dependent variable.
- You cannot add overrides when the value for the **Number of periods to forecast (horizon)** option is less than the number of the **Calculate statistics of fit over an out-of-sample range** option. You cannot edit the time ID values in the horizon from the data table, and the Override Calculator is not available if this condition is met.

If you specified any overrides before this condition was met, then these previous overrides are not removed. The override icons are still visible in the hierarchy. If you make any additional changes to the values of the forecasting options that remove this condition, then these overrides will become visible in the Forecasting View.

- You cannot add a negative override if negative forecasts are not allowed in the project. To allow negative forecasts, you must select the **Allow negative forecasts** check box in the Forecast panel of the Forecasting Settings dialog box.

For more information, see [“Specify the Number of Periods to Forecast” on page 65](#).

### How Are Overrides Processed?

How SAS Forecast Studio processes overrides depends on whether any override conflicts are detected and how SAS Forecast Studio resolves conflicts between locked overrides. When setting up a hierarchy, you can choose whether the conflicts are resolved before reconciliation or the conflicts are ignored. For more information, see [“Understanding Reconciliation” on page 115](#).

If you require that conflicts be resolved before reconciliation, then SAS Forecast Studio uses the following process:

1. When you add an override, a "Reconciliation needed" message appears at the top of the Forecasting View.
2. When you click **Reconcile**, SAS Forecast Studio checks for conflicts in the locked overrides.
  - If no conflicts are detected, SAS Forecast Studio performs an override reconciliation. During the reconciliation, one of the following events occurs:
    - The hierarchy is fully reconciled, and the reconciliation message in the Forecasting View disappears.
    - SAS Forecast Studio cannot reconcile the hierarchy. A "Reconciliation failed" message appears at the top of the Forecasting View. Click **View** to

view the unreconciled nodes. For more information, see [“Working with Reconciliation Failures” on page 118](#).

*Note:* Unreconciled nodes occur only if you restrict the direction of the reconciliation. For more information, see [“Specify the Advanced Reconciliation Options” on page 117](#).

- If conflicts are detected, the Override Conflicts dialog box appears. You view and resolve any conflicts.

After all the conflicts are resolved, SAS Forecast Studio reconciles the hierarchy. During the reconciliation, one of the following events occurs:

- The hierarchy is fully reconciled, and the reconciliation message in the Forecasting View disappears.
- SAS Forecast Studio cannot reconcile the hierarchy. A "Reconciliation failed" message appears at the top of the Forecasting View. Click **View** to view the unreconciled nodes. For more information, see [“Working with Reconciliation Failures” on page 118](#).

*Note:* Unreconciled nodes occur only if you restrict the direction of the reconciliation. For more information, see [“Specify the Advanced Reconciliation Options” on page 117](#).

If you choose to ignore the conflicts, then SAS Forecast Studio uses the following process:

- a. When you add an override, a "Reconciliation needed" message appears at the top of the Forecasting View.
- b. When you click **Reconcile**, SAS Forecast Studio tries to reconcile the hierarchy. During the reconciliation, one of the following events occurs:
  - The hierarchy is fully reconciled, and the reconciliation message in the Forecasting View disappears.
  - SAS Forecast Studio cannot reconcile the hierarchy. A "Reconciliation failed" message appears at the top of the Forecasting View. Click **View** to view the unreconciled nodes. For more information, see [“Working with Reconciliation Failures” on page 118](#).

The Reconciliation Failure Report lists the unreconciled nodes and any conflicts if they were detected but ignored. If there is no restriction on the direction of the reconciliation, then resolving any override conflicts will eliminate the unreconciled nodes. However, if you restricted the direction of the reconciliation, then resolving all the override conflicts might reduce, but not necessarily eliminate, the number of unreconciled nodes. For more information, see [“Specify the Advanced Reconciliation Options” on page 117](#).

## Adding Overrides

### About Adding Overrides

You can add an override in the following ways:

- from the data table of the Forecasting View. To override a single value, enter the override value in the Overrides row of the data table. For more information, see [“Adding Overrides in the Forecasting View” on page 106](#).

To apply overrides to several time periods, use the Override Calculator. For more information, see [“Using the Overrides Calculator” on page 108](#).

- by selecting a filter or branch of the hierarchy in the Branch/Filter Overrides dialog box. For more information, see [“Specify Overrides for a Branch or Filter” on page 110](#).

*Note:* If you clear the **Allow negative forecasts** check box, then the project is reforecast, and any overrides with negative values are removed. For more information, see [“Specify the Number of Periods to Forecast” on page 65](#).

For each override, you can specify whether the override is locked or unlocked. This locking determines how SAS Forecast Studio treats the override during the reconciliation process. For more information, see [“Lock and Unlock Overrides” on page 111](#).

You might also want to add a note to the series to explain the overrides. For more information, see [“Add a Note to a Series” on page 111](#).

### Adding Overrides in the Forecasting View

#### Entering Overrides in the Data Table

To add an override from the data table in the Forecasting View:

1. In the Overrides row, double-click in the cell for the time period that you want to override.
2. Type the override value and press ENTER.

After you have added an override, you can edit it by double-clicking in the cell and then typing the new value.

*Note:* If you cannot add an override to a future value, see [“When Can You Specify an Override?” on page 104](#).

#### Copying and Pasting Overrides

In SAS Forecast Studio, you can update overrides by using the copy and paste functionality.

- You can copy overrides from one time period to another time period in the same series.
- You can copy overrides from one time period to another time period in different series.

- You can also copy override values from a Microsoft Excel worksheet. Use tab (\t) as the separator between override values.

The copied values are pasted irrespective of time IDs, starting from the selected cell. If the copied values contain an invalid value, then the invalid value is dropped and only the valid values will be pasted.

Here are some examples of how the copy and paste functionality works.

- This first example shows what happens if your data includes an invalid value.

First, you copy the following values from Microsoft Excel:

**Table 12.1** Example 1: Override Values in Excel

Column 1	Column 2	Column 3	Column 4
1250	1350	abc	1650

The copied values are placed on the Windows clipboard. In SAS Forecast Studio, you select the cell in the data table where you want to paste the override from Column 1, and then press **CTRL+V**. The following values appear in the data table:

**Table 12.2** Example 1: Updated Override Values in SAS Forecast Studio

Pasted Value 1	Pasted Value 2	Pasted Value 3	Pasted Value 4
1250	1350		1650

The value for Column 3 (abc) is an invalid value, so it is not pasted into the data table. Instead, this value is dropped.

- This second example shows how blank values are retained when you copy values from Excel to SAS Forecast Studio.

First, you copy the following values from Microsoft Excel:

**Table 12.3** Example 2: Override Values in Excel

Column 1	Column 2	Column 3	Column 4
1250			1650

The copied values are placed on the Windows clipboard. In SAS Forecast Studio, you select the cell in the data table where you want to paste the override from Column 1, and then press **CTRL+V**. The following values appear in the data table:

**Table 12.4** Example 2: Updated Override Values in SAS Forecast Studio

Pasted Value 1	Pasted Value 2	Pasted Value 3	Pasted Value 4
1250			1650

Because you do not have to specify an override value for each value in the series, blank values are valid values for overrides in SAS Forecast Studio. As a result, the blank values from Excel appear in the data table.

## Using the Overrides Calculator

### Add an Override by Using the Override Calculator

To create an override by using the Override Calculator:

1. Select **Series** ⇒ **Override Calculator**. The Override Calculator appears.  
If the Override Calculator is not available, see [“When Can You Specify an Override?” on page 104](#).
2. Select the time periods that you want to override.  
*Note:* Any time periods that you have selected in the data table in the Forecasting View are automatically selected.
3. Specify how to calculate the overrides for the selected time periods. You can base the override values on an existing value, such as the reconciled forecast, the statistical forecast, current overrides, or the final forecast. You can also choose to set the override values for the selected time periods to a specific value. This value could be assigned proportionally, evenly, or equally (all selected time periods are assigned the same value).
4. Click **OK** to save your changes and close the Override Calculator.

### Example 1: Basing the Override on an Existing Value

To create overrides for the Feb2003 and Mar2003 time periods that are 15% less than the value of the final forecast:

1. Select the Region2 > Line2 series in the hierarchy view.
2. In the Forecasting View, select the Feb2003 and Mar2003 time periods in the data table.
3. Select **Series** ⇒ **Override Calculator**. The Override Calculator appears.
4. For how to calculate the override values, select **Base on existing values**. Then specify the following options:
  - a. From the drop-down list, select **Final Forecast**.
  - b. In the first box, select **-**.
  - c. In the text box, type **15**.
  - d. From the drop-down list, select **%**.

The Override Calculator appears similar to the following display:

**Display 12.1** Creating an Override Based on the Final Forecast

5. Click **OK**.

The new override values appear in the Override row of the data table.

**Display 12.2** Override Values for Feb2003 and Mar2003 Time Periods

Active series	Nov2002	Dec2002	Jan2003	Feb2003	Mar2003	Apr2003	May2003	Jun2003	Jul2003	Aug2003
Historical Data	1695.000000	1556.000000								
Forecast Model	1758.823104	1614.022406	1705.956111	1746.442398	1675.032112	1780.458664	1835.094515	1843.410438	1722.348345	1796.526790
Reconciled Forecast	1698.890060	1566.899131	1689.332776	1808.974670	1741.591621	1802.317549	1850.576464	1930.003697	1754.415494	1776.628120
Override				1989.872137	1915.750783					
Lock Override				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>					
Final Forecast			1583.209764	1808.974670	1741.591621	1802.317549	1850.576464	1930.003697	1754.415494	1776.628120

### Example 2: Splitting a Value Proportionally between Time Periods

In this example, you want to create overrides for the Feb2003 and Mar2003 time periods. However, you want these overrides set to a specific value. The value for each time period is determined by the proportion of the current forecasts for the two time periods.

To create these override values:

1. Select the Region2 > Line2 series in the Hierarchy View.
2. In the Forecasting View, select the Feb2003 and Mar2003 time periods in the data table.
3. Select **Series** ⇒ **Override Calculator**. The Override Calculator appears.
4. For how to calculate the override values, select **Set to a value**. Then specify the following options:
  - a. In the text box, type 2500.
  - b. From the **Distribute value among periods** drop-down list, select **Split proportional to the current forecast**.

The Override Calculator appears similar to the following display:

**Display 12.3** Setting an Override to a Specific Value

5. Click **OK**.

The new override values appear in the Override row of the data table.

**Display 12.4** Override Values for Feb2003 and Mar2003 Time Periods

Active series											
		Dec2002	Jan2003	Feb2003	Mar2003	Apr2003	May2003	Jun2003	Jul2003	Aug2003	Sep2003
Historical Data	D0	1486.000000									
Forecast Model	E5	1485.442688	1526.634067	1532.040381	1534.650914	1535.893216	1553.147548	1536.711729	1536.797485	1536.805348	1536.7754
Reconciled Forecast	P6	1442.073448	1511.758099	1586.895879	1595.632198	1554.749545	1566.250825	1608.897974	1565.409997	1519.783401	1553.6555
Override				1246.568640	1253.431360						
Lock Override				<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Final Forecast			1416.790236	1586.895879	1595.632198	1554.749545	1566.250825	1608.897974	1565.409997	1519.783401	1553.6555

To determine the proportion for each override value, SAS Forecast Studio uses the following calculations:

Time Period	Proportion of Total Forecast	Override Value
Feb2003	$\frac{1586.895879}{3182.527859} = .498627$	$.498627 * 2500 = 1246.568540$
Mar2003	$\frac{1595.632198}{3182.527859} = .501373$	$.501373 * 2500 = 1253.431360$

### Specify Overrides for a Branch or Filter

To apply overrides to a series in a branch of the hierarchy or to a series that meets the criteria for a project filter:

1. Select **Project** ⇒ **Branch/Filter Overrides**. The Branch or Filter Overrides dialog box appears.
2. Select the location of the series. You can choose from these options:
  - **Select from filter**. This option is selected by default, and the results of the project's default filter are displayed in the Branch/Filter Overrides dialog box.

You can select a different filter or create a new filter. After you have selected the filter, select the series where you want to apply the overrides.

- **Select from branch.** If you select this option, then select the branch of the hierarchy that contains the series where you want to apply the overrides. All series in the selected branch are selected. This option is available only if you forecast hierarchically.
3. Select the cells that you want to override and specify the new override value. You can apply individual overrides by entering a value directly into the table. You can also select multiple cells and specify override values by using the Override Calculator.

---

## Lock and Unlock Overrides

To lock an individual override:

1. In the SAS Forecast Studio workspace, open the Forecasting View and scroll to the data table.
2. In the Lock Override row of the data table, select the check boxes for the overrides that you want to lock.


To unlock an override, clear the check box.

To lock several overrides, select the overrides in the data table and select **Series** ⇒ **Lock Selected Overrides**. To unlock several overrides, select the overrides in the data table and **Series** ⇒ **Unlock Selected Overrides**.

If SAS Forecast Studio cannot resolve any override conflicts, then you can also unlock overrides from the Override Conflicts dialog box.

---

## Add a Note to a Series


When you specify an override for a forecasted value, you might want to document why you specified this override. In SAS Forecast Studio, you can add notes to series to document any changes that you might have made. The note is automatically saved with the series when you select a different series in the hierarchy or the table view. Series that have an associated note are identified in the hierarchy with a Note  icon. The notes persist when you close the project.

To enter a note:

1. In the hierarchy or table view, select a series.
2. Select **View** ⇒ **Notes**. The Notes box appears at the bottom of the **Hierarchy View** tab or the **Table View** tab.
3. In the text box, type your note. This note cannot exceed 2,000 characters.

## Remove Overrides

You can remove overrides in the following ways:

- To remove individual overrides, in the Overrides row of the data table select the cell of the override that you want to delete and click .
- To remove all the overrides in the current forecast horizon, select **Project** ⇒ **Remove All Overrides**. In the warning that appears, click **Remove** to remove the overrides.
- To delete the overrides in a series, select the overrides that you want to delete and select **Series** ⇒ **Delete Selected Overrides**.

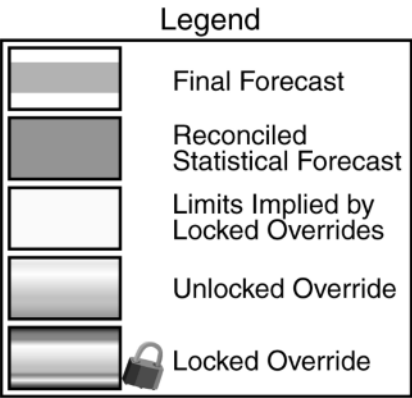
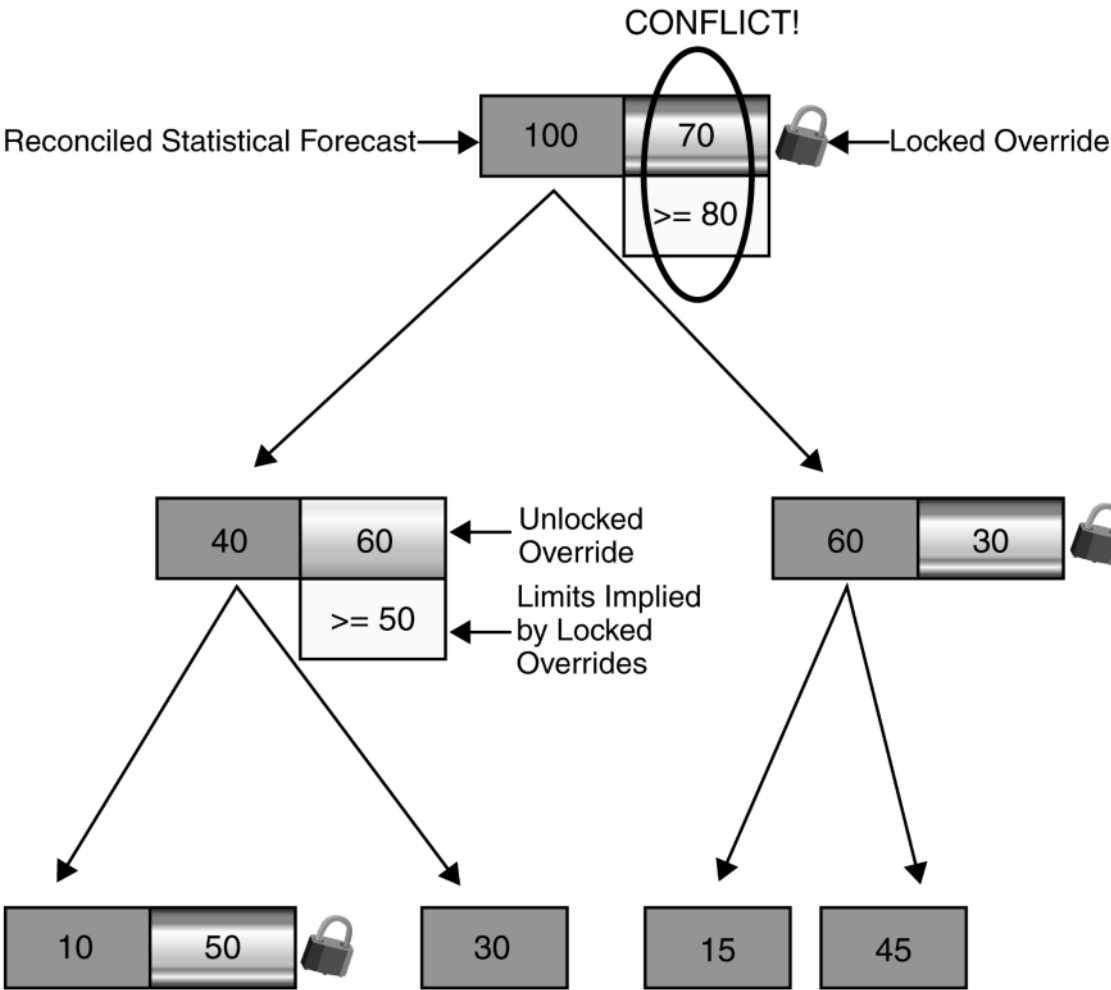
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## Working with Override Conflicts

### *What Is an Override Conflict?*

An override conflict is a condition that occurs when a locked override for a given time interval violates the limits implied by locked overrides at the same time interval but in lower levels of the hierarchy.

The following figure shows an example of this conflict.



## Resolve Override Conflicts

SAS Forecast Studio detects conflicts between locked overrides. When SAS Forecast Studio reconciles the hierarchy, any conflicts appear in the Override Conflicts dialog box.

To resolve conflicts:

1. From the **Date** pane, select a time period. The right pane of the dialog box shows the conflict for the time period that you selected.
2. To resolve a conflict, you can do the following in the Parent and Children tables:
  - Deselect the check boxes for the overrides that can be unlocked.
  - Change the override value in the table.

*Note:* For more information about when you can specify an override, see [“When Can You Specify an Override?” on page 104](#).

3. (Optional) Repeat steps 1 and 2 for all of the time periods in the **Date** pane.
4. Click **Reconcile**. SAS Forecast Studio attempts to reconcile the hierarchy. After this reconciliation has completed, a message appears. Click **Yes** to close this message.

## Chapter 13

# Understanding Hierarchy Reconciliation

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## Understanding Reconciliation

If you add an override to data that is forecasted hierarchically, then you must reconcile the hierarchy before SAS Forecast Studio can calculate the final forecast. SAS Forecast Studio might not be able to reconcile the hierarchy for a variety of reasons. These failures appear in the Reconciliation Failure dialog box.

How SAS Forecast Studio reconciles the hierarchy depends on the values that you set for the advanced reconciliation options. Using these options, you can specify the following:

- the disaggregation method for the hierarchy  
You can choose from the following options:
  - **Equal Split of the Difference** - reconciles the forecast based on forecast deviations between levels.
  - **Forecast Proportions** - reconciles the forecast based on the historical mean.
- how you want to resolve conflicts between locked overrides

- whether to restrict the direction of reconciliation

Depending on the combination of options that you select, your results could be slightly different. For more information, see [“Specify the Advanced Reconciliation Options” on page 117](#).


The following table explains the possible combinations that you can select and the events that result:

How SAS Forecast Studio Resolves Conflicts	Reconciliation Direction	Result
Require that conflicts be resolved before reconciliation	No restriction	<p>When reconciling the hierarchy, SAS Forecast Studio determines whether there are any conflicts. If conflicts exist, they appear in the Override Conflicts dialog box. In this dialog box, you perform either of the following tasks:</p> <ul style="list-style-type: none"> <li>• You can close this dialog box, and the hierarchy remains unreconciled.</li> <li>• You can resolve any conflicts, and SAS Forecast Studio reconciles the hierarchy.</li> </ul>
Ignore conflicts	No restriction	<p>You might select these options if you want to reconcile the hierarchy as best as possible, but still allow a few conflicts.</p> <p>When reconciling the hierarchy, SAS Forecast Studio determines whether there are any conflicts. However, because any conflicts should be ignored, the Override Conflicts dialog box does not open if conflicts are detected.</p> <p>Instead the Reconciliation Failure dialog box appears. This report lists the override conflicts and the reconciliation failures. The relationship between the conflicts and the reconciliation failures is one-to-one. (For every conflict, there should be a reconciliation failure.)</p>
Require that conflicts be resolved before reconciliation	Restrict direction	<p>Before reconciling the hierarchy, SAS Forecast Studio determines whether there are any conflicts. If conflicts exist, they appear in the Override Conflicts dialog box. In this dialog box, you perform either of the following tasks:</p> <ul style="list-style-type: none"> <li>• You can close this dialog box, and the hierarchy remains unreconciled.</li> <li>• You can resolve any conflicts, and SAS Forecast Studio reconciles the hierarchy.</li> </ul> <p>However, there could be reconciliation failures even if the override conflicts are resolved. In general, an override conflict implies a reconciliation failure, but failures are not always due to override conflicts. Therefore, resolving override conflicts reduces the number of reconciliation failures, but might not eliminate all of the failures. If additional failures exist, then the Reconciliation Failure dialog box appears and shows the reconciliation failures.</p>

How SAS Forecast Studio Resolves Conflicts	Reconciliation Direction	Result
Ignore conflicts	Restrict direction	<p>You might want to select these options if you want SAS Forecast Studio to reconcile the hierarchy with restrictions but without intervention.</p> <p>Before reconciling the hierarchy, SAS Forecast Studio determines whether there are any conflicts. However, because any conflicts should be ignored, the Override Conflicts dialog box does not open if conflicts are detected.</p> <p>Instead the Reconciliation Failure dialog box appears. This report lists the override conflicts and the reconciliation failures. The relationship between the conflicts and the reconciliation failures is not necessarily one-to-one. Additional reconciliation failures might have occurred.</p>

## Reconcile the Hierarchy

You can reconcile the hierarchy in the following ways:

- Click  in the toolbar.
- Select **Project** ⇒ **Reconcile Hierarchy**.
- If the "Reconciliation needed" message appears in the Forecasting View, then you can click **Reconcile**.

## Specify the Advanced Reconciliation Options

You might want to specify the reconciliation options for any overrides that you have specified.

To specify the reconciliation options for overrides:

1. Select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
2. Click **Advanced**. The Advanced Reconciliation Settings dialog box appears.
3. Select the disaggregation method.
4. Specify whether to ignore zero forecasts during reconciliation.
5. Select the **Use confidence interval widths in reconciliation magnitude calculations** check box to specify that the loss function for top-down reconciliation be weighted by the inverse of the variance of the input forecasts. For more information about this option, see the HPFRECONCILE procedure in the *SAS High-Performance Forecasting: User's Guide*.

6. Specify how to resolve conflicts between locked overrides.
7. Specify whether to restrict the direction of the reconciliation.
8. Click **OK**.

---

## Working with Reconciliation Failures

### About the Reconciliation Failure Report

The Reconciliation Failures dialog box shows the nodes in the hierarchy that could not be reconciled. The table contains the following information:

- the time period for the unreconciled node
- the name of the unreconciled node
- the value of the override
- the final forecast of the unreconciled node based on the final forecasts for the nodes in the lower levels of the hierarchy

An unreconciled node could occur for a variety of reasons. For example, unreconciled nodes might result from override conflicts or if you restricted the direction of the reconciliation direction. For more information about how to specify the direction of the reconciliation, see [“Specify the Advanced Reconciliation Options” on page 117](#).

### How to View Unreconciled Nodes

To view and resolve any reconciliation failures:

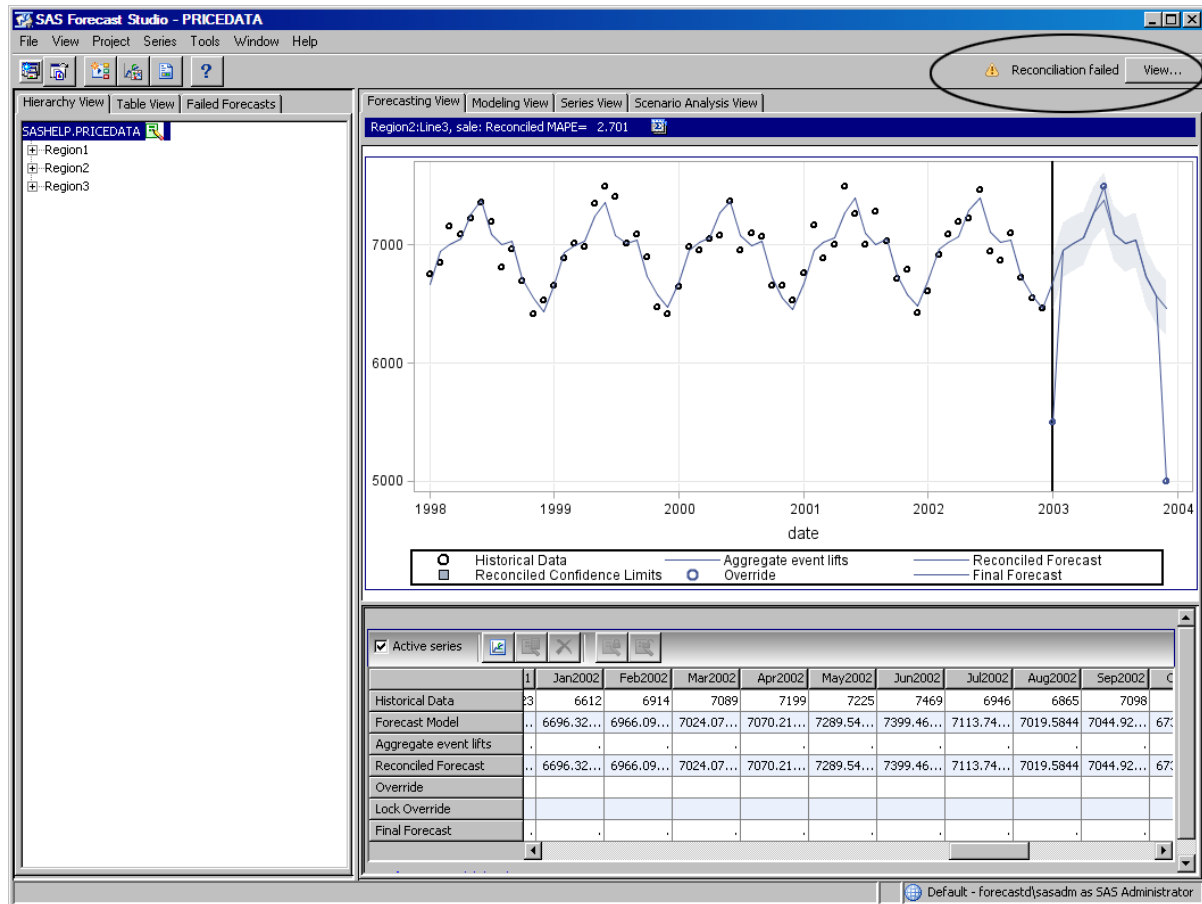
1. If you have unreconciled nodes in your hierarchy, then you can view the reconciliation failures in the following ways:
  - Select **Project** ⇒ **Reconciliation Failure**.
  - Click **View** next to the "Reconciliation failed" message at the top of the workspace.
2. To resolve reconciliation failures that are the result of override conflicts, select **Resolve conflicts**. The Overrides Conflict dialog box appears.
3. Resolve any conflicts in the Overrides Conflict dialog box and click **Reconcile**. For more information, see [“Resolve Override Conflicts” on page 114](#).

### Example: Resolving Unreconciled Nodes

In the following example, the reconciliation failure report lists six unreconciled nodes. This example shows how you can determine which unreconciled nodes are due to override conflicts. It also explains other reasons why you might get an unreconciled node and how you might choose to resolve these failures.

After SAS Forecast Studio generates the forecasts for the project, you notice the "Reconciliation failed" message at the top of the workspace.

**Display 13.1** Reconciliation Failed Message in the Workspace

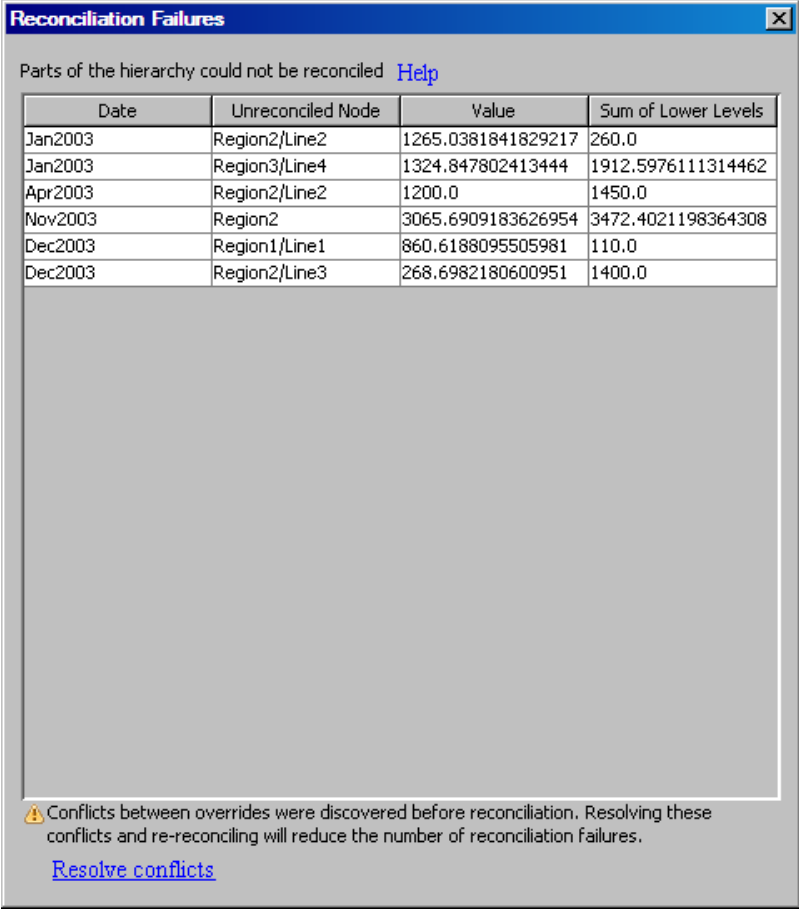


To view and resolve the reconciliation errors:

1. Click **View** to open the Reconciliation Failures dialog box.

In this dialog box, you see six unreconciled nodes.

**Display 13.2** Reconciliation Failures with Override Conflicts

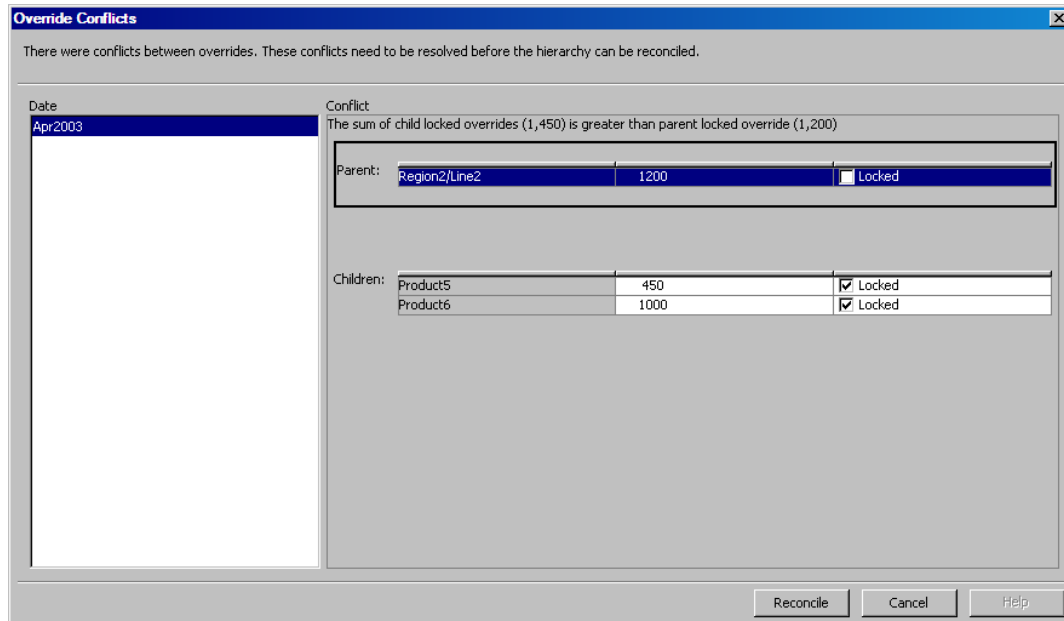


Date	Unreconciled Node	Value	Sum of Lower Levels
Jan2003	Region2/Line2	1265.0381841829217	260.0
Jan2003	Region3/Line4	1324.847802413444	1912.5976111314462
Apr2003	Region2/Line2	1200.0	1450.0
Nov2003	Region2	3065.6909183626954	3472.4021198364308
Dec2003	Region1/Line1	860.6188095505981	110.0
Dec2003	Region2/Line3	268.6982180600951	1400.0

⚠ Conflicts between overrides were discovered before reconciliation. Resolving these conflicts and re-reconciling will reduce the number of reconciliation failures.

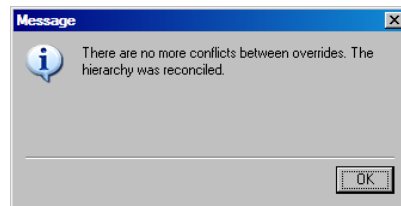
[Resolve conflicts](#)

2. Click **Resolve Conflicts** to determine how many of these unreconciled nodes are due to override conflicts. The Override Conflicts dialog box appears. Out of the six reconciliation failures, only the Apr2003 time period contains an override conflict.
3. To resolve the conflict for the Apr2003 time period, clear the **Locked** check box for the parent node. Now, the override value for the Region2/Line2 node is a guideline for the final forecast value. The value of the final forecast reflects the value of the override, but the final forecast and the unlocked override do not have to be the same value.

**Display 13.3** Reconciling the Apr2003 Node by Using the Override Conflicts Dialog Box

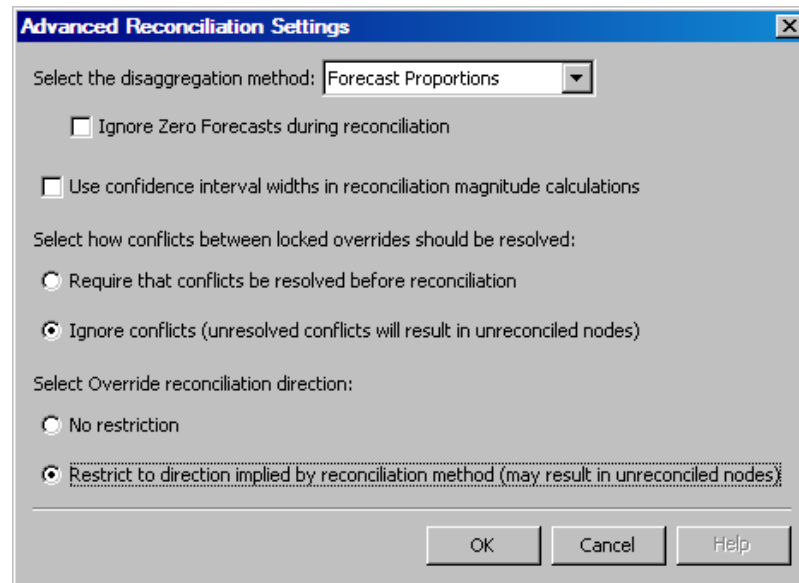
4. Click **Reconcile**.

When SAS Forecast Studio reconciles the hierarchy, the following message appears.

**Display 13.4** Message about Hierarchy Reconciliation

The remaining reconciliation failures are not due to override conflicts. Instead, these failures are the result of the advanced reconciliation settings.

5. To view the advanced reconciliation settings, select **Project** ⇒ **Hierarchy and Variable Settings**. The Hierarchy and Variable Settings dialog box appears.
6. Click **Advanced**. The Advanced Reconciliation Settings dialog box appears.

**Display 13.5** Advanced Reconciliation Settings Dialog Box

The five remaining reconciliation errors are most likely due to the reconciliation direction. Unreconciled nodes might occur when you restrict the direction of the reconciliation.

7. To unrestrict the direction of the reconciliation, select the **No restriction** option and click **OK**.
8. Click **OK** in the Hierarchy and Variable Settings dialog box. SAS Forecast Studio reconciles the hierarchy, and no additional reconciliation failures are found.

---

## Examples of Reconciling a Hierarchy with Overrides

### Overview of the Examples

The following examples show how SAS Forecast Studio reconciles the hierarchy based on the reconciliation options that you choose.

These examples assume that you have created a hierarchy for Region > Product Category > Product Line. The following table shows the possible values for each level:

Level in the Hierarchy	Possible Values
Region	Southeast
Product Category	Toys Clothes

---

Level in the Hierarchy	Possible Values
Product Line	Trains
	Dolls
	Games
	Shirts
	Pants

All of the examples include the following assumptions:

- The data in these examples is for a single time period. This period is Dec2012.
- **Forecast Proportions** is selected as the disaggregation method.
- **Sum of Values** is selected as the aggregation method.
- The **Allow negative forecasts** option is not checked in the **Forecasts** panel of the Forecasting Settings dialog box. For more information, see [“Specify the Number of Periods to Forecast” on page 65](#).
- The **Use confidence interval widths in reconciliation magnitude calculations** option is not checked in the Advanced Reconciliation Settings dialog box. For more information, see [“Specify the Advanced Reconciliation Options” on page 117](#).

### Example 1: Top-Down Method of Reconciliation with No Conflicts

#### Purpose of the Example

This example shows the following:

- how SAS Forecast Studio reconciles a hierarchy using the top-down method of reconciliation
- how SAS Forecast Studio honors locked overrides
- how unlocked overrides that are not in the highest level of the hierarchy are used

#### Setup for the Example

In this example, you specified the following options when you set up the hierarchy:

- **Top Down** as the reconciliation method
- either **No restriction** or **Restrict to direction implied by reconciliation method** as the restriction on the reconciliation direction

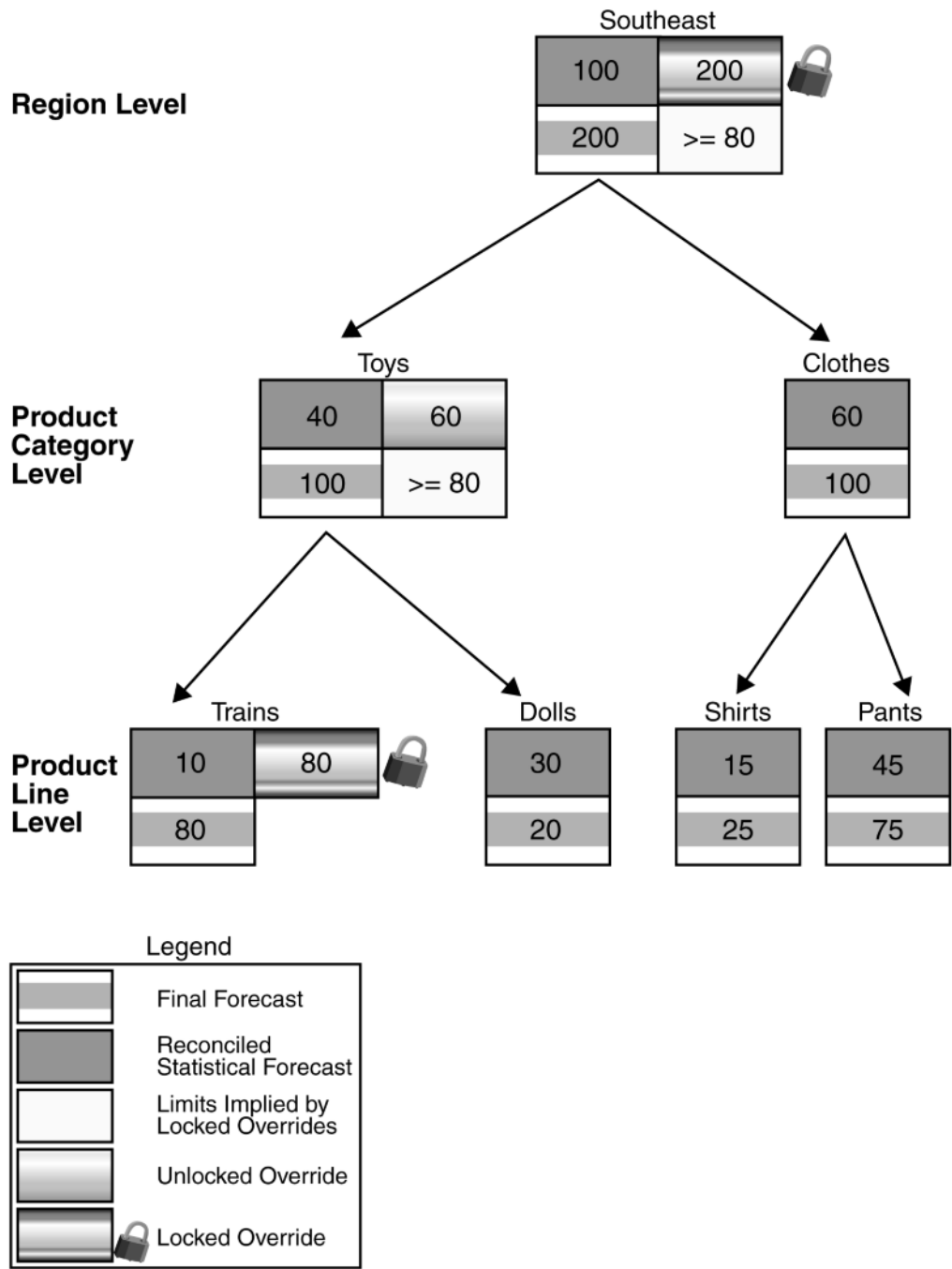
You also specified the following overrides for the Dec2012 time period:

- 200 as a locked override for the Southeast node in the Region level
- 60 as an unlocked override for the Toys node of the Product Category level
- 80 as a locked override for the Trains node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see [“Overview of the Examples” on page 122](#).

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Region	<p>Because you selected <b>Top Down</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the highest level in the hierarchy. In this example, the highest level is the Region level.</p> <p>The reconciled statistical forecast for the Southeast node was 100. However, you specified 200 as a locked override for this level. SAS Forecast Studio honors this locked override, and, consequently, the final forecast for the Southeast node is 200.</p>
Product Category	<p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>For the Toys node, you specified an unlocked override of 60. SAS Forecast Studio does not honor the value of this unlocked override. Instead, SAS Forecast Studio uses the proportions to determine the final forecasts. The unlocked override that you specified for the Toys node is used instead of the reconciled statistical forecast to determine the final forecast.</p> <p>The unlocked override for the Toys node is 60, and the reconciled statistical forecast for the Clothes node is 60. Because these values are equal, the final forecast for the Southeast node (200) is divided equally between the two nodes, so the final forecast for both the Toys and Clothes nodes is 100.</p>
Product Line	<p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>For the nodes under the Toys node, you specified 80 as a locked override for the Trains node. SAS Forecast Studio honors this value, so the final forecast for the Trains node is 80. Because the final forecast for the Toys node is 100, the final forecast for the Dolls node is set to 20.</p> <p>In the nodes under the Clothes node, you did not specify any overrides for either node. Therefore, SAS Forecast Studio uses the proportions of the reconciled statistical forecasts to determine the final forecast for each node.</p> <p>In this example, the reconciled statistical forecast for the Shirts node is 25% of the reconciled statistical forecast for the Clothes node, and the reconciled statistical forecast for the Pants node is 75% of the Clothes node. Therefore, the final forecast for the Shirts node is 25% of the final forecast for the Clothes node (or <math>.25 \times 100 = 25</math>), and the final forecast for the Pants node is 75% of the final forecast for the Clothes node (or <math>.75 \times 100 = 75</math>).</p>

## Example 2: Implicit Bottom-Up Method of Reconciliation

### Purpose of the Example

This example shows the following:

- how SAS Forecast Studio reconciles a hierarchy using the top-down method of reconciliation
- how using the proportions that were calculated from an unlocked override could violate the limit that is implied by a locked override
- how SAS Forecast Studio uses an implicit bottom-up pass to reconcile the hierarchy

**Setup for the Example**

In this example, you specified the following options when you set up the hierarchy:

- **Top Down** as the reconciliation method
- **No restriction** as the restriction on the reconciliation direction

You also specified the following overrides for the Dec2012 time period:

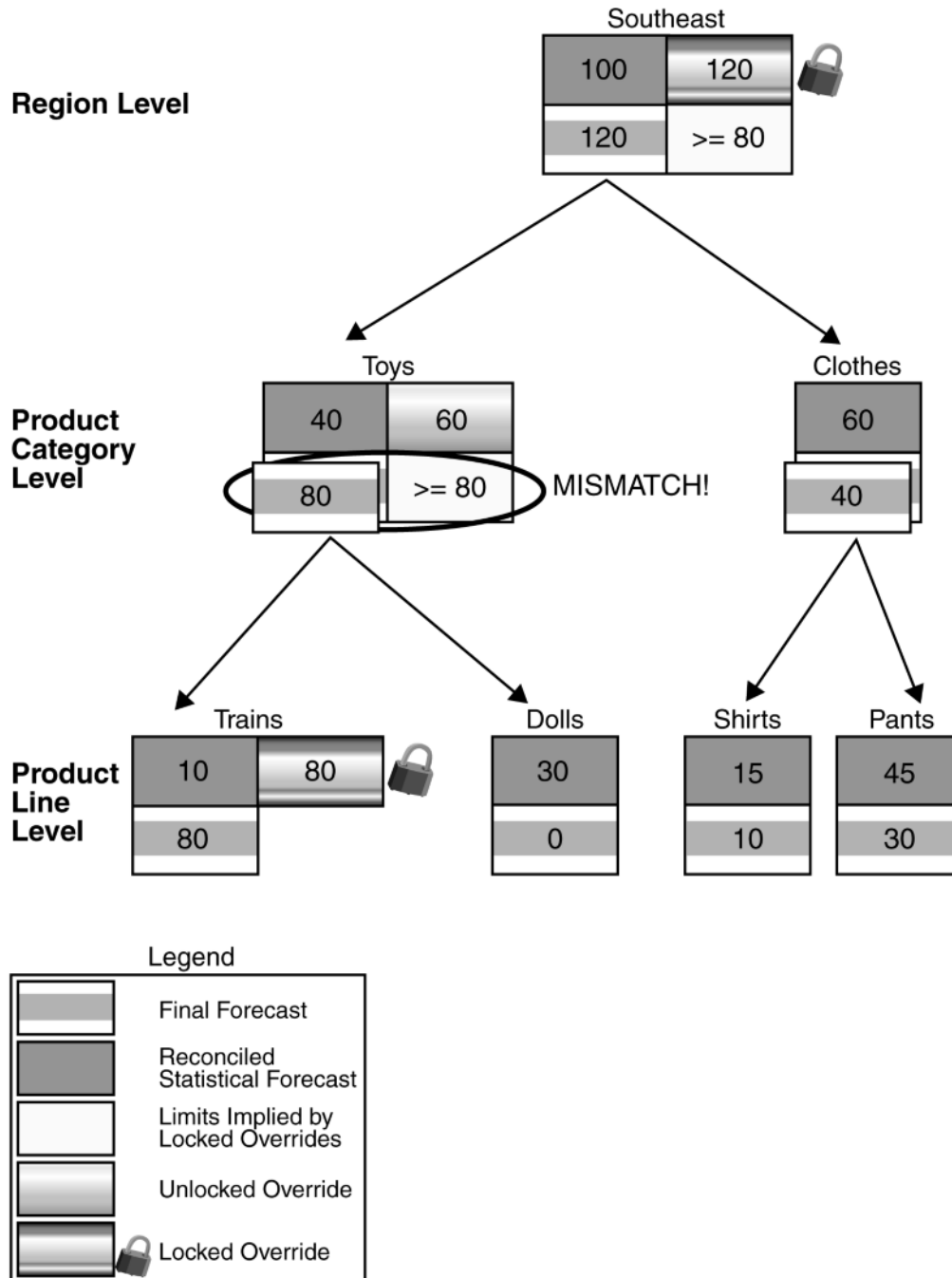
- 120 as a locked override for the Southeast node in the Region level
- 60 as an unlocked override for the Toys node of the Product Category level
- 80 as a locked override for the Trains node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see

[“Overview of the Examples” on page 122.](#)

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Region	<p>Because you selected <b>Top Down</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the highest level in the hierarchy. In this example, the highest level is the Region level.</p> <p>The reconciled statistical forecast for the Southeast node is 100. However, you specified 120 as a locked override for this level. SAS Forecast Studio honors this override, and consequently, the final forecast for the Southeast node is 120.</p>
Product Category	<p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>For the Toys node, you specified an unlocked override of 60. SAS Forecast Studio does not honor the value of this unlocked override. Instead, SAS Forecast Studio uses the proportions to determine the final forecasts. The unlocked override that you specified for the Toys node is used instead of the reconciled statistical forecast to determine the final forecast.</p> <p>The unlocked override for the Toys node is 60, and the reconciled statistical forecast for the Clothes node is 60. Because these values are equal, the final forecast for the Southeast node (120) is divided equally between the two nodes, so the final forecast for both the Toys and Clothes nodes is 60.</p> <p>Now, you have a limit violation. The final forecast of 60 for the Toys node violates the limit implied by the locked override that you specified for the Trains node in the Product Line level. This limit states that the final forecast for the Toys node must be greater than or equal to 80. Therefore, SAS Forecast Studio cannot use the proportion that was implied by the unlocked override to determine the final forecast.</p> <p>Because you selected <b>No restriction</b> as the restriction on the reconciliation direction, SAS Forecast Studio sets the final forecast for the Toys node to 80. Because this implied limit was aggregated from a bottom-up approach, this operation is an example of an "implicit" bottom-up method of reconciliation as part of the top-down method of reconciliation.</p> <p>Because the final forecast for the Southeast node is 120, the final forecast for the Clothes node is 40 (or <math>120 - 80</math>).</p>
Product Line	<p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>In the branch of the hierarchy below the Toys node, you specified 80 as a locked override for the Trains node. SAS Forecast Studio honors this value, and the final forecast for the Trains node is 80. Because the final forecast for the Toys node is 80, the final forecast for the Dolls node is 0 (or <math>80 - 80</math>).</p> <p>In the branch of the hierarchy below the Clothes node, you did not specify overrides for either of the nodes in the Product Line level. SAS Forecast Studio uses the proportions of the reconciled statistical forecasts to determine the final forecast for each node.</p> <p>In this example, the reconciled statistical forecast for the Shirts node is 25% of the reconciled statistical forecast for the Clothes node, and the reconciled statistical forecast for the Pants node is 75% of the Clothes node. Therefore, the final forecast for the Shirts node is 25% of the final forecast for the Clothes node (or <math>.25 \times 40 = 10</math>). The final forecast for the Pants node is 75% of the final forecast for the Clothes node (or <math>.75 \times 40 = 30</math>).</p>

### **Example 3: Unreconciled Node in the Hierarchy**

#### **Purpose of the Example**

This example shows the following:

- how SAS Forecast Studio tries to reconcile a hierarchy using the top-down method of reconciliation
- how a node could remain unreconciled because you choose to restrict the direction of the reconciliation process when you set up the hierarchy

#### **Setup for the Example**

In this example, you specified the following options when you set up the hierarchy:

- **Top Down** as the reconciliation method
- **Restrict to direction implied by reconciliation method** as the restriction on the reconciliation direction

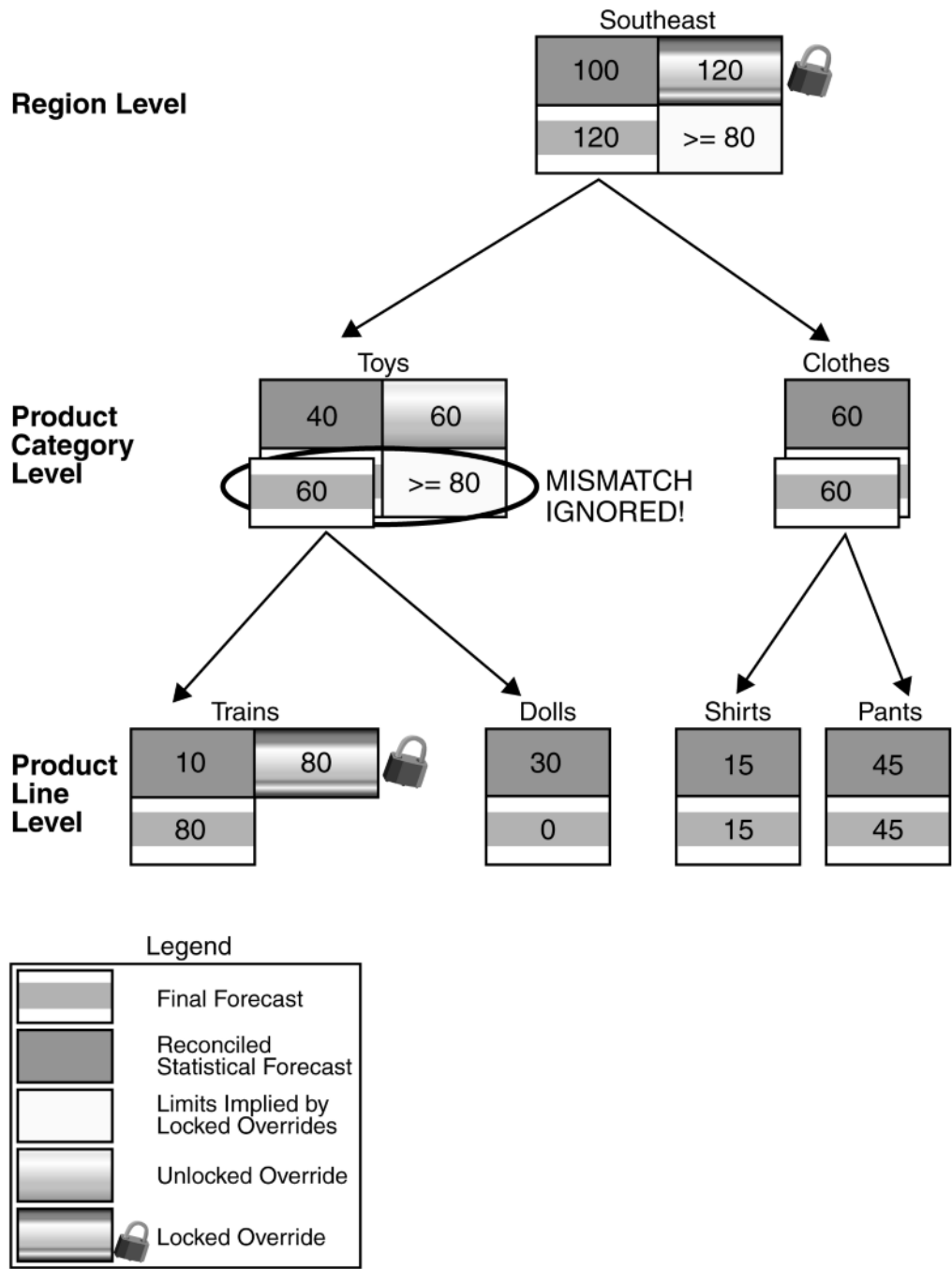
You also specified the following overrides for the Dec2012 time period:

- 120 as a locked override for the Southeast node in the Region level
- 60 as an unlocked override for the Toys node of the Product Category level
- 80 as a locked override for the Trains node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see [“Overview of the Examples” on page 122](#).

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Region	<p>Because you selected <b>Top Down</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the highest level in the hierarchy. In this example, the highest level is the Region level.</p> <p>The reconciled statistical forecast for the Southeast node is 100. However, you specified 120 as a locked override for this level. SAS Forecast Studio honors this override, and consequently, the final forecast for the Southeast node is 120.</p>
Product Category	<p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>For the Toys node, you specified an unlocked override of 60. SAS Forecast Studio does not honor the value of this unlocked override. Instead, SAS Forecast Studio uses the proportions to determine the final forecasts. The unlocked override that you specified for the Toys node is used instead of the reconciled statistical forecast to determine the final forecast.</p> <p>The unlocked override for the Toys node is 60, and the reconciled statistical forecast for the Clothes node is 60. Because these values are equal, the final forecast for the Southeast node (120) is divided equally between the two nodes, so the final forecast for both the Toys and Clothes nodes is 60.</p> <p>Now, you have a limit violation. The final forecast of 60 for the Toys node violates the limits implied by the locked override. This limit states that the final forecast for the Toys node must be greater than or equal to 80. However, when you set up the hierarchy, you chose to restrict the direction of the reconciliation, so unlike in the previous example, SAS Forecast Studio does not use the bottom-up method of reconciliation to reconcile the Toys node. Instead, the final forecasts for the Toys and Clothes nodes remain at 60, and the Toys node appears as an unreconciled node in the Reconciliation Failure dialog box.</p>
Product Line	<p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>In the branch of the hierarchy below the Toys node, you specified 80 as a locked override for the Trains node. SAS Forecast Studio honors this value, and the final forecast for Trains is 80. Because the final forecast for the Toys node is 60, there is not enough left to allocate to the Dolls node, so the final forecast for the Dolls node is set to 0.</p> <p>In the branch of the hierarchy below the Clothes node, you did not specify overrides for either of the nodes. Therefore, SAS Forecast Studio uses the proportions of the reconciled statistical forecasts to determine the final forecast for each node.</p> <p>In this example, the reconciled statistical forecast for the Shirts node is 25% of the reconciled statistical forecast for the Clothes node, and the reconciled statistical forecast for the Pants node is 75% of the Clothes node. Therefore, the final forecast for the Shirts node is 25% of the final forecast for the Clothes node (or <math>.25 \times 60 = 15</math>), and the final forecast for the Pants node is 75% of the final forecast for the Clothes node (or <math>.75 \times 60 = 45</math>).</p>

### **Example 4: Bottom-Up Method of Reconciliation with Locked and Unlocked Overrides in the Lowest Level**

#### **Purpose of the Example**

This example shows the following:

- how SAS Forecast Studio reconciles a hierarchy using the bottom-up method of reconciliation
- how locked overrides have a direct impact on the final forecasts in the higher levels of the hierarchy
- how an unlocked override has no effect on the final forecast unless it is in the lowest level of the hierarchy

#### **Setup for the Example**

In this example, you specified the following options when you set up the hierarchy:

- **Bottom Up** as the reconciliation method
- either **No restriction** or **Restrict to direction implied by reconciliation method** as the restriction on the reconciliation direction

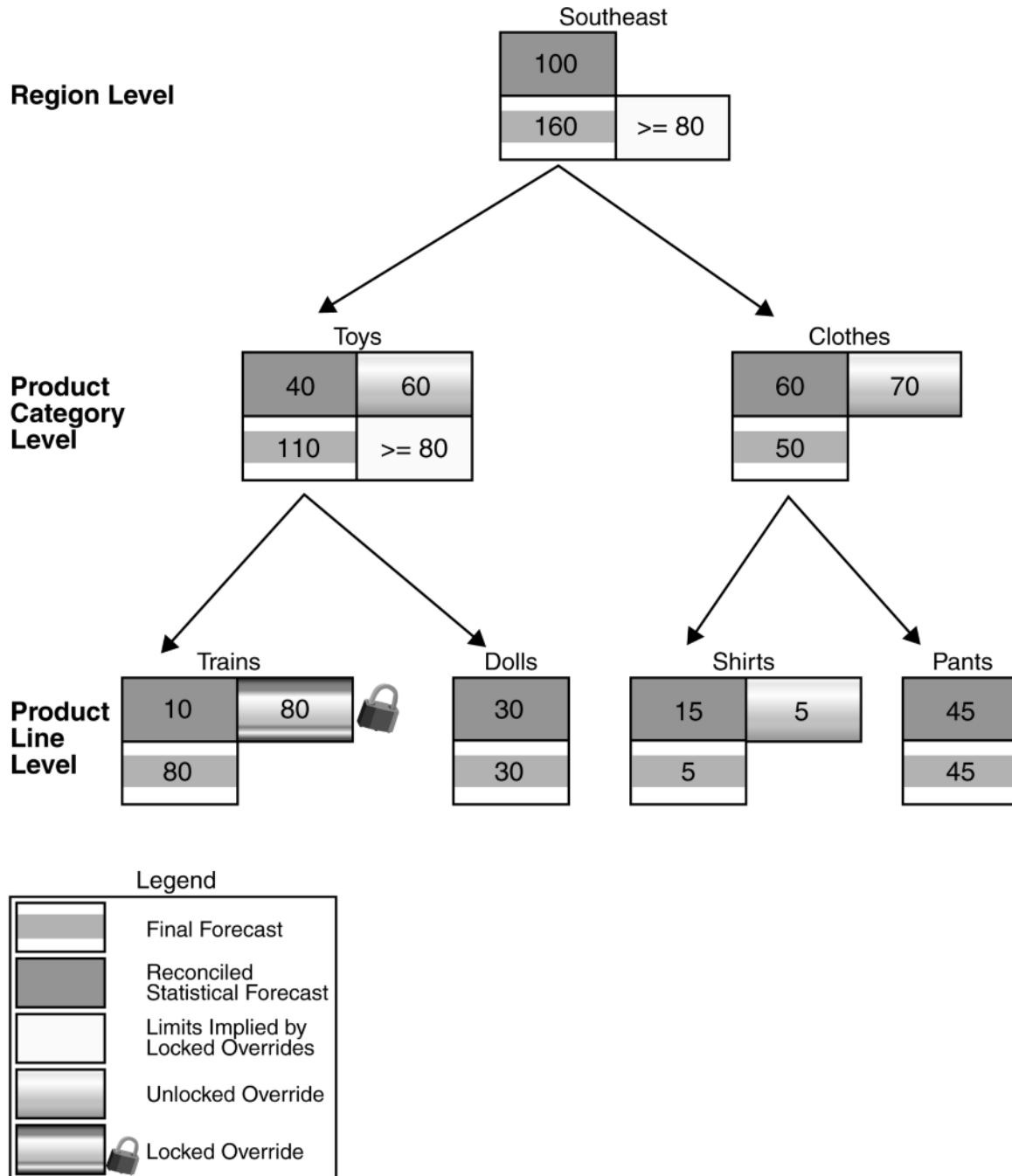
You also specified the following overrides for the Dec2012 time period:

- 60 as an unlocked override for the Toys node of the Product Category level
- 70 as an unlocked override for the Clothes node of the Product Category level
- 80 as a locked override for the Trains node in the Product Line level
- 5 as an unlocked override for the Shirts node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see [“Overview of the Examples” on page 122](#).

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Line	<p>Because you selected <b>Bottom Up</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the lowest level in the hierarchy. In this example, the lowest level is the Product Line level.</p> <p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>In the branch of the hierarchy below the Toys node, you specified 80 as a locked override for the Trains node. SAS Forecast Studio honors this value, and the final forecast for Trains is 80. Because you are using the bottom-up method of reconciliation, the final forecast for the Dolls node is equal to the reconciled statistical forecast of 30.</p> <p>In the branch of the hierarchy below the Clothes node, you specified an unlocked override of 5 for the Shirts node. Because you selected the bottom-up method of reconciliation, SAS Forecast Studio honors this unlocked override. Therefore, the final forecast for the Shirts node is 5. You did not specify an override for the Pants node, so the final forecast matches the reconciled statistical forecast of 45.</p>
Product Category	<p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>SAS Forecast Studio uses the final forecasts for the nodes at the lower level to determine the final forecast for the nodes at the Product Category level.</p> <ul style="list-style-type: none"> <li>For the Toys node, the final forecast for the Trains node (80) is added to the final forecast for the Dolls node (30), and so the final forecast for the Toys node is 110. Note that the unlocked override of 60 for the Toys node has no effect.</li> <li>For the Clothes node, the final forecast for the Shirts node (5) is added to the final forecast for the Pants node (45), so the final forecast for the Clothes node is 50. Again, SAS Forecast Studio does not honor the unlocked override that you specified for the Clothes node.</li> </ul>
Region	<p>The values of the final forecasts for the nodes in the Product Category level determine the final forecast for the Southeast node. The combination of the final forecasts for the Toys node and the Clothes node equals 160, so the final forecast for the Southeast node is 160.</p>

### **Example 5: Implicit Top-Down Reconciliation Process in the Bottom-Up Method of Reconciliation**

#### **Purpose of the Example**

This example shows the following:

- how SAS Forecast Studio tries to reconcile a hierarchy using the bottom-up method of reconciliation
- how a mismatch can result at a higher level of the hierarchy, if you specified a locked override at that level
- how SAS Forecast Studio uses an implicit top-down pass to reconcile the hierarchy

**Setup for the Example**

In this example, you specified the following options when you set up the hierarchy:

- **Bottom Up** as the reconciliation method
- **No restriction** as the restriction on the reconciliation direction

You also specified the following overrides for the Dec2012 time period:

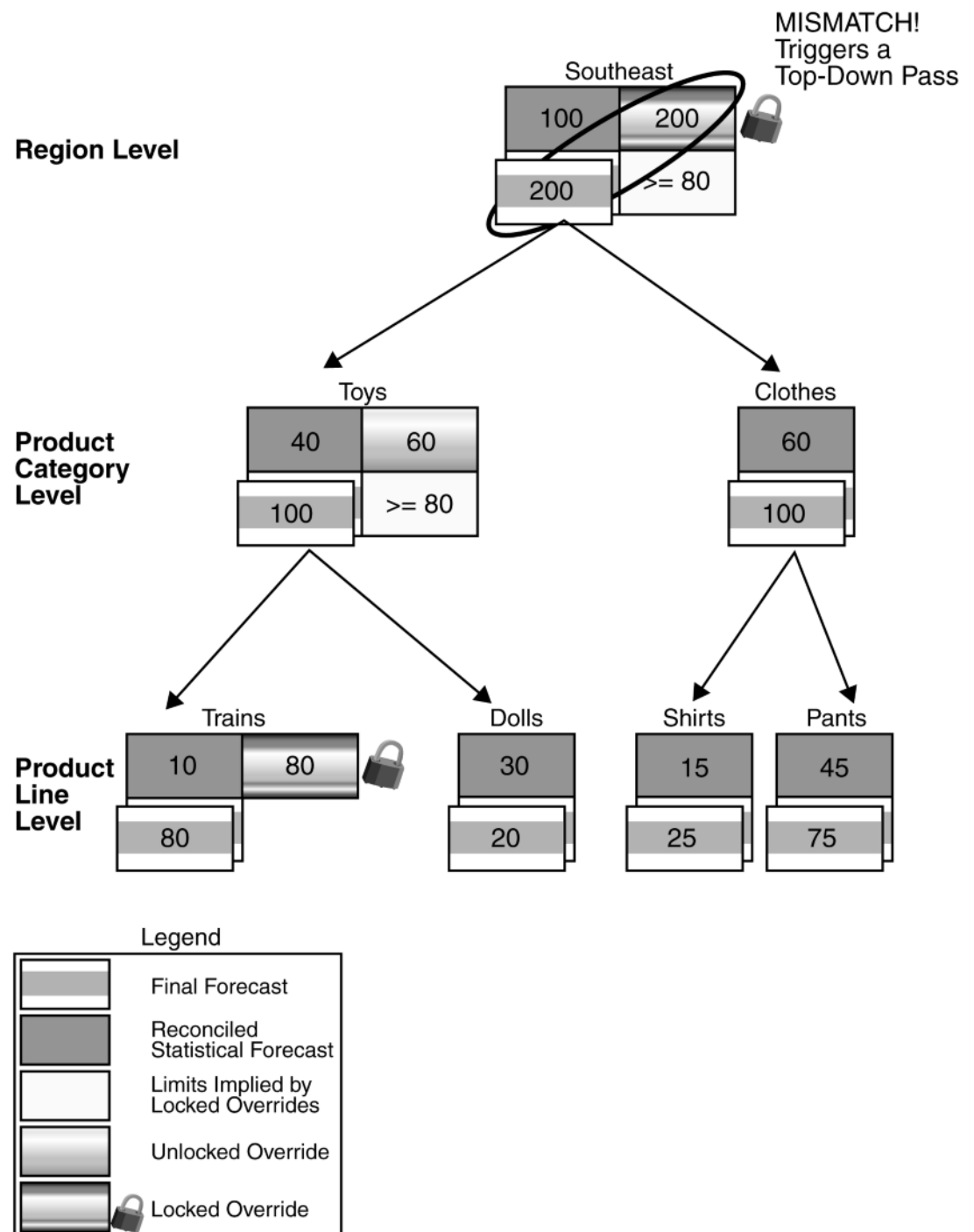
- 200 as a locked override for the Southeast node in the Region level
- 60 as an unlocked override for the Toys node of the Product Category level
- 80 as a locked override for the Trains node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see

[“Overview of the Examples” on page 122.](#)

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the bottom-up reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Line	<p>Because you selected <b>Bottom Up</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the lowest level in the hierarchy. In this example, the lowest level is the Product Line level.</p> <p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>In the branch of the hierarchy below the Toys node, you specified 80 as a locked override for the Trains node. SAS Forecast Studio honors this value, and the final forecast for the Trains node is set to 80. Because you are using the bottom-up method of reconciliation, the final forecast for the Dolls node is equal to the reconciled statistical forecast of 30.</p> <p>In the branch of the hierarchy below the Clothes node, the final forecasts equal the reconciled statistical forecasts. Therefore, the final forecast for the Shirts node is 15, and the final forecast for the Pants node is 45.</p>
Product Category	<p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>SAS Forecast Studio uses the final forecasts for the nodes at the lower level to determine the final forecast for the nodes at the Product Category level.</p> <ul style="list-style-type: none"> <li>For the Toys node, the final forecast for the Trains node (80) is added to the final forecast for the Dolls node (30), and so the final forecast for the Toys node is 110.</li> <li>For the Clothes node, the final forecast for the Shirts node (15) is added to the final forecast for the Pants node (45), so the final forecast for the Clothes node is 60.</li> </ul>
Region	<p>For the Southeast node, you specified a locked override of 200. However, the combination of the final forecasts for the nodes in the Product Category level equal 170. Consequently, there is a mismatch between the final forecast and the locked override that you specified for the Southeast node.</p> <p>Because you selected the <b>No restriction</b> option as the restriction to the reconciliation direction, SAS Forecast Studio performs an implicit top-down pass of the hierarchy to reconcile the hierarchy.</p>

The following table explains the implicit top-down reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Region	<p>Because SAS Forecast Studio is now performing an implicit top-down reconciliation, it replaces the final forecast of 170 that was calculated by the bottom-up method of reconciliation with the 200 that you specified as the locked override.</p>

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Category	<p>You specified an unlocked override of 60 for the Toys node. SAS Forecast Studio uses this unlocked override to determine the proportions during the implicit top-down pass.</p> <p>The unlocked override that you specified for the Toys node is 60, and the final forecast for the Clothes node is 60. Because these nodes are equal, SAS Forecast Studio divides the 200 value from the Southeast node equally between these two nodes, so the final forecast for both the Clothes and Toys nodes is 100.</p>
Product Line	<p>In the branch of the hierarchy below the Toys node, you specified a locked override of 80 for the Trains node. SAS Forecast Studio honors this locked override, and the final forecast for the Trains node is set to 80. Because the final forecast for the Toys node is 100, the final forecast for the Dolls node is <math>100 - 80 = 20</math>.</p> <p>In the branch of the hierarchy below the Clothes node, you did not specify a locked override for either of the nodes. Therefore, SAS Forecast Studio uses the proportions of the reconciled statistical forecasts to determine the final forecast for each node.</p> <p>In this example, the reconciled statistical forecast for the Shirts node is 25% of the reconciled statistical forecast for the Clothes node, and the reconciled statistical forecast for the Pants node is 75% of the Clothes node. Therefore, the final forecast for the Shirts node is 25% of the final forecast for the Clothes node (or <math>.25 \times 100 = 25</math>), and the final forecast for the Pants node is 75% of the final forecast for the Clothes node (or <math>.75 \times 100 = 75</math>).</p>

### **Example 6: Implied Limits Have Precedence over an Unlocked Override**

#### **Purpose of the Example**

This example shows the following:

- how SAS Forecast Studio tries to reconcile a hierarchy using the bottom-up method of reconciliation
- how a mismatch can result at a higher level of the hierarchy if you specified a locked override at that level
- how SAS Forecast Studio uses an implicit top-down pass to reconcile the hierarchy
- how an implied limit at the middle level can have precedence over an unlocked override

#### **Setup for the Example**

In this example, you specified the following options when you set up the hierarchy:

- **Bottom Up** as the reconciliation method
- **No restriction** as the restriction on the reconciliation direction

You also specified the following overrides for the Dec2012 time period:

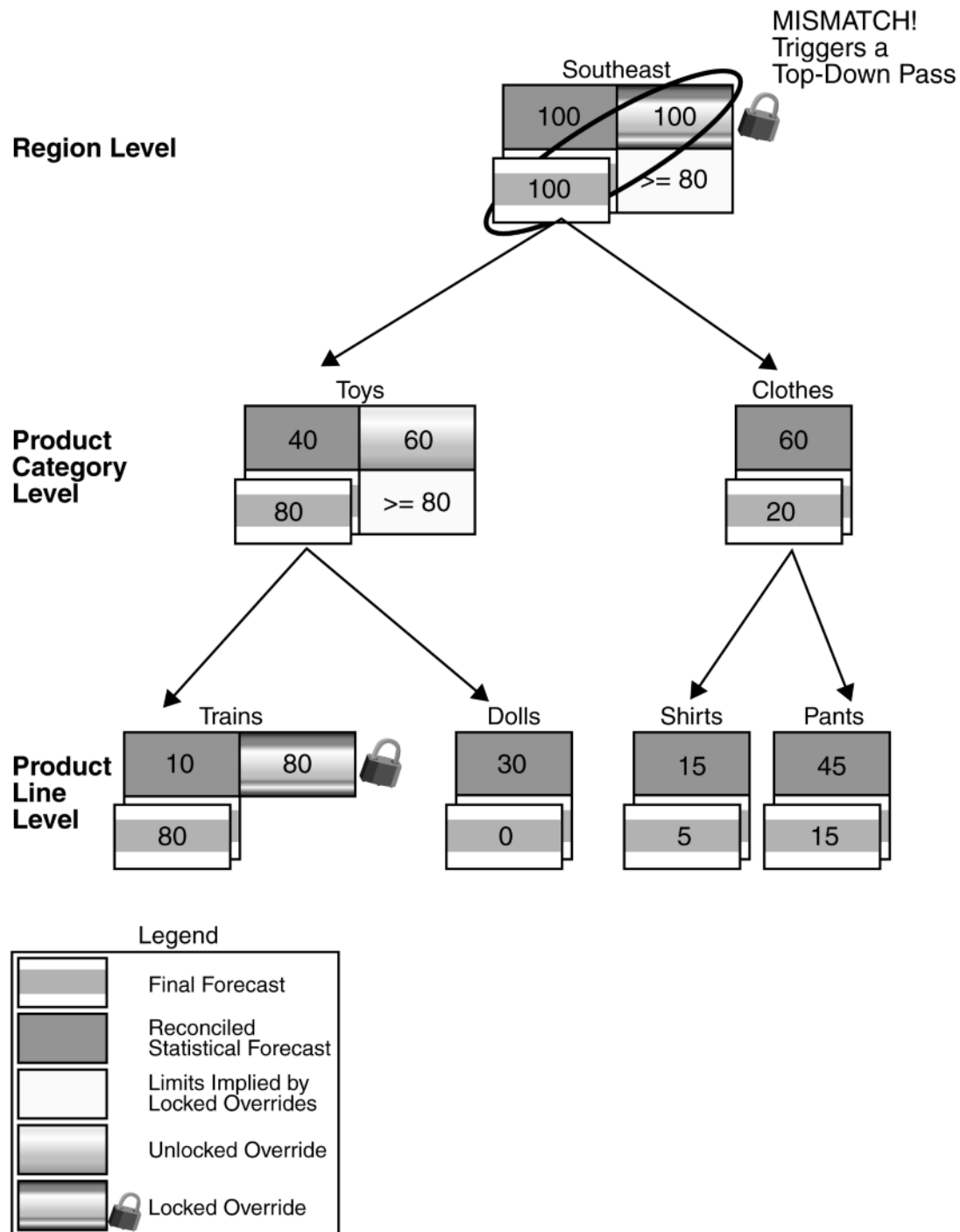
- 100 as a locked override for the Southeast node in the Region level
- 60 as an unlocked override for the Toys node of the Product Category level

- 80 as a locked override for the Trains node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see [“Overview of the Examples” on page 122](#).

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the bottom-up reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Line	<p>Because you selected <b>Bottom Up</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the lowest level in the hierarchy. In this example, the lowest level is the Product Line level.</p> <p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>In the branch of the hierarchy below the Toys node, you specified 80 as a locked override for the Trains node. SAS Forecast Studio honors this value, and the final forecast for the Trains node is set to 80. Because you are using the bottom-up method of reconciliation, the final forecast for the Dolls node is equal to the reconciled statistical forecast of 30.</p> <p>In the branch of the hierarchy below the Clothes node, the final forecasts equal the reconciled statistical forecasts. Therefore, the final forecast for the Shirts node is 15, and the final forecast for the Pants node is 45.</p>
Product Category	<p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>SAS Forecast Studio uses the final forecasts for the nodes at the lower level to determine the final forecast for the nodes at the Product Category level.</p> <ul style="list-style-type: none"> <li>For the Toys node, the final forecast for the Trains node (80) is added to the final forecast for the Dolls node (30), and so the final forecast for the Toys node is 110.</li> <li>For the Clothes node, the final forecast for the Shirts node (15) is added to the final forecast for the Pants node (45), so the final forecast for the Clothes node is 60.</li> </ul>
Region	<p>For the Southeast node, you specified a locked override of 100. However, the combination of the final forecasts for the nodes in the Product Category level equals 170, and consequently, there is a mismatch between the final forecast and the locked override that you specified for the Southeast node.</p> <p>Because you selected the <b>No restriction</b> option as the restriction on the reconciliation direction, SAS Forecast Studio performs an implicit top-down pass to reconcile the hierarchy.</p>

The following table explains the implicit top-down reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Region	<p>Because SAS Forecast Studio is now performing an implicit top-down reconciliation, it replaces the final forecast of 170 that was calculated by the bottom-up method of reconciliation with the 100 that you specified as the locked override.</p>

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Category	<p>You specified an unlocked override of 60 for the Toys node. However, you specified a locked override of 80 for the Trains node in the Product Category level. This implies that the value of the Toys node must be greater than or equal to 80. In this case, the implied limit has precedence over the unlocked override in determining the proportions during the implicit top-down pass.</p> <p>The implied limit for the Toys node is 80% of the final forecast for the Southeast node. Therefore, the final forecast for the Toys node is 80 (or <math>.80 \times 100 = 80</math>), and the final forecast for the Clothes node is 20 (or <math>.20 \times 100 = 20</math>).</p>
Product Line	<p>In the branch of the hierarchy below the Toys node, you specified a locked override of 80 for the Trains node. SAS Forecast Studio honors this locked override, and the final forecast for the Trains node is set to 80. Because the final forecast for the Toys node is 80, the final forecast for the Dolls node is set to 0.</p> <p>In the branch of the hierarchy below the Clothes node, you did not specify a locked override for either of the nodes. Therefore, SAS Forecast Studio uses the proportions of the reconciled statistical forecasts to determine the final forecast for each node.</p> <p>In this example, the reconciled statistical forecast for the Shirts node is 25% of the reconciled statistical forecast for the Clothes node, and the reconciled statistical forecast for the Pants node is 75% of the Clothes node. Therefore, the final forecast for the Shirts node is 25% of the final forecast for the Clothes node (or <math>.25 \times 20 = 5</math>), and the final forecast for the Pants node is 75% of the final forecast for the Clothes node (or <math>.75 \times 20 = 15</math>).</p>

### Example 7: Middle-Out Method of Reconciliation with No Conflicts

#### Purpose of This Example

This example shows the following:

- how SAS Forecast Studio reconciles a hierarchy using the middle-out method of reconciliation
- how the forecasts at the middle level are unchanged because they do not violate the limits implied by a locked override in a lower level of the hierarchy, and there is no locked override in a higher level of the hierarchy

#### Setup for the Example

In this example, you specified the following options when you created the hierarchy:

- **Middle Out** as the reconciliation method
- either **No restriction** or **Restrict to direction implied by reconciliation method** as the restriction on the reconciliation direction

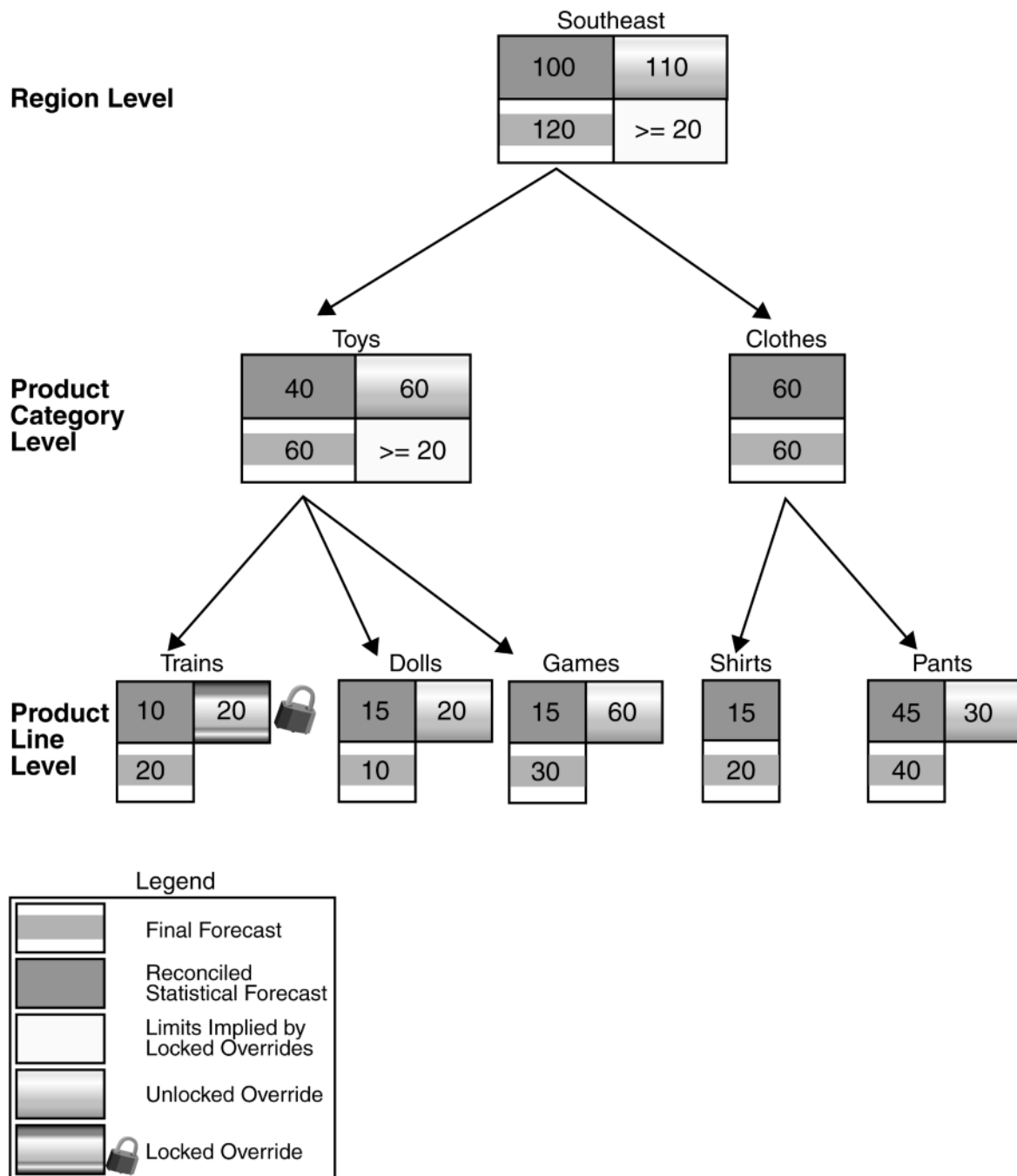
You also specified the following overrides for the Dec2012 time period:

- 60 as an unlocked override for the Toys node of the Product Category level
- 20 as a locked override for the Trains node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see [“Overview of the Examples” on page 122](#).

### Explanation of the Reconciliation Process

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Category	<p>Because you selected <b>Middle Out</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the Product Category level.</p> <p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>For the Toys node, you specified an unlocked override of 60. Because SAS Forecast Studio is starting the reconciliation at this level, this unlocked override is honored, so the final forecast for the Toys node is 60.</p> <p>For the Clothes node, the final forecast is equal to the reconciled statistical forecast of 60.</p>
Region	<p>SAS Forecast Studio calculates the final forecast for the Southeast node by using the bottom-up method of reconciliation.</p> <p>The values of the final forecasts for the nodes in the Product Category level determine the final forecast for the Southeast node. The combination of the final forecasts for the Toys node and the Clothes node equals 120, so the final forecast for the Southeast node is 120.</p>
Product Line	<p>SAS Forecast Studio calculates the final forecast for the nodes in the lowest level in the hierarchy by using the top-down method of reconciliation. In the Product Line level, there are five nodes. The three nodes below the Toys node are the Trains, Dolls, and Games nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>For the branch of the hierarchy below the Toys node, you specified a locked override of 20 for the Trains node. SAS Forecast Studio honors locked overrides, so the final forecast for the Trains node is 20.</p> <p>Because SAS Forecast Studio is using the top-down method of reconciliation for this level of the hierarchy, the unlocked overrides that you specified for the Dolls and Games nodes do not match the final forecasts. However, these unlocked overrides are used to determine the proportions for the final forecasts.</p>

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Line	<p>The final forecast for the Toys node is 60. However, the final forecast for the Trains node is 20, which means that the combined final forecasts for the Dolls and Games nodes must equal 40.</p> <p>The values of these nodes are calculated by using the following proportions:</p> <ul style="list-style-type: none"> <li>For the Dolls node, you specified an unlocked override of 20. The total of the unlocked overrides for the Dolls and Games nodes is <math>20 + 60 = 80</math>. Because the proportion of the Dolls node is <math>20/80 = 25\%</math> of this total value, the final forecast for the Dolls node is 25% of the final forecast for the Toys node. Therefore, the final forecast for the Dolls node is <math>40 \times .25 = 10</math>.</li> <li>For the Games node, you specified an unlocked override of 60. Because the proportion of the Games node is <math>60/80 = 75\%</math> of this total value, the final forecast for the Games node is 75% of the final forecast for the Toys node. Therefore, the final forecast for the Games node is <math>40 \times .75 = 30</math>.</li> </ul> <p>For the branch of the hierarchy below the Clothes node, you specified an unlocked override of 30 for the Pants node. When calculating the proportions, SAS Forecast Studio uses this unlocked override instead of the reconciled statistical forecast.</p> <p>Using the unlocked override for the Pants node, the total for the Shirts and Pants nodes is <math>15 + 30 = 45</math>.</p> <p>The values of these nodes are calculated using the following proportions:</p> <ul style="list-style-type: none"> <li>Because the Shirt node is <math>15/45 = 33.3\%</math> of this total value, the final forecast for the Shirts node is 33.3% of the final forecast for the Clothes node. Therefore, the final forecast for the Shirts node is <math>60 \times .333 = 20</math>.</li> <li>Because the Pants node is <math>30/45 = 66.6\%</math> of this total value, the final forecast for the Pants node is 66.6% of the final forecast for the Clothes node. Therefore, the final forecast for the Pants node is <math>60 \times .666 = 40</math>.</li> </ul>

### **Example 8: Middle-Out Method of Reconciliation with an Unreconciled Node**

#### **Purpose of This Example**

This example shows the following:

- how SAS Forecast Studio reconciles a hierarchy using the middle-out method of reconciliation
- how selecting the **Restrict to direction implied by reconciliation method** option will honor all overrides, including unlocked overrides. As this example shows, this restriction on reconciliation direction could result in unreconciled nodes

#### **Setup for the Example**

In this example, you specified the following options when you set up the hierarchy:

- Middle Out** as the reconciliation method
- Restrict to direction implied by reconciliation method** as the restriction on the reconciliation direction

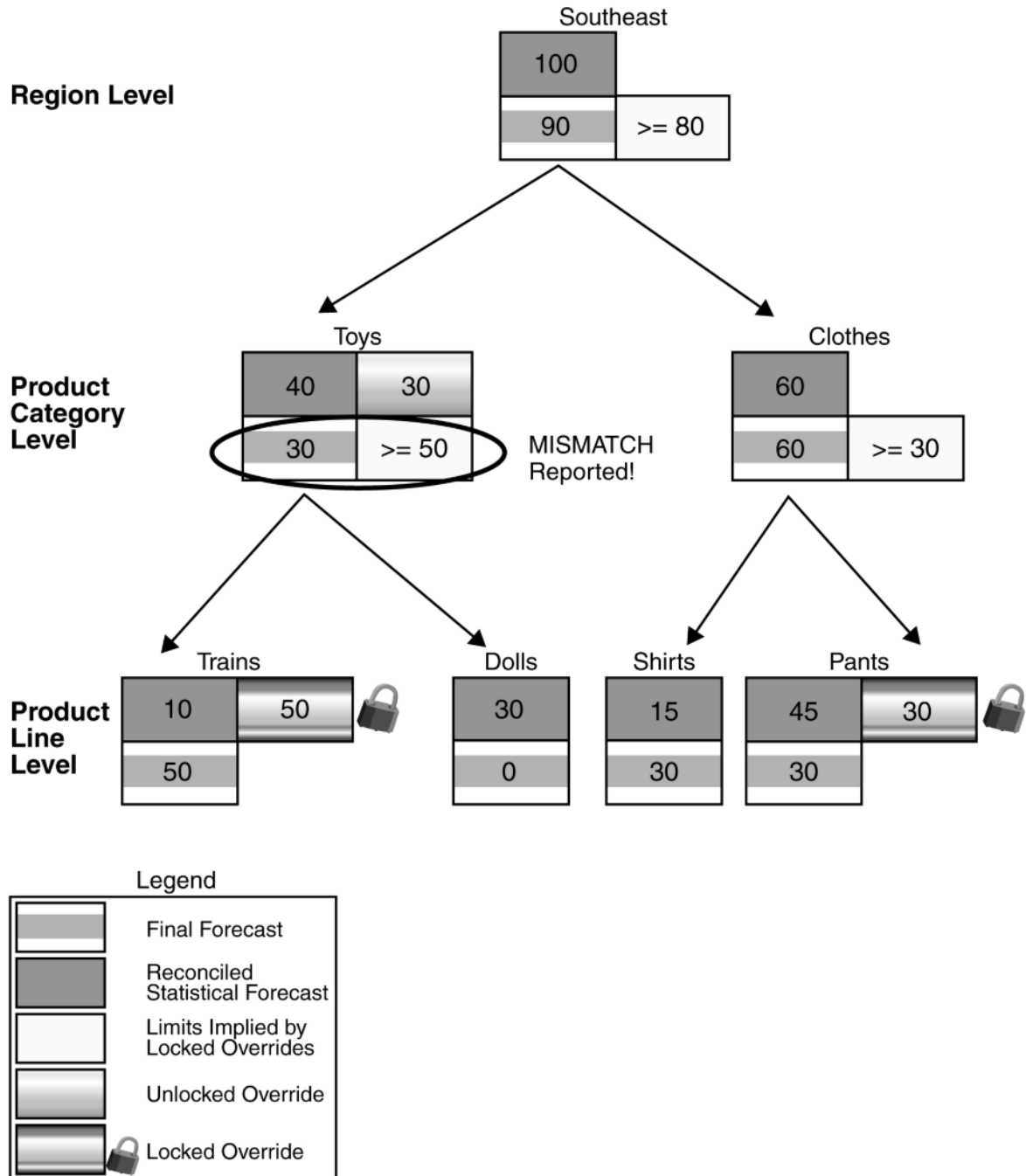
You also specified the following overrides for the Dec2012 time period:

- 30 as an unlocked override for the Toys node of the Product Category level
- 50 as a locked override for the Trains node in the Product Line level
- 30 as a locked override for the Pants node in the Product Line level

*Note:* In addition to these settings, there are several assumptions about the data and option settings that are common to all the examples. For more information, see [“Overview of the Examples” on page 122](#).

**Explanation of the Reconciliation Process**

The following figure shows how SAS Forecast Studio reconciles the hierarchy for the Dec2012 time interval:



The following table explains the reconciliation process for each level of the hierarchy:

Level in the Hierarchy	Reconciliation Process for the Nodes in This Level
Product Category	<p>Because you selected <b>Middle Out</b> as the reconciliation method, SAS Forecast Studio starts reconciling the hierarchy at the Product Category level.</p> <p>In the Product Category level, there are two nodes—the Toys node and the Clothes node.</p> <p>For the Toys node, you specified an unlocked override of 30. Because you selected the <b>Restrict to direction implied by reconciliation method</b> option, SAS Forecast Studio honors this unlocked override, and the final forecast for the Toys node is set to 30. However, the limits that are implied by the locked override in the lowest level indicate that the final forecast must be greater than 50. SAS Forecast Studio leaves this node unreconciled, and this conflict is reported in the Reconciliation Failure dialog box.</p> <p>For the Clothes node, the final forecast is equal to the reconciled statistical forecast of 60. Because 60 is greater than the limits that are implied by a locked override in the lower level of the hierarchy, there are no unreconciled nodes in this branch of the hierarchy.</p>
Region	<p>SAS Forecast Studio calculates the final forecast for the Southeast node by using the bottom-up method of reconciliation.</p> <p>Because you had a conflict in the Toys node in the Product Category level of the hierarchy, SAS Forecast Studio uses the limit that is implied by the locked override in the Trains node to determine the final forecast for the Southeast node. The final forecasts for the Toys node (30) and the Clothes node (60) are combined to create the final forecast for the Southeast node, so the final forecast for the Southeast node is 90.</p>
Product Line	<p>SAS Forecast Studio calculates the final forecast for the nodes in the lowest level in the hierarchy by using the top-down method of reconciliation.</p> <p>In the Product Line level, there are four nodes. The two nodes below the Toys node are the Trains and Dolls nodes. The two nodes below the Clothes node are the Shirts and Pants nodes.</p> <p>For the branch of the hierarchy below the Toys node, you specified a locked override of 50 for the Trains node. SAS Forecast Studio honors locked overrides, so the final forecast for the Trains node is 50. Because the final forecast for the Toys node is 30, there is not enough left to allocate to the Dolls node, so the final forecast for the Dolls node is set to 0.</p> <p>For the branch of the hierarchy below the Clothes node, you specified a locked override of 30 for the Pants node. SAS Forecast Studio honors locked overrides, so the final forecast for the Pants node is 30. Because the final forecast for the Clothes node is 60, the final forecast for the Shirts node is <math>60-30=30</math>.</p>

## Chapter 14

# Analyzing the Time Series

---

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## Modifying the Properties of the Time ID Variable

### *Modify the Interval and Seasonal Cycle Length*

You assign a variable to the time ID role when you create a project. You cannot change the time ID variable after the project is created. For more information, see [“Time ID Variables” on page 32](#).

When you assign a variable to the time ID role, SAS Forecast Studio tries to detect a time interval and seasonal cycle length for the data. For example, if the time ID variable contains data values that are spaced one month apart, then SAS Forecast Studio uses an interval of one month, and a seasonal cycle length corresponding to the default seasonal cycle length. However, you can change the properties of the time ID in SAS Forecast Studio.

To modify the interval and seasonal cycle time ID variable:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Time ID**.
3. Select the interval of the values for the time ID variable. If you select **Weekday** as the interval, then you can select which days are the weekend or inactive days in the week by clicking **Weekend**.

4. Specify the multiplier for the value specified as the interval. For example, if the interval is weekly and you specify 2 as the multiplier, then WEEK2 specifies two-week intervals.
5. Specify the shift or offset for the interval. The units of the shift depend on the interval.
6. Specify the length of the season. This value is populated automatically if SAS Forecast Studio can determine the seasonal cycle length from the time ID variable.  
*Note:* You can specify a seasonal cycle length other than the default if you want to model a cycle in the data. For example, if your data contains a 13-week cycle, then type 13 in the **Seasonal Cycle Length** box.
7. (Optional) Edit the format of the time ID variable.
8. Click **OK**.

## Examples of Changing the Time Interval

### Example 1: Change the First Day of the Week

In SAS Forecast Studio, the first day of the week is Sunday. However, in your company, Wednesday is the first day of the week. To accurately forecast your data, SAS Forecast Studio needs to use an interval of WEEK.2.

To change the first day of the week to Wednesday:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Time ID**.
3. From the **Interval** drop-down list, select **Week**.
4. In the **Shift** box, type 4.
5. Click **OK**.

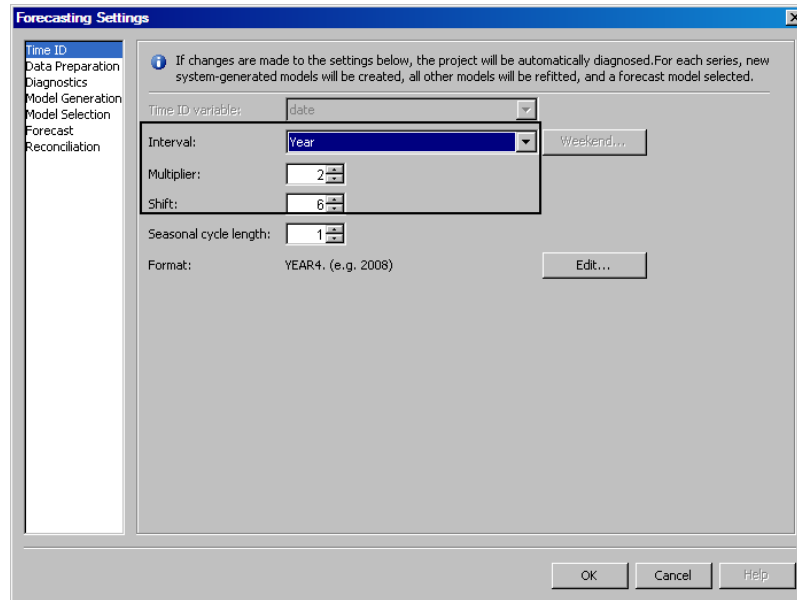
For more information about the numbers that SAS Forecast Studio assigns to each day of the week, see [“Time Intervals in SAS Forecast Studio” on page 32](#).

### Example 2: Specify a Yearly Interval

In SAS Forecast Studio, a year is from January 1–December 31. However, for a couple of years, your company’s fiscal year began in June and ended in May. To accurately forecast your data, SAS Forecast Studio needs to use an interval of YEAR2.6.

To specify an interval of YEAR2.6:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Time ID**.
3. From the **Interval** drop-down list, select **Year**.
4. In the **Multiplier** box, type 2. The multiplier specifies that there are two years in the interval.
5. In the **Shift** box, type 6. The shift specifies that the year should begin at the sixth month (or June).

**Display 14.1** Specifying June as the Beginning of the Year for Two Years

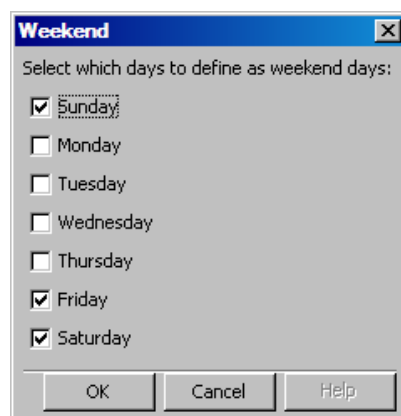
6. Click **OK**.

### **Example 3: Specify an Interval with a Weekend**

If your data is weekly, SAS Forecast Studio assumes that you have data for every day in the week. If your company is closed on a weekend (such as Friday, Saturday, and Sunday), your data does not contain any observations for these three days. You can specify a four-day week (Monday-Thursday) by specifying the days in a weekend in SAS Forecast Studio.

To specify the days in the weekend:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Time ID**.
3. Select the time ID variable in the input data source.
4. From the **Interval** drop-down list, select **Weekday**.
5. Click **Weekend**. The Weekend dialog box appears.
6. Select the check boxes for **Sunday**, **Friday**, and **Saturday**. Click **OK**.

**Display 14.2** Weekend Days Are Friday, Saturday, and Sunday

7. In the Forecasting Settings dialog box, click **OK**.

After SAS Forecast Studio reforecasts your project, select **Project** ⇒ **SAS Code** to view the SAS code for the project. In the code, you see that the interval equals WEEKDAY167W where 1=Sunday, 6=Friday, and 7=Saturday.

### Edit the Format of the Time ID Variable

SAS Forecast Studio automatically determines the date format from the time ID variable. However, you can change this default format. For more information about the time ID formats, see *SAS Formats and Informats: Reference*.

To edit the format of the time ID variable:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Time ID**.
3. Click **Edit**. The Edit Time ID Format dialog box appears.
4. Select the format that you want to use.

*Note:* The WEEKUw., WEEKVw., and WEEKWw. formats are not supported.

5. Click **OK** in the Edit Time ID Format dialog box.
6. Click **OK** in the Forecasting Settings dialog box.

---

## View the Time Series Plots

From the Series View, you can select the plots to display. If you right-click a plot, you can select various options from the drop-down menu. For example, you can zoom in or out on a plot.

*Note:* Not all plots might be available for the current series. For example, if you do not have any independent or reporting variables in your project, then you cannot create a cross-series plot. If you remove an independent or reporting variable from your project, then any cross-series plots that depend on that variable will close.

To open a time series plot:

1. Open the Series View and click **Plots**.
2. From the drop-down list, select the plot that you want to view.

---

## View the Time Series Tables

From the Series View, you can select the tables to display.

*Note:* Not all tables might be available for the current series.

To open a time series table in the Series View:

1. Open the Series View and click **Tables**.

2. From the drop-down list, select the table that you want to view.

---

## Transform a Time Series

To improve forecasting accuracy, you can transform a time series. Parameter estimation is performed using the transformed series. The predictions and confidence limits for the transformed model are calculated from the transformed time series and these parameter estimates.

To transform a time series:

1. Open the Series View.
2. Select the functional transformation for the dependent and independent variables. If you select **Box-Cox** as the functional transformation, then you must specify a parameter value between -5 and 5.
3. Specify the simple difference.
4. Specify the seasonal difference.

SAS Forecast Studio immediately updates all of the open plots to show the specified transformation.

---

## Viewing the Results of a Time Series Decomposition

### *About Time Series Decomposition*

Using several plots and tables in the Series View, you can perform seasonal decomposition on the working series. Classic decomposition breaks the time series down into trend, cycle, seasonal, and irregular components. The trend and cycle components are often combined to form the trend-cycle component.

Seasonal decomposition includes a seasonal component and additional decomposition methods. The decomposition method determines the mode of the seasonal adjustment decomposition to be performed. In SAS Forecast Studio, there are four decomposition methods: additive, log-additive, pseudo-additive, and multiplicative.

**Table 14.1** Seasonal Adjustment Formulas

Component	Decomposition Method	Formula
original series	multiplicative	$O_t = TC_t S_t I_t$
	additive	$O_t = TC_t + S_t + I_t$
	log-additive	$\log(O_t) = TC_t + S_t + I_t$
	pseudo-additive	$O_t = TC_t(S_t + I_t - 1)$
trend-cycle component	multiplicative	centered moving average of $O_t$
	additive	centered moving average of $O_t$
	log-additive	centered moving average of $\log(O_t)$
	pseudo-additive	centered moving average of $O_t$
seasonal-irregular component	multiplicative	$SI_t = S_t I_t = \frac{O_t}{TC_t}$
	additive	$SI_t = S_t + I_t = O_t - TC_t$
	log-additive	$SI_t = S_t + I_t = \log(O_t) - TC_t$
	pseudo-additive	$SI_t = S_t + I_t - 1 = \frac{O_t}{TC_t}$
seasonal component	multiplicative	seasonal Averages of $SI_t$
	additive	seasonal Averages of $SI_t$
	log-additive	seasonal Averages of $SI_t$
	pseudo-additive	seasonal Averages of $SI_t$

Component	Decomposition Method	Formula
irregular component	multiplicative	$I_t = \frac{SI_t}{S_t}$
	additive	$I_t = SI_t - S_t$
	log-additive	$I_t = SI_t - S_t$
	pseudo-additive	$I_t = SI_t - S_t + 1$
trend-cycle-seasonal component	multiplicative	$TCS_t = TC_t S_t = \frac{O_t}{I_t}$
	additive	$TCS_t = TC_t + S_t = O_t - I_t$
	log-additive	$TCS_t = TC_t + S_t = O_t - I_t$
	pseudo-additive	$TCS_t = TC_t S_t$
trend component	multiplicative	$T_t = TC_t - C_t$
	additive	$T_t = TC_t - C_t$
	log-additive	$T_t = TC_t - C_t$
	pseudo-additive	$T_t = TC_t - C_t$
cycle component	multiplicative	$C_t = TC_t - T_t$
	additive	$C_t = TC_t - T_t$
	log-additive	$C_t = TC_t - T_t$
	pseudo-additive	$C_t = TC_t - T_t$
seasonally adjusted series	multiplicative	$SA_t = \frac{O_t}{S_t} = TC_t I_t$
	additive	$SA_t = O_t - S_t = TC_t + I_t$
	log-additive	$SA_t = \frac{O_t}{\exp(S_t)} = \exp(TC_t + I_t)$
	pseudo-additive	$SA_t = TC_t I_t$

The trend-cycle component is computed from the centered moving average for the  $s$ -period as follows:

$$TC_t = \sum_{k=-s/2}^{s/2} \frac{Y_{t+k}}{2}$$

The seasonal component is obtained by averaging the seasonal-irregular component for each season where  $0 \leq j \leq \frac{T}{s}$  and  $1 \leq k \leq s$ .

$$S_{k+js} = \sum_{t=k \bmod s} \frac{SI_t}{\frac{T}{s}}$$

The seasonal components are normalized to sum to one (multiplicative) or zero (additive).

### ***How to View the Time Series Decomposition***

1. Open the Series View.
2. Select one of the following plots or tables:
  - decomposition panel
  - a components plot, such as cycle component, irregular component, seasonal-irregular component, seasonal component, trend-cycle-seasonal component, trend-cycle component, or trend component
  - seasonal adjusted series
  - seasonally adjusted series (percent change)

Here is an example of how the decomposition plots and tables appear in the Series View:

**Display 14.3** Decomposition Plots and Tables in Series View





## Chapter 15

# Working with Models

---

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## Overview of Model Repositories

### What Is a Model Repository?

All of the models that are available to a SAS Forecast Studio project are stored in a model repository. The following table describes each of the model repositories that are used by SAS Forecast Studio:

Model Repository	Description
project level model repository	This model repository is created when you create the project. Any model specifications that you define are saved in <code>projectmodrep.sas7bcat</code> , which is in the SAS Forecast Studio home directory. This is the only model repository that you can modify. The model specifications in this repository take precedence over model specifications in the other model repositories.
HPFDFLT model repository	This model repository is installed with SAS High-Performance Forecasting. You cannot modify the content in this repository.
model repositories for each level in the hierarchy	<p>SAS Forecast Studio automatically creates a model repository for each level in the hierarchy or one model repository if your project does not have a hierarchy. These repositories contain the system-generated model specifications. You cannot modify the content in this model repository.</p> <p>SAS Forecast Studio identifies these models by using specific model names. You cannot use these model names for any user-created models. For more information, see <a href="#">“Reserved Names in SAS Forecast Studio”</a> on page 233.</p>

### Types of Models in the Model Repository

To open the model repository, select **Project** ⇒ **Model Repository**. SAS Forecast Studio has default models, custom models, and models from an external list. You can determine the model type from the value in the **Type** column.

**Display 15.1** Model Repository

The project contains the following models. These can be added to the model lists of individual series:

Name	Details	Type	Description
ADDWINTERS	ESM: Additive (Winters) Seasonal Smoothing.	Default	
AIRLINE	$Y = D=(1\ s)\ Q=(1\ \times\ 1)\ s\ NOINT$	Default	
ARIMA00001NOINT	$Y = D=(s)\ Q=(1)\ s\ NOINT$	Default	
ARIMA011100NOINT	$Y = P=(1\ s)\ D=(1)\ Q=(1)\ NOINT$	Default	
ARIMA012011NOINT	$Y = D=(1\ s)\ Q=(1\ 2\ \times\ 1)\ s\ NOINT$	Default	
ARIMA022011NOINT	$Y = D=(1\ 1\ s)\ Q=(1\ 2\ \times\ 1)\ s\ NOINT$	Default	
ARIMA1	BOXCOX(Y) = CONST + QUADRATIC ... + SUMMER_SALES	Custom	
ARIMA200100	$Y = P=(1\ 2\ \times\ 1)\ s$	Default	
ARIMA210011NOINT	$Y = P=(1\ 2)\ D=(1\ s)\ Q=(1)\ s\ NOINT$	Default	
ARIMA212011NOINT	$Y = P=(1\ 2)\ D=(1\ s)\ Q=(1\ 2\ \times\ 1)\ s\ NOINT$	Default	
DAMP TREND	ESM: Damped-Trend Linear Exponential Smoothing.	Default	
DOUBLE	ESM: Double (Brown) Exponential Smoothing.	Default	
ESM1	ESM: Multiplicative (Winters) Seasonal Smoothing. Transform = BOXCOX.	Custom	
IDM1	Automatic: INTERVAL(Method=BESTN) SIZE(Method=BESTN) AVERAGE(Me...	Custom	
LINEAR	ESM: Linear (Holt) Exponential Smoothing.	Default	
LINEARSEASONALDUMMIES	AIR = NOINT + LINEAR + SEASONAL	Default	
LINEAR TREND	$Y = CONST + LINEAR$	Default	
LINEAR TRENDAR	$Y = P=(1\ 2\ 3\ \times\ 1)\ s + LINEAR$	Default	
LOGADDWINTERS	ESM: Additive (Winters) Seasonal Smoothing. Transform = LOG.	Default	
LOGAIRLINE	$LOG(Y) = D=(1\ s)\ Q=(1\ \times\ 1)\ s\ NOINT$	Default	
LOGARIMA000011NOINT	$LOG(Y) = D=(s)\ Q=(1)\ s\ NOINT$	Default	
LOGARIMA011100NOINT	$LOG(Y) = P=(1\ s)\ D=(1)\ Q=(1)\ NOINT$	Default	
LOGARIMA011100NOINTCOPY1	$LOG(Y) = P=(1\ s)\ D=(1)\ Q=(1)\ NOINT$	Custom	
LOGARIMA012011NOINT	$LOG(Y) = D=(1\ s)\ Q=(1\ 2\ \times\ 1)\ s\ NOINT$	Default	
LOGARIMA022011NOINT	$LOG(Y) = D=(1\ 1\ s)\ Q=(1\ 2\ \times\ 1)\ s\ NOINT$	Default	
LOGARIMA200100	$LOG(Y) = P=(1\ 2\ \times\ 1)\ s$	Default	
LOGARIMA210011NOINT	$LOG(Y) = P=(1\ 2)\ D=(1\ s)\ Q=(1)\ s\ NOINT$	Default	
LOGARIMA212011NOINT	$LOG(Y) = P=(1\ 2)\ D=(1\ s)\ Q=(1\ 2\ \times\ 1)\ s\ NOINT$	Default	
LOGDAMP TREND	ESM: Damped-Trend Linear Exponential Smoothing. Transform = LOG.	Default	
LOGDOUBLE	ESM: Double (Brown) Exponential Smoothing. Transform = LOG.	Default	
LOGLINEAR	ESM: Linear (Holt) Exponential Smoothing. Transform = LOG.	Default	
LOGLINEARSEASONALDUMMIES	$LOG(AIR) = NOINT + LINEAR + SEASONAL$	Default	
LOGLINEAR TREND	$LOG(Y) = CONST + LINEAR$	Default	
LOGLINEAR TRENDAR	$LOG(Y) = P=(1\ 2\ 3\ \times\ 1)\ s + LINEAR$	Default	

New... View... Edit... Delete Copy

Add models from a catalog Save models to a catalog

Models not created within the project (default models and external list models) cannot be edited or deleted. However, you can create a copy of any model, and edit the copy.

Close Help

SAS Forecast Studio supports the following types of models:

default models

models that ship with SAS Forecast Studio. You cannot edit or delete these models. However, you can copy a default model and customize it to meet your needs.

custom models

models that you create in SAS Forecast Studio. When you create a model for a particular series, that model is automatically added to this model repository. After the model is added, you can apply it to other series in the project. Because these are user-defined models, you can add, edit, copy, or delete custom models.

models from an external list

models from the external list that was specified in the **Model Generation** panel of the Forecasting Setting dialog box. You cannot edit or delete these models. However, you can copy a model from an external list and customize it to meet your needs.

## How SAS Forecast Studio Fits Models

For a project, you can specify the classes of models that SAS Forecast Studio should try to fit to the data. These models make up the model selection list for a series. When SAS Forecast Studio diagnoses a project, SAS Forecast Studio attempts to fit all the models in the model selection list. To add or remove models from the model selection lists, see [“Select the Models to Fit to Each Series” on page 163.](#)

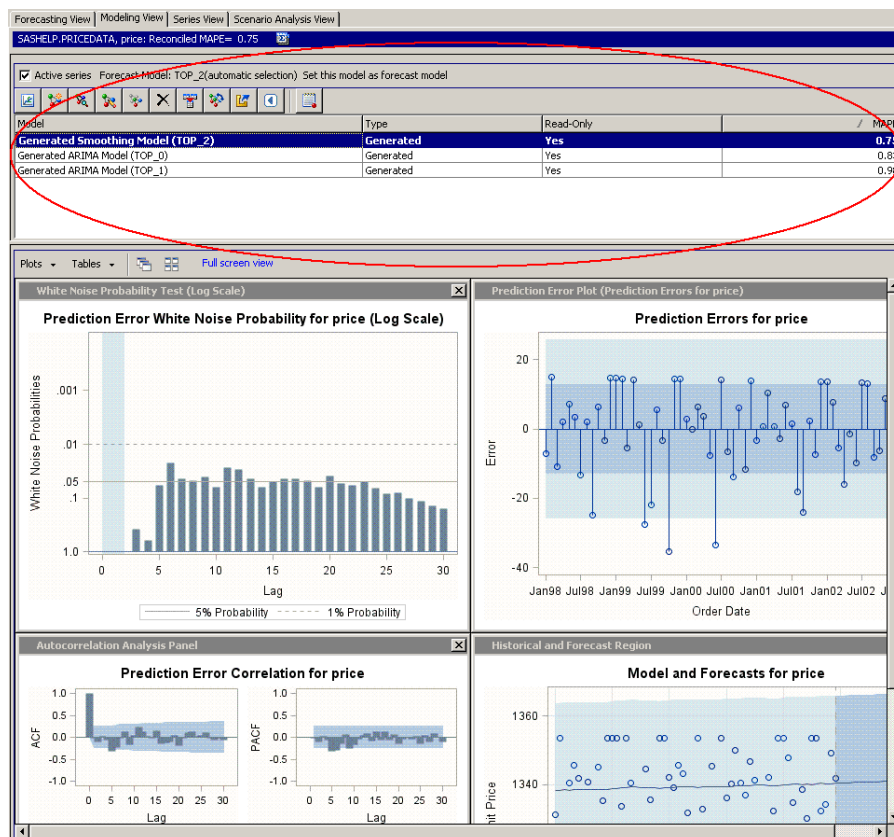
SAS Forecast Studio runs a series of diagnostics to determine the characteristics of the data (such as seasonality or intermittency), and it avoids models that are inappropriate for the data. Here are some examples of when SAS Forecast Studio avoids a model:

- If the diagnostics determine that a series is intermittent, then you cannot use continuous time series models, such as ARIMA, exponential smoothing, or unobserved components models.
- If the diagnostics determine that a series is continuous, then you cannot use an intermittent time series model, such as the intermittent demand model.

*Note:* If none of the models in the model selection list fit, then SAS Forecast Studio attempts to use the model selection list that ships with SAS Forecast Studio. This default model selection list consists of exponential smoothing models.

After SAS Forecast Studio generates the forecasts, you can view the model selection list in the Modeling View.

**Display 15.2** The Model Selection List in the Modeling View



SAS Forecast Studio uses the value of the selection criterion to determine the best-performing model (also called the forecast model). The results of the forecast model are displayed in the forecast plot and data table in the Forecasting View. In the model selection list, the best-performing model appears in bold.

If the statistical properties of the time series are not compatible with the model specification, then a model might be rejected. The term **Rejected** appears in the column for the statistic of fit.

Here are examples of when a model is rejected:

- Seasonal models are rejected if the seasonality is less than two.

- Log transform models are rejected if the series is not strictly positive.

*Note:* The status of a model can change depending on the other models in the model selection list. If you change a model selection list (for example, you add, edit, or delete a model from the list or you reforecast a series) and you have selected the **Perform seasonality test** option in the Forecasting Settings dialog box, then the seasonality test that is used to re-create the model selection list is more rigorous than the test that is used when SAS Forecast Studio diagnoses and forecasts the entire project. The more rigorous test could result in models that previously fit appearing as failed in the model selection list. For more information, see [“Set the Diagnose Properties for Each Series” on page 64](#).

---

## Select the Models to Fit to Each Series

You must select at least one model for SAS Forecast Studio to use when generating the model selection lists. By default, SAS Forecast Studio creates an ARIMA model and an exponential smoothing model.

To select the models to fit to each series:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Model Generation**.
3. Select the system-generated models to create. By default, SAS Forecast Studio creates an ARIMA model and an exponential smoothing model. You can also choose to create unobserved components models.
4. To use an external model selection list that contains the models that you want to use, select the **Models from an external list** check box and click **Browse**. The Select Model Selection List dialog box appears, and you can select the model selection list that you want to use.
5. Specify whether to fit the exponential smoothing models that SAS Forecast Studio generates only at the lowest level of the hierarchy.
6. Click **OK**.

---

## Specifying the Forecast Model

### *What Is the Forecast Model?*

The forecast model is the model that SAS Forecast Studio uses to generate a numerical prediction of the future values for the time series. By default, SAS Forecast Studio chooses the best-performing model in the model selection list as the forecast model. The best-performing model is determined by the holdout sample and the selection criterion that you specified. The best-performing model can change over time as the performance changes for the other models in the list.

You can override the automatic selection by SAS Forecast Studio and specify the forecast model. When you reforecast the project, SAS Forecast Studio selects the forecast model based on the current forecast model and how you specified to reforecast

the data. In SAS Forecast Studio, you can specify where to start the process for generating a forecast. For more information about each of these steps, see [“Process for Generating a Forecast” on page 63](#).

- You select a system-generated model as the forecast model. Then reforecast the project and have SAS Forecast Studio start at the Diagnose step. You also specify that SAS Forecast Studio should ignore your selection for the forecast model. In this case, SAS Forecast Studio selects the best-performing model.
- You change the forecast model for one or more series. Then you reforecast the project and have SAS Forecast Studio start at the Select step. SAS Forecast Studio keeps the forecast model that you selected rather than selecting the best-performing model from all the fitted models. If you specify that SAS Forecast Studio should ignore your selection for the forecast model, then SAS Forecast Studio selects the best-performing model.

For more information, see [“Reforecasting a Series or Project” on page 67](#).

### Select the Forecast Model

By default, SAS Forecast Studio determines the best-performing model. To select the forecast model:

1. Select **View** ⇒ **Details** ⇒ **Modeling View**.
2. In the model selection list, select the model that you want to use as the forecast model and select **Set this model as forecast model**.

When you change the forecast model for a series that is part of a hierarchy, a "Reconciliation needed" warning appears. Click **Reconcile** to reconcile the hierarchy.

---

## Assessing the Accuracy of the Models

### The Selection Criterion

SAS Forecast Studio uses the selection criterion to determine the most accurate model. One of the most common selection criteria in business forecasting is the mean absolute percent error (MAPE). The MAPE is the average of all the individual absolute percent errors. Therefore, this criterion shows the size of the forecast error relative to the magnitude of the actual value. When MAPE is your selection criterion, the model with the smallest MAPE value is the best-performing model. In SAS Forecast Studio, MAPE is the default selection criterion.

You should change the selection criterion after forecasts are generated only to investigate the robustness of the model selection. If the same model is the best performing when the selection criterion is MAPE or when the selection criterion is Root Mean Square Error (RMSE), then you can say that the model selection is robust with respect to a selection criterion of MAPE or RMSE. Choosing a selection criterion after the forecasts are generated can result in forecast bias.

## Using a Holdout Sample

### About the Holdout Sample

The accuracy of the model can be calculated for a holdout sample of data at the end of each time series that was not used to construct models. Using a holdout sample to judge accuracy is often referred to as an honest assessment because it simulates fitting and deploying a model and then judging the accuracy in a live environment. Although using a holdout sample is preferred, it might not be feasible. For example, a time series might be too short to enable the use of a holdout sample.

It is recommended that you use an out-of-sample region along with the holdout sample to determine how the model performs with future forecasts.

### Specify the Holdout Sample and Selection Criterion for Model Selection

To specify a holdout sample and the selection criterion for model selection:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Model Selection**.
3. To specify a holdout sample to be used for model selection, select the **Use holdout sample for model selection** check box. The holdout sample is a subset of the dependent time series that ends at the last nonmissing observation. The statistics for the selection criterion are computed using only the holdout sample. The default value is 2.

In the **Maximum percentage of series that holdout sample can be** box, specify the size of the holdout sample as a percentage of the length of the dependent time series. The default value is 5%.

If you specify both the holdout sample to use for model selection and the maximum percentage of the series for the holdout sample, then the size of the holdout sample is  $\min(\text{holdout-sample}, \text{maximum percentage}T)$ , where  $T$  is the length of the dependent time series with beginning and ending missing values removed.

4. From the **Selection criterion** drop-down list, select the selection criterion for the model. You can select only one value from the drop-down list. For more information about the available selection criteria, see [“Statistics of Fit” on page 249](#).

## Using an Out-of-Sample Region

### What Is an Out-of-Sample Region?

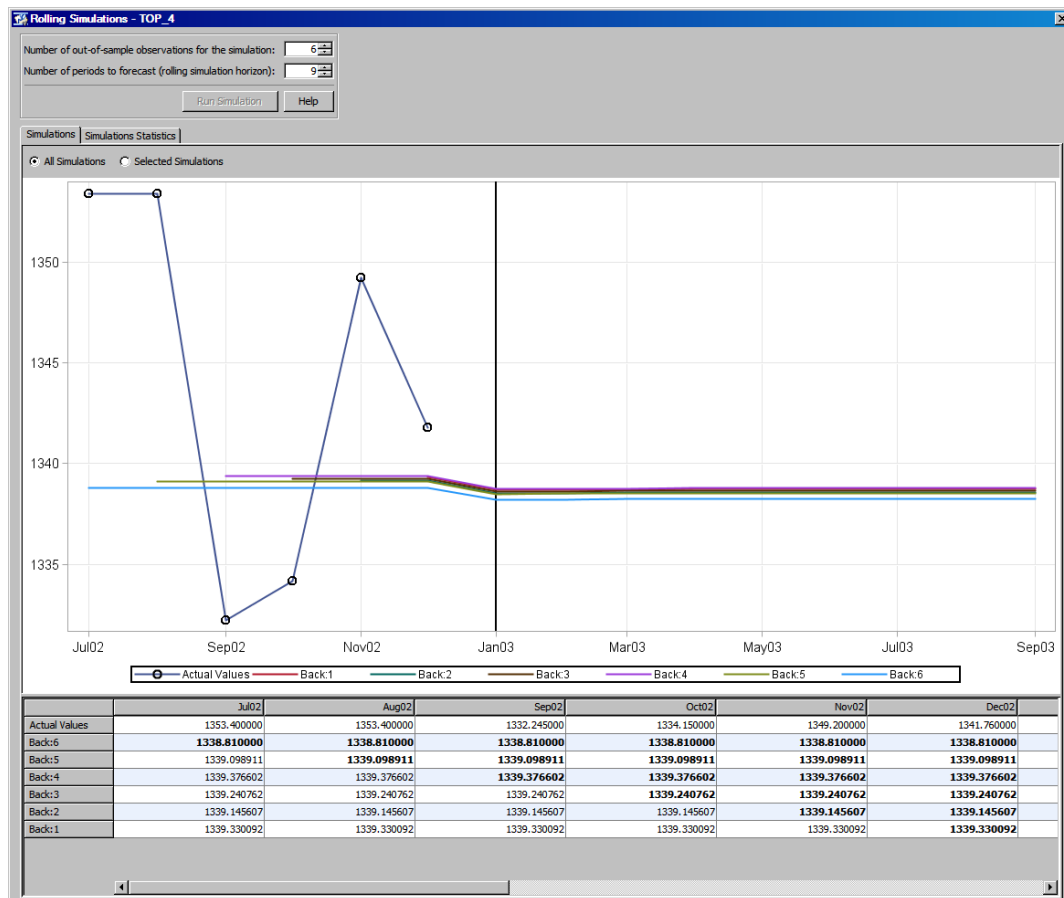
The out-of-sample region is the number of observations before the end of the data where the multistep forecasts are to begin. Removing observations from the end of your data (especially outliers) can help improve your forecasting model and as a result your forecasts. Determining the number of observations to remove can be difficult. Using rolling simulations, SAS Forecast Studio enables you to determine the best out-of-sample region for your data.

### Using Rolling Simulations to Determine the Out-of-Sample Region

To view a rolling simulation:

1. Open the Modeling View.
2. In the Hierarchy View or Table View, select a series.
3. Select **Series** ⇒ **Rolling Simulation**. The Rolling Simulation -series-name dialog box appears.
4. Specify the number of out-of-sample observations for the simulation.
5. Specify the horizon to use for the rolling simulation and click **Run Simulation**.

Here is an example of the results in the Rolling Simulations dialog box:



In this example, you simulated the values for six observations before the end of the data. The **Simulations** tab is displayed in graphical and tabular format the back values and actual values for each time period. The **Simulations Statistics** tab displays the mean, mean error, MAPE, MAD, and MAD to Mean ratio for observations 1 through 6.

Using this data, you can determine the out-of-sample region to specify for the series that you selected.

### Specify an Out-of-Sample Region

To specify an out-of-sample region:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.

2. In the selection pane, click **Forecast**.
3. In the **Calculate statistics of fit over an out-of-sample range** box, specify the number of observations before the end of the data that the multistep forecasts are to begin. You cannot specify a negative value. The default value is 0.

### View the Model Plots

You might want to view a plot of the model to gain a better understanding of the model.

To view a model plot:

1. Select **View** ⇒ **Details** ⇒ **Modeling View** to open the Modeling View.
2. From the model selection list, select a model.
3. Click **Plots** and select the plot that you want to view.

*Note:* Not all plots might be available for the current model.

### View the Model Tables

You might want to view the statistics for the model to gain a better understanding of the model.

To view a model table:

1. Select **View** ⇒ **Details** ⇒ **Modeling View** to open the Modeling View.
2. From the model selection list, select a model.
3. Click **Tables** and select the table that you want to view.

*Note:* Not all tables might be available for the current model.

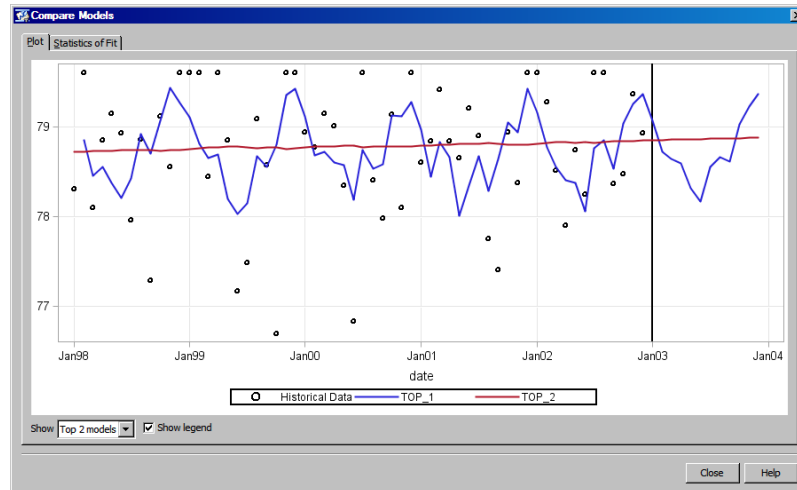
---

## Compare Models

If you have created several models for a series, then you might want to compare the statistics of fit for the models that were fitted to that series. Through this comparison, you can determine which model you want to use.

To compare models:

1. Select **View** ⇒ **Details** ⇒ **Modeling View**.
2. To compare all of the models for the series, select **Series** ⇒ **Compare Models**. The Compare Models dialog box appears.
3. Compare the plots and statistics of fit for each model in the series. Each model is plotted in a different color.

**Display 15.3** Plots Tab in Compare Models Dialog Box

For each statistic of fit, the cell for the best-performing model is shaded in green. For more information about the available statistics, see “Statistics of Fit” on page 249.

**Display 15.4** Statistics of Fit Tab in Compare Models Dialog Box

Model /	ANDRSQ	ADJRSQ	AIC	AICC	APC	QMAPE	QMAPE5	QMAPE10
Generated ARIMA Model (TOP_0)	-0.30050	-0.24741	-13.528045	-13.441088	0.754403	26.15	2.45886E-12	3.9E-15
Generated ARIMA Model (TOP_1)	0.17236	0.22887	-45.70404	-45.257892	0.440368	0.44	46.189656	0.44
Generated Smoothing Model (TOP_2)	-0.08011	-0.02785	-31.092036	-30.881510	0.595606	0.50	52.266861	0.50

4. Click **Close** after you have finished your comparison.

## Add a Model to a Series

If you are working in the model selection list, then SAS Forecast Studio adds the model to the current series.

To add a model to the series that is currently being displayed in the Modeling View:

1. Select **Series** ⇒ **Add Model**. The Add Model dialog box appears.
2. Specify how to add a new model to the series. You can create a new model or fit an existing model.
3. Click **OK**.

---

## Importing and Exporting Models

### *Add Models from a Catalog*

To add models to the model repository from a catalog:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.
2. Click **Add models from a catalog**. The Import Model Repository dialog box appears.
3. Select the catalog that contains the models that you want to add and click **OK**. The new models are added to the model repository.

### *Save Models to a Catalog*

You might want to share a custom model with other users at your site. When you save these models to a catalog, the models still remain in the model repository for your project. If you edit these models, these changes are not saved to the models in the catalog. The changes appear only in your project.


To export a model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.
2. Select the models that you want to export and click **Save models to a catalog**. The Export Model Repository dialog box appears.
3. Select the catalog where you want to save the models and click **OK**.

### *Export a Model Selection List*

You might want to export a model selection list so you can share it with other users at your site. When you export a model selection list, you save it to a library. You must have permission to save content to this library.

To export a model selection list:

1. Select **View** ⇒ **Details** ⇒ **Modeling View** to open the Modeling View.
2. Click . The Export Model Selection List dialog box appears.
3. Select the library where you want to save the model selection list and specify a catalog name. Click **OK**.

---

## Create a New Model Based on a Default Model

You can use the default models that ship with SAS Forecast Studio as a basis for a user-defined model.

To create a new custom model based on a default model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.
2. Select the default model that you want to use as the basis for the custom model and click **Copy**. The model specification dialog box for that model opens. By default, the name of the model is **Existing-model-nameCOPYn**, where **n** is the lowest available integer.
3. Edit the model options and click **OK**.

SAS Forecast Studio saves the new model and displays it in the Model Repository dialog box.

## Edit a Model

### About Editing Models

In SAS Forecast Studio, you can edit a model in the following ways:

- from the model selection list in the Modeling View
- from the model repository


When you edit a model that is used by multiple series, then SAS Forecast Studio automatically updates the model in all of the series. You can see whether a model is used in multiple series by using the search feature in the model specification dialog box.

#### Display 15.5 Searching for All Series That Use the Current Model

After the search is complete, you can specify whether to update the model for the current series or for all series that use the model.

## Edit a Model from the Model Selection List

To edit a model from the model selection list:

1. Select **View** ⇒ **Details** ⇒ **Modeling View** to open the Modeling View. The model selection list appears at the top of this view.
2. Select the model that you want to edit and click . The model specification dialog box for that model opens.
3. In the model specification dialog box, specify the options that you want to edit and click **OK**.

*Note:* You cannot edit the following types of models:

- default models that shipped with SAS Forecast Studio.
- models that SAS Forecast Studio created using the HPFDIAGNOSE procedure. You select the models that SAS Forecast Studio generates from the Models pane in the Forecasting Settings dialog box. For more information, see [“Select the Models to Fit to Each Series” on page 163](#).
- imported models. For more information, see [“Importing and Exporting Models” on page 169](#).

## Edit a Model from the Model Repository


To edit a custom model from the model repository:

1. Select **View** ⇒ **Details** ⇒ **Model Repository**. The Model Repository dialog box appears.
2. Select the custom model that you want to edit from the list and click **Edit**. The model specification dialog box for that model opens.
3. In the model specification dialog box, specify the options that you want to edit and click **OK**.

---

## Copy Models

To copy a model:

1. Select **View** ⇒ **Details** ⇒ **Modeling View** to open the Modeling View.
2. In the model selection list, select the model that you want to copy and click .
3. Edit the model specification. By default, the name of the copied model is *model-nameCopy<sub>n</sub>* where *model-name* is the original model name and *n* is the lowest integer value available. This name appears in the model selection list unless you edit it. For more information, see [“Edit a Model” on page 170](#).

*Note:* The copied model appears in the model selection list even if you cancel out of the model specification dialog box.

## Combining Models

### What Is a Combined Model?

Given the response time series  $\{y_t : 1 \leq t \leq n\}$  with previously generated forecasts for the  $m$  component models, a combined forecast is created from these component forecasts:

$$\text{Predictions : } \hat{y}_t = \sum_{i=1}^m w_i \hat{y}_{i,t}$$

$$\text{Prediction Errors : } \hat{e}_t = y_t - \hat{y}_t$$

Here,  $\hat{y}_{i,t}$  are the forecasts of the component models and  $w_i$  are the combining weights.

The estimate of the root mean square prediction error and forecast confidence limits for the combined forecast are computed by assuming independence of the prediction errors of the component forecasts.

$$\text{Standard Errors : } \hat{\sigma}_t = \sqrt{\sum_{i=1}^m w_i^2 \hat{\sigma}_{i,t}^2}$$

$$\text{Confidence Limits : } \pm \hat{\sigma}_t Z_{\alpha/2}$$

Here,  $\hat{\sigma}_{i,t}$  are the prediction standard errors for the component models,  $\alpha$  is the confidence limit width,  $1 - \alpha$  is the confidence level, and  $Z_{\alpha/2}$  is the  $\frac{\alpha}{2}$  quantile of the standard normal distribution.

In practice, there might be a positive correlation between the prediction errors of the component forecasts, so these confidence limits could be too narrow.

### Understanding the Process for Combining Forecasts

SAS Forecast Studio uses the following process to create a combined model:

1. Forecast candidate tests. By using tests for seasonality and intermittency, this step removes any models from the set that are not suitable for the targeted forecasting variable. For example, the target series is seasonal, and some models are not seasonal. These non-seasonal models would be removed from the list of candidates.
2. Forecast missing value tests. This step removes any models that have too many missing values. You can specify thresholds for the percentage of missing values in the horizon or in the estimated region.
3. Encompassing tests. This step removes any models that contain redundant information. This test is performed in a pairwise iteration over the ranked set of candidates that remain after the previous step. Performing an encompassing test is optional.
4. Weight estimation. This step assigns weights to the forecasts that were generated after running any encompassing tests. The weights are assigned based on the information in the combined model list.
5. Forecast combination. This step results in the weighted combination of the forecasts.

6. **Weighted average.** This step calculates the forecasts using a weighted average of the predictions from the models in the table. Models with missing values are not included in the forecast combination. Instead, these missing values are either dynamically rescaled using the weights of the nonmissing forecasts or generated from the combined forecast. The results of this step are the combined forecast, its residual, standard error, and the upper and lower confidence intervals.

For more information, see the “Forecast Combination Computational Details” chapter in the *SAS High-Performance Forecasting: User’s Guide*.

## Generating a Combined Model

### About Automatically Generating a Combined Model

Using SAS Forecast Studio, you can automatically generate a combined model for the set of time series models that is generated from the diagnosis of each series. The options for combined models are available in the **Combined Model** pane in the Forecast Settings dialog box. These options correspond to the options for COMBINE statement in the HPFDIAGNOSE procedure. For more information, see the *SAS High-Performance Forecasting: User’s Guide*.

*Note:* If you change any of the combined model options and you already have a combined model in your project, then any changes could affect the existing models.

### Project Requirements for Automatically Generating a Combined Model

In order for SAS Forecast Studio to create a combined model, you must select either of the following options in the **Model Generation** pane in the Forecasting Settings dialog box.

- You select more than one model family to fit to each series. For example, if you select both the **System-generated ARIMA models** and the **System-generated exponential smoothing models** check boxes, then SAS Forecast Studio can create a combined model. However, if you select only the **System-generated exponential smoothing models** check box, then no combined models are created.
- You select the **System-generated ARIMA models** check box and the **Create two models, each of which uses a different identification method for model inclusion** option. Because two models are always available, SAS Forecast Studio can generate a combined model. You do not have to select the check boxes for the exponential smoothing and unobserved components models.

For more information, see [“Select the Models to Fit to Each Series” on page 163](#).

### How to Automatically Include Combined Models in Your Model Selection List

To automatically generate a combined model:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, select **Combined Model**.

*Note:* This option is not available if only a single model (ESM, UCM, or ARIMA) is selected. An exception is if you create two ARIMA models.


3. In the Combined model pane, select the **Combine Diagnosed Models** check box.

4. Set the values that you want SAS Forecast Studio to use when generating a combined model and click **OK**.

### Combine Models in the Model Selection List

Often, combining several forecasting models can result in superior forecasts when compared to a single forecasting model. Using SAS Forecast Studio, you can create a combined model and add it to the model selection list for the current series. Options in SAS Forecast Studio enable you to control different aspects of the forecast combination process for the candidate models.

To combine a set of models:

1. Select **View** ⇒ **Details** ⇒ **Modeling View** to open the Modeling View.
2. In the Modeling View, click . The Combine Models dialog box appears.
3. Specify a name and a description for the new model.
4. Select the models for the forecast combination process. Only the models that can be used in a combined model are listed. Because you cannot edit system-generated models or default models that were added through the model repository, copies of these models are used. Even models that previously failed are included in this list because the failed model might work when combined with other models.

However, not all of the models might be in the final result. Whether a model is included in the final result depends on the criteria that you specify for the forecast combination process.

5. In the **Method of combination** drop-down list, select the method for determining the combination weights used in the weighted average of the candidate models. If you select **RANKWGT** or **USERDEF** as the method, then you must specify the weights for each model that you selected. For both methods, the weights must sum to 1.
6. Specify the statistic of fit to use when ranking the selected models or for an encompassing test.
7. In the **Treatment of missing values** drop-down list, select the method to use for any missing values in the combined forecast. For example, these missing values can be dynamically rescaled using the weights of the nonmissing forecasts, or these missing values could be generated in the combined forecast.

*Note:* For the Ordinary Least Squares (**OLS**) and Nonnegative Restricted Least Squares (**NRLS**) methods of combination, the estimated weights do not have to sum to one. Therefore, the option to rescale the missing values is not available.

8. In the **Compute prediction error variance series** drop-down list, select the method to use for computing the prediction standard error. This error is then used to compute the confidence interval for the combined forecast.
9. To remove any models that contain redundant information, select the **Forecast encompassing test** check box.
10. To remove any models that contain too many missing values, select these options:

- **Percentage of missing forecast values in the combination horizon**
- **Percentage of missing forecast values in the combination estimation region**


Because these tests are independent of each other, you can select one test or both tests. For each test that you select, you must specify the threshold for determining when a model has too many missing values.

The new combined model is added to the model selection list for the series.

---

## Remove Models from the Model Selection List

When you delete a model from the model selection list, the model is not deleted from the model repository, but it no longer appears in the model selection list. If a model is used in a combined model, then you cannot delete the model until the combined model is deleted.

To delete a model from the model selection list, select the model name and click . You are prompted to confirm this removal.

*Note:* If you delete all the models in the model selection list, then SAS Forecast Studio automatically fits an exponential smoothing model so that a forecast can be produced for the series. This exponential smoothing model is automatically removed when you add another model to the model selection list.



## Chapter 16

# Creating User-Defined Models

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## ARIMA Models

### Overview of ARIMA Models

When you create an Autoregressive Integrated Moving Average (ARIMA) model, you can specify the autoregressive and moving average polynomials of an ARIMA model. You can also include events and independent variables in the model.

For more information about the ARIMA model, see the HPFARIMASPEC procedure in the *SAS High-Performance Forecasting: User's Guide*.

### Create an ARIMA Model

To create an ARIMA model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **ARIMA** as the model type. The ARIMA Model dialog box appears.

**Display 16.1** ARIMA Model Dialog Box

4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the ARIMA Model dialog box. You cannot edit this text.

6. To specify a basic nonseasonal (ARIMA(p, d, q)) or seasonal (ARIMA(p, d, q)(P, D, Q))s model, select **Specification** in the selection pane.

You can specify the following options:

- which functional transformation to apply to the dependent series.

*Note:* You can specify a transformation only when the values of the series are positive.

- how to calculate the forecasts. Forecasts can be based on the mean or median. By default, the mean value is used.
- whether an intercept term is included in the model. To include an intercept term, select the **Intercept** check box. By default, the intercept is included.

*Note:* If you specify a differencing order, then a message appears asking if you want to suppress the intercept. It is recommended that you suppress the intercept when a differencing order is specified.

- the autoregressive (p and P), differencing (d and D), and moving average (q and Q) orders for your model.

*Note:* The maximum value that you can specify for each order is 13.

The ARIMA model has nonseasonal and seasonal components. The seasonal options are available only if the data is seasonal. Specify an integer value for the following orders:

- the nonseasonal and seasonal autoregressive orders (p and P).

If you set  $p = 4$ , then you are implying autoregressive orders of (1 2 3 4) in the nonseasonal component of the model. If you set  $p = 4$  and  $P = 3$ , then you are implying autoregressive orders of (1 2 3 4) in the nonseasonal component of the model and autoregressive orders of (1 2 3) in the seasonal component of the model. In the Details pane, this order appears as follows:  $P = (1\ 2\ 3\ 4)(1\ 2\ 3)s$ .

*Note:* The seasonal length of the order is identified by the placeholder "s".

- the nonseasonal and seasonal differencing orders (d and D).

If you set  $d = 4$ , then you are implying differencing orders of (1 1 1 1) in the nonseasonal component of the model. If you set  $d = 4$  and  $D = 3$ , then you are implying (1 1 1 1) in the nonseasonal component of the model and (s s s) in the seasonal component of the model. In the Details pane, this order appears as follows:  $D = (1\ 1\ 1\ 1\ s\ s\ s)$ .

- the nonseasonal and seasonal moving average orders (q and Q).

If you set  $q = 4$ , then you are implying moving average orders of (1 2 3 4) in the nonseasonal component of the model. If you set  $q = 4$  and  $Q = 3$ , then you are implying (1 2 3 4) in the nonseasonal component of the model and (1 2 3) in the seasonal component of the model. In the Details pane, this order appears as follows:  $Q = (1\ 2\ 3\ 4)(1\ 2\ 3)s$ .

*Note:* For a simple nonseasonal ARIMA model, you do not have to specify the orders for the seasonal component (P D Q). The season length (such as monthly, daily, and so on) is implied by the time ID variable in the project.

For more information about the syntax of these orders or for more examples, see [“Autoregressive, Differencing, and Moving Average Orders” on page 259](#).

7. To include an independent variable in the model, select **Independent Variables** in the selection pane. For each independent variable that you want to include, select the check box in the **Include in Model** column.

If you include only one independent variable in the model, then click **Transfer Function** to specify whether the independent variable enters the model as a simple regressor or if it enters the model after some modifications, such as lagging or differencing. You can specify these modifications by using the Transfer Function dialog box.

- a. Select the functional transformation to apply to the time series.
- b. Specify the delay (or lag) for the input series.
- c. Specify the differencing orders for the input series. How you specify the differencing order depends on the options that are available.
  - If the **Simple differencing** and **Seasonal differencing** options are available, then you can specify the integer value to use for these differencing orders.
  - If the **Differencing orders** option is available, then you must specify the syntax for the differencing order. For more information about the syntax, see [“Differencing Orders” on page 260](#).

*Note:* For ARIMA and Subset (factored) ARIMA models, the differencing order for new events is the same as the differencing order that is specified for the model. You can view the differencing order for the model in the Details pane of the ARIMA Model dialog box or the Subset ARIMA Model dialog box.

- d. Specify whether you want an ordinary or dynamic regression for the numerator and denominator polynomials.

How you specify these polynomials depends on the options that are available.

- If the **Numerator factors** and **Denominator factors** options are available, then you can specify the integer value to use for the simple and seasonal factors.
- If the **Numerator polynomial** and **Denominator polynomial** options are available, then you must use the following syntax to specify the numerator (NUM) and denominator (DEN) polynomial of the transfer function.

NUM= order

NUM= (lag,..., lag) ... (lag,..., lag)

NUM= (lag,..., lag)<s1>... (lag,..., lag)<sk>

DEN= order

DEN= (lag,..., lag) ... (lag,..., lag)

DEN= (lag,..., lag)<s1>... (lag,..., lag)<sk>

For more information about how to specify the polynomial order, see [“Autoregressive Orders” on page 259](#).

- e. Click **OK**.
8. To include a predefined variable in the model, select **Predefined Variables** in the selection pane. For each predefined variable that you want to include, select the check box in the **Include in Model** column.
9. To include an event in the model, select **Events** in the selection pane. For each event that you want to include in the model, select the check box in the **Include in the Model** column.

10. To specify the estimation options, select **Estimation** in the selection pane.
11. Click **OK**.

## Detecting Outliers in ARIMA Models

### About Detecting Outliers

By default, SAS Forecast Studio automatically detects outliers in the ARIMA models. These outliers show you changes in the level of the response series that are not accounted for by the model. In SAS Forecast Studio, these changes can be additive outliers or level shifts. For each outlier, SAS Forecast Studio creates a dummy regressor or indicator variable. Then the model and the dummy regressors are fit to the data.

SAS Forecast Studio uses the following iterative process to detect outliers:

1. Identify a significant outlier.
2. Determine whether this outlier falls within the specified significance level.
3. Add the outlier to the model.
4. Continue identifying and adding outliers until no more significant outliers are found or until the number of iterations in this process exceeds the maximum number of outliers that are allowed in the model. You can specify this maximum number as an integer or a percentage value.

### Specify How to Detect Outliers

To specify whether to detect outliers:

1. Select **Project** ⇒ **Forecasting Settings**. The Forecasting Settings dialog box appears.
2. In the selection pane, click **Diagnostics**.
3. Select the **Detect outliers** check box to specify whether SAS Forecast Studio should detect outliers in the data when fitting an ARIMA model. In the box, specify the maximum number of outliers that can be included in the model.
4. Specify the significance level for outlier detection. The significance level is the cutoff value for outlier detection. This value can range between 0 and 1.
5. Specify the maximum percentage of values in a series that can consist of outliers.

If you specify both a maximum number and a maximum percentage for outliers, then the number of outliers is  $\min(\text{maximum-number}, \text{percentage}T)$ , where  $T$  is the length of the time series with beginning and ending missing values removed. For example, if you specified the maximum number of outliers as 5 and the maximum percentage of outliers as 10, then the number of outliers is  $\min(5, 0.1T)$ .

### Remove an Outlier from the Model

To remove an outlier:

1. Select the ARIMA model that you want to edit from the model selection list or the model repository. When you click **Edit**, the ARIMA model specification dialog box appears.
2. In the selection pane, select **Outlier Variables**. By default, any outliers that were automatically detected during the creation of the model are inputs in the model.
3. Select the outlier that you want to delete and click **Delete**.

## Subset (Factored) ARIMA Models

### Overview of Subset (Factored) ARIMA Models

When creating a Subset (factored) ARIMA model, you can specify a general ARIMA model. You can specify the autoregressive and moving average polynomials of arbitrary complexity. You can also specify a general differencing order. The Subset ARIMA Model dialog box is similar to the ARIMA Model dialog box, except that it uses a more general specification of the ARIMA options.

For more information about the Subset (factored) ARIMA model, see the HPFARIMASPEC procedure in the *SAS High-Performance Forecasting: User's Guide*.

### Create a Subset (Factored) ARIMA Model

To create a Subset (factored) ARIMA model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.  
*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).
2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Subset (factored) ARIMA** as the model type.

The Subset ARIMA Model dialog box appears.

**Display 16.2** Subset ARIMA Model Dialog Box

The screenshot shows the 'Subset ARIMA Model' dialog box. The 'Name' field is 'SubsetARIMA1'. The 'Details' section shows 'Y = CONST'. The 'Specification' section on the left has a list of options: Specification, Independent Variables, Predefined Variables, Outlier Variables, Events, and Estimation. The main area contains several settings: 'Dependent transformation' is set to 'None', 'Box-Cox parameter' is '0', 'Forecast' is 'Mean', and the 'Intercept' checkbox is checked. Under 'ARIMA Options', there are three empty text boxes for 'Autoregressive (p)', 'Differencing (d)', and 'Moving Average (q)'. At the bottom right, there are buttons for 'View Code', 'OK', 'Cancel', and 'Help'.

4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Subset ARIMA Model dialog box. You cannot edit this text.

6. Select **Specification** in the selection pane to access the following options:
  - which dependent transformation to apply to the dependent series.
  - how to calculate the forecasts. Forecasts can be based on the mean or median. By default, the mean value is used.
  - whether an intercept is included in the model. If you specify a differencing term, then a message appears asking if you want to suppress the intercept.
  - the autoregressive (p), differencing (d), and moving average (q) orders for your model.

For SAS Forecast Studio to interpret these orders correctly, you must specify these options using the correct syntax. For more information about how to specify these orders, see [“Autoregressive, Differencing, and Moving Average Orders” on page 259](#).

7. To include an independent variable in the model, select **Independent Variables** in the selection pane. For each independent variable that you want to include, select the check box in the **Include in Model** column.

If you include only one independent variable in the model, then click **Transfer Function** to specify whether the independent variable enters the model as a simple regressor or if it enters the model after some modifications, such as lagging or differencing. You can specify these modifications by using the Transfer Function dialog box.

- a. Select the functional transformation to apply to the time series.
- b. Specify the delay (or lag) for the input series.
- c. Specify the differencing orders for the input series. How you specify the differencing order depends on the options that are available.
  - If the **Simple differencing** and **Seasonal differencing** options are available, then you can specify the integer value to use for these differencing orders.
  - If the **Differencing orders** option is available, then you must specify the syntax for the differencing order. For more information, see [“Differencing Orders” on page 260](#).

*Note:* For ARIMA and Subset (factored) ARIMA models, the differencing order for new events is the same as the differencing order that is specified for the model. You can view the differencing order for the model in the Details pane of the ARIMA Model dialog box or the Subset ARIMA Model dialog box.

- d. Specify whether you want an ordinary or dynamic regression for the numerator and denominator polynomials.

How you specify these polynomials depends on the options that are available.

- If the **Numerator factors** and **Denominator factors** options are available, then you can specify the integer value to use for the simple and seasonal factors.
- If the **Numerator polynomial** and **Denominator polynomial** options are available, then you must use the following syntax to specify the numerator (NUM) and denominator (DEN) polynomial of the transfer function.

```

NUM= order
NUM= (lag,..., lag) ... (lag,..., lag)
NUM= (lag,..., lag)<s1>... (lag,..., lag)<sk>
DEN= order
DEN= (lag,..., lag) ... (lag,..., lag)
DEN= (lag,..., lag)<s1>... (lag,..., lag)<sk>

```

For more information about how to specify the polynomial order, see [“Autoregressive Orders” on page 259](#).

- e. Click **OK**.
8. To include a predefined variable in the model, select **Predefined Variables** in the selection pane. For each predefined variable that you want to include, select the check box in the **Include in Model** column.
9. To delete an outlier from the model, select **Outlier Variables** in the selection pane. By default, any outliers that were automatically detected during the creation of the model are inputs in the model. Select the outlier that you want to delete and click **Delete**.  
*Note:* You cannot add an outlier back to the model after you have deleted it.
10. To include an event in the model, select **Events** in the selection pane. For each event that you want to include in the model, select the check box in the **Include in the Model** column.
11. To specify the estimation options, select **Estimation** in the selection pane.
12. Click **OK**.

---

## Unobserved Components Models

### Overview of Unobserved Components Models

Unobserved components models can include events and independent variables.

For more information about the Unobserved Components model, see the HPFUCMSPEC procedure in the *SAS High-Performance Forecasting: User's Guide*.

### Create an Unobserved Components Model

To create an unobserved components model:

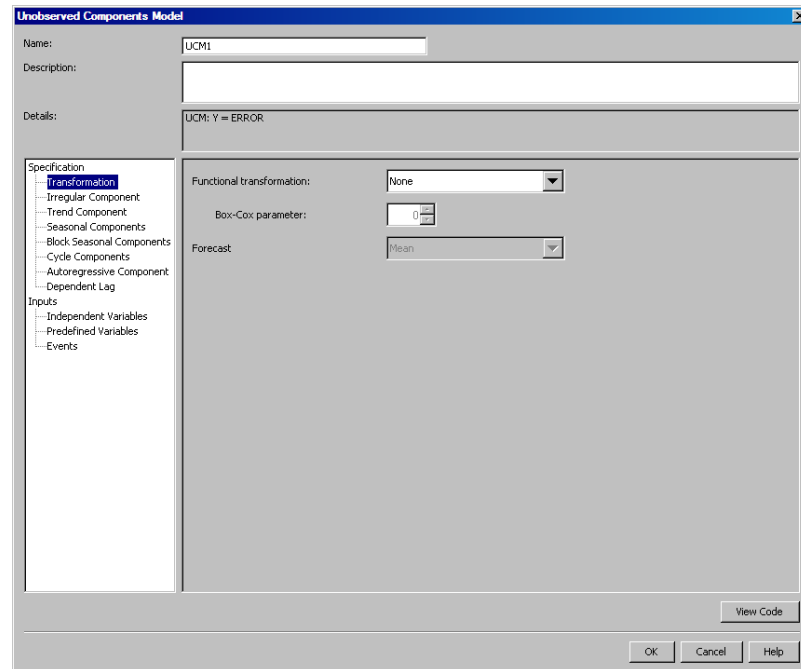
1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Unobserved Components** as the model type.

The Unobserved Components Model dialog box appears.

**Display 16.3** Unobserved Components Model Dialog Box



4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Unobserved Components Model dialog box. You cannot edit this text.

6. To specify a transformation, select **Transformation** in the selection pane.

You can then specify the following options:

- the functional transformation for the model.
- how to calculate the forecasts. Forecasts can be based on the mean or median. By default, the mean value is used.

7. To create an irregular component that corresponds to the overall random error in the model, select **Irregular Component** in the selection pane.

- a. Select the **Irregular component** check box.
- b. (Optional) Select the **Define initial variance** check box and specify a value for the initial variance. This value is used as the initial value during the parameter estimation process.
- c. If you want the variance to be set at the initial value, select the **Do not perform estimation (noest)** check box. This option is not available unless you specify a value for the initial variance.

8. To define the trend component for the model, select **Trend Component** in the selection pane. The level component and the slope component combine to define the trend component for the model. If you specify both a level and slope component,

then a locally linear trend is obtained. If you omit the slope component, then a local level is used.

- a. Select the **Level** check box to include a level component in the model.

To specify an initial value for the variance, select the **Define initial variance** check box and specify the initial value.

If you want the variance to be set at the initial value, select the **Do not perform estimation (noest)** check box. This option is not available unless you specify a value for the initial variance.

- b. (Optional) Select the **Slope** check box to include a slope component in the model.

To specify an initial value for the variance, select the **Define initial variance** check box and specify the initial value.

If you want the variance to be set at the initial value, select the **Do not perform estimation (noest)** check box. This option is not available unless you specify a value for the initial variance.

9. To specify a seasonal component, select **Seasonal Components** in the selection pane. You can specify a maximum of three seasonal components.
  - a. In the Seasonal Components pane, click **New**. The New Seasonal Component dialog box appears.
  - b. Specify the type of seasonal component. A seasonal component can be one of two types: dummy or trigonometric (which is the default).
  - c. Specify the season length. The season length can be any integer larger than or equal to two. An example of a season length is 4, which corresponds to quarterly seasonality. The default value is determined by the variable that you assign to the Time ID role when you created the project.
  - d. Specify the initial value for the disturbance variance.
  - e. If you want the disturbance variance to be set at the initial value, select the **Do not perform estimation (noest)** check box. This option is not available unless you specify a value for the initial variance.
  - f. Click **OK**.
10. To create a block-seasonal component, select **Block Seasonal Components** in the selection pane. You can specify a maximum of three block-seasonal components.
  - a. In the Block Seasonal Components pane, click **New**. The New Blockseasonal Component dialog box appears.
  - b. Specify the type of block-seasonal component. A block-seasonal component can be one of two types: dummy (which is the default) or trigonometric.
  - c. Specify the block size. The block size can be any integer larger than or equal to 2.
  - d. Specify the number of blocks. The number of blocks can be any integer larger than or equal to 2.

*Note:* The block-seasonal component requires the values for the block size and the number of blocks. For example, you can specify the block-seasonal component for an hourly series. For this block-seasonal component, you specify a block size of 24 and the number of blocks as 7. The resulting block-seasonal component is periodic with a period of 168 hours, which is equal to

- the number of hours in a week. The periodic pattern changes from day to day within a given week, but the pattern is constant within a given day.
- e. If the first measurement of the series is not at the start of a block, then select the **Define offset** check box. You can specify the location of the first measurement within the block. This value must be between 1 and the block size.
  - f. To supply an initial value for the variance, select the **Define initial variance** check box. Specify the initial value for the disturbance variance.
  - g. If you want the disturbance variance to be set at the initial value, select the **Do not perform estimation (noest)** check box. This option is not available unless you specify a value for the initial variance.
11. To specify a cycle component, select **Cycle Components** in the selection pane. You can specify up to 50 cycles in a model. By default, the cycle components are estimated from the data. You can also create additional cycle components. A default name is assigned to each cycle component. You cannot change this name.
    - a. In the Cycle Components pane, click **New**. The New/Edit Cycle Component dialog box appears.
    - b. To specify an initial cycle period to use during the parameter estimation process, select the **Define initial period** check box and then specify the initial value in the box. This value must be larger than 2. By default, the initial value is 3.
    - c. To specify an initial damping factor to use during the parameter estimation process, select the **Define initial damping** check box and then specify the initial value in the box. You can specify any value between 0 and 1 (excluding 0 but including 1). By default, the initial value is 0.01.
    - d. To specify an initial value for the disturbance variance parameter that SAS Forecast Studio uses during the parameter estimation process, select the **Define initial variance** check box and then specify the initial value in the box. This value must be greater than or equal to 0. By default, the initial value is 0.
    - e. To fix the values of the component parameters, select the **Do not perform estimation (noest)** check box. This option is available for the initial period, initial damping factor, and initial disturbance variance.
  12. To specify an autoregressive component, select **Autoregressive Component** in the selection pane.
    - a. Select the **Autoregressive component** check box.
    - b. (Optional) Specify an initial damping value to use during the parameter estimation process, select the **Define initial damping** check box, and then specify a value in the box. This value must be between -1 and 1, including -1 but excluding 1.
    - c. (Optional) Specify an initial variance to use during the parameter estimation process, select the **Define initial variance** check box, and then specify a value in the box. This value must be greater than or equal to 0.
    - d. To fix the values of the component parameters to those specified for the damping and variance, select the **Do not perform estimation (noest)** check box.
  13. To specify the forecast variable lags to be included as predictors in the model, select **Dependent Lag** in the selection pane.
    - a. Select the **Lag dependent variable** check box.
    - b. Specify the lag values. By default, the number of lags is 0.

To specify a lag, use the following syntax:

- For a dependent lag with degrees from 1 to an integer value, use integer as the syntax for the **Lags** option. This syntax creates a lag of 1, ..., integer.
- For the lag of a specific integer, use (integer) as the syntax for the **Lags** option. This syntax creates a lag of (integer).
- To include a multiplier, use (integer, ..., integer)m as the syntax for the **Lags** option. This syntax creates a lag of (integer\*m, ..., integer\*m).
- For a factored lag, use the following syntax for the **Lags** option: (integer, ... ,integer)...(integer, ... ,integer). This syntax creates a lag of (integer, ..., integer)...(integer, ..., integer).

The following table shows some examples of this syntax:

Model Description	Value of Lags Option	Result
Lag from 1 to an integer value	5	(1 2 3 4 5)
Lag for a specific integer	(5)	(5)
Lag with multiplier	(1 2 3)(2 7)12	(1 2 3)(24 84)
Factored lag	(1 2 3)(2 7)	(1 2 3)(2 7)

- To specify the starting values for the coefficients of the lagged forecast variable, select the **Define initial phi values** check box and then specify the values in the text box.
  - To set the parameter values to the initial value, select the **Do not perform estimation (noest)** check box. This option fixes the values of the component parameters to those specified. This option is not available unless you specify an initial value for phi.
- To include an independent variable in the model, select **Independent Variables** in the selection pane. For each independent variable that you want to include, select the check box in the **Include in Model** column.

If you include only one independent variable in the model, then click **Transfer Function** to specify whether the independent variable enters the model as a simple regressor or if it enters the model after some modifications, such as lagging or differencing. You can specify these modifications by using the Transfer Function dialog box.

- Select the functional transformation to apply to the time series.
- Specify the delay (or lag) for the input series.
- Specify the differencing orders for the input series. How you specify the differencing order depends on the options that are available.
  - If the **Simple differencing** and **Seasonal differencing** options are available, then you can specify the integer value to use for these differencing orders.
  - If the **Differencing orders** option is available, then you must specify the syntax for the differencing order. For more information, see [“Differencing Orders” on page 260](#).

- d. Click **OK**.
15. To include a predefined variable in the model, select **Predefined Variables** in the selection pane. For each predefined variable that you want to include, select the check box in the **Include in Model** column.
16. To include an event in the model, select **Events** in the selection pane. For each event that you want to include in the model, select the check box in the **Include in the Model** column.
17. Click **OK**.

---

## Exponential Smoothing Models

### *Overview of Exponential Smoothing Models*

Exponential smoothing is a forecasting technique that uses exponentially declining weights to produce a weighted moving average of time series values.

Using SAS Forecast Studio, you can create many types of exponential smoothing models. For more information about the exponential smoothing model, see the HPFESMSPEC procedure in the *SAS High-Performance Forecasting: User's Guide*.

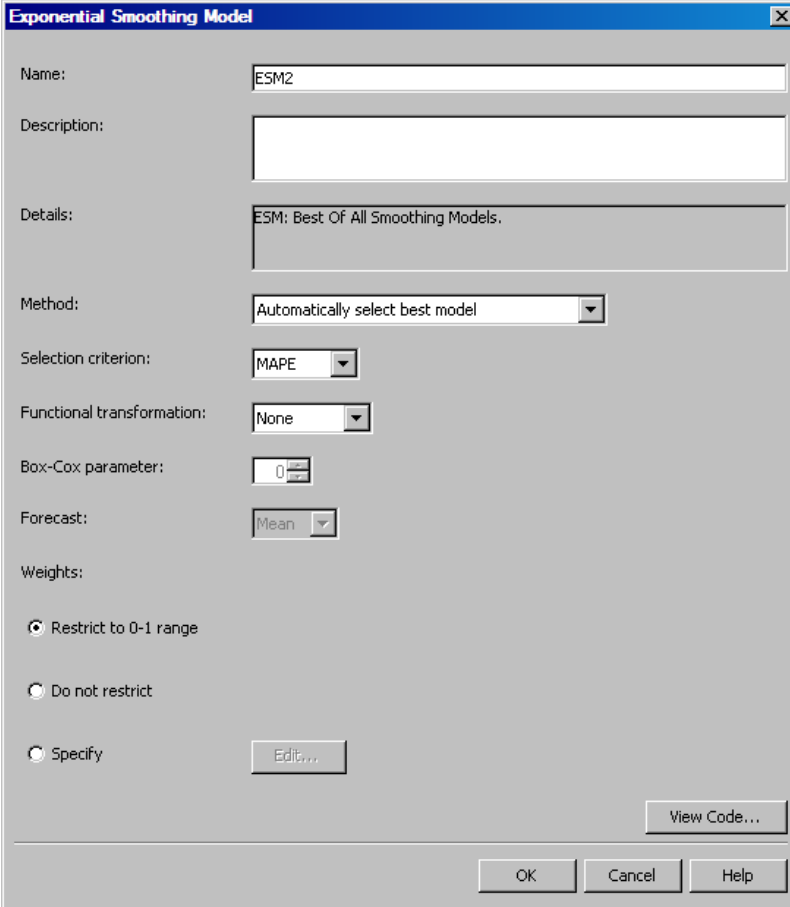
### *Create an Exponential Smoothing Model*

To create an exponential smoothing model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.  
*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).
2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Exponential smoothing** as the model type.

The Exponential Smoothing Model dialog box appears.

**Display 16.4** Exponential Smoothing Model Dialog Box



The dialog box is titled "Exponential Smoothing Model". It contains the following fields and controls:

- Name:** A text box containing "ESM2".
- Description:** An empty text box.
- Details:** A text box containing "ESM: Best Of All Smoothing Models."
- Method:** A drop-down menu showing "Automatically select best model".
- Selection criterion:** A drop-down menu showing "MAPE".
- Functional transformation:** A drop-down menu showing "None".
- Box-Cox parameter:** A text box containing "0".
- Forecast:** A drop-down menu showing "Mean".
- Weights:** Three radio buttons: "Restrict to 0-1 range" (selected), "Do not restrict", and "Specify".
- Edit...** button next to the "Specify" radio button.
- View Code...** button at the bottom right.
- OK**, **Cancel**, and **Help** buttons at the bottom.

*Note:* The Exponential Smoothing Model dialog box also opens when you edit a model. The options that are available when you are creating or editing a model are the same.

- Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

- (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Exponential Smoothing Model dialog box. You cannot edit this text.

- From the **Method** drop-down list, select the forecasting method to be used to forecast the time series.
- Select the selection criterion to use. The default selection criterion is the project default.

*Note:* This option is available only when either of the following is true:

- You selected one of the best models as the forecasting method.

- In the **Functional transformation** drop-down list, you select **Auto**, which means that the transformation for the dependent series is automatically chosen based on the model selection criteria.
8. From the **Functional transformation** drop-down list, select the dependent series transformation to be applied to the time series.  
*Note:* You can specify a transformation only when the values of the series are positive.
  9. Specify how to calculate the forecasts. Forecasts can be based on the mean or median. By default, the mean value is used.
  10. Specify whether to restrict all weights to the 0 to 1 range.  
To specify a smoothing weight:
    - a. Select **Specify** as the weight and click **Edit**. The Edit Weights dialog box appears.
    - b. Restrict the values and set the initial value for the parameters. Only the parameters that are relevant for a model are available.
    - c. To specify that the model parameters are fixed values, select the **Do not perform estimation (noest)** check box. To use this option, you must specify the initial values for all the model parameters that are available. By default, the model parameters are optimized.
    - d. To restrict the weights to stable values, select the **Restrict weights to stable values** check box.

---

## Intermittent Demand Models

### *Overview of Intermittent Demand Models*

Intermittent demand models are used for time series that have a large number of values that are zero or other constant values. Intermittent time series occur when the demand for an item is intermittent. Because many time series models are based on weighted-summations of past values, they bias the forecast toward zero. Therefore, their models will not work for intermittent time series data.

### *Create an Intermittent Demand Model*

To create an intermittent demand model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Intermittent demand** as the model type.

The Intermittent Demand Model dialog box appears.

**Display 16.5** Intermittent Demand Model Dialog Box

4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio”](#) on page 233.

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Intermittent Demand Model dialog box. You cannot edit this text.

6. To specify which intermittent demand method to use, select **Specification** in the selection pane. You can specify the following options:
  - the model type. You can use Croston’s method for the model, or you can select an average demand model. You can also have SAS Forecast Studio automatically determine the model type.
  - the base demand. The demand for the intermittent time series typically depends on a base value. You can have SAS Forecast Studio automatically determine the base demand based on the characteristics of the time series, or set the base demand yourself. The default base value is 0, but it can be any constant value.
7. To create an average demand model, a Croston’s method demand intervals model, or a Croston’s method demand sizes model, select **Average Demand Model**, **Demand Intervals Model**, or **Demand Sizes Model** in the selection pane and specify the following options:
  - the forecasting method to use to forecast the time series.
  - the selection criterion to use. The default selection criterion is the project default.

*Note:* This option is available only when either of the following is true:

- You selected **Automatically select best non-seasonal model** as the forecasting method.
- In the **Functional transformation** drop-down list, you select **Auto**, which means that the transformation for the dependent series is automatically chosen based on the model selection criteria.
- the functional transformation to apply to the time series.
- how to calculate the forecasts. Forecasts can be based on the mean or median. By default, the mean value is used.
- whether to restrict all weights to the 0 to 1 range.

To specify a smoothing weight:

1. Select **Specify** as the weight and click **Edit**. The Edit Weights dialog box appears.
  2. Restrict the values and set the initial value for the parameters. Only the parameters that are relevant for a model are available.
  3. To specify that the model parameters are fixed values, select the **Do not perform estimation (noest)** check box. To use this option, you must specify the initial values for all the model parameters that are available. By default, the model parameters are optimized.
  4. To restrict the weights to stable values, select the **Restrict weights to stable values** check box.
8. Click **OK**.

---

## Multiple Regression Models

### *Overview of the Multiple Regression Model*

You can create a multiple regression model with autocorrelated errors. You can specify which independent variables and events to include in the model.

### *Create a Multiple Regression Model*

To create a multiple regression model:

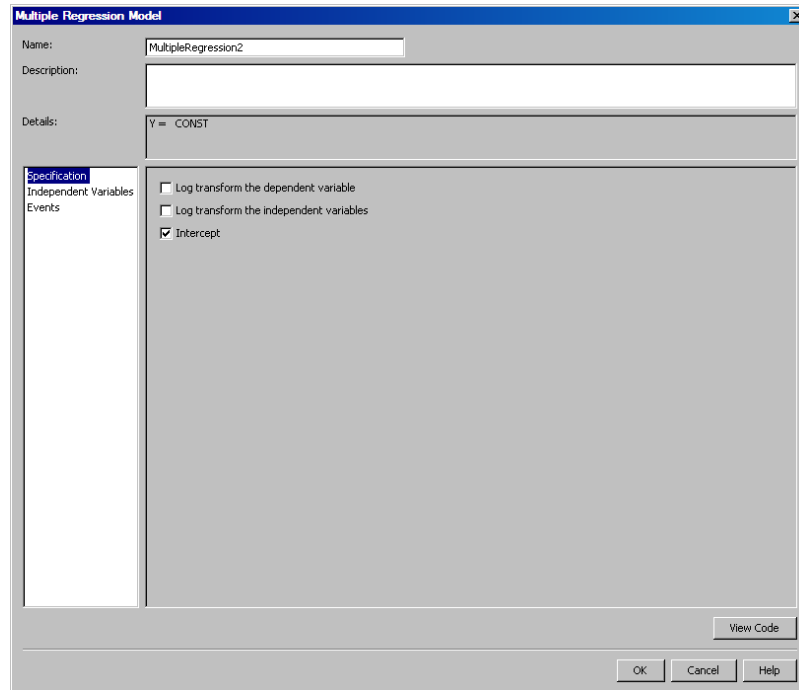
1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Multiple Regression** as the model type.

The Multiple Regression Model dialog box appears.

**Display 16.6** Multiple Regression Model Dialog Box



*Note:* The Multiple Regression Model dialog box also appears when you edit a model. The options that are available when you are creating or editing a model are the same.

4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Multiple Regression Model dialog box. You cannot edit this text.

6. Select **Specification** in the selection pane to specify the following options:

- whether to log transform the dependent variable.
- whether to log transform the independent variables.
- whether to include the intercept in the model. By default, the intercept is included.

7. To include an independent variable in the model, select **Independent Variables** in the selection pane. For each independent variable that you want to include, select the check box in the **Include in Model** column. If you include only one independent variable in the model, then click **Transfer Function** to specify the transfer function options.

8. To include an event in the model, select **Events** in the selection pane. For each event that you want to include in the model, select the check box in the **Include in the Model** column.

9. Click **OK**.

## Moving Average Models

### Overview of Moving Average Models

Using SAS Forecast Studio, you can create a moving average model. The formula for the moving average model with width  $k$  is  $y_t = \frac{[y_{t-1} + \dots + y_{t-k}]}{k} + \text{error}$ .

In ARIMA notation, this model is ARIMA( $k$ , 0, 0) with no intercept and with the autoregressive parameters (AR) fixed:  $AR = \frac{1}{k}, \frac{1}{k}, \dots, \frac{1}{k}$ .

### Create a Moving Average Model

To create a moving average model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Moving Average** as the model type.

The Moving Average Model dialog box appears.

**Display 16.7** Moving Average Model Dialog Box

*Note:* The Moving Average Model dialog box also appears when you edit a model. The options that are available when you are creating or editing a model are the same.

4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Moving Average Model dialog box. You cannot edit this text.

6. Select the **Log transform dependent variables** check box to log transform the dependent variable.
7. In the **Window (periods)** box, specify the number of periods for the moving average. The default value is 3.
8. Click **OK**.

---

## Curve Fitting Models

### Overview of Curve Fitting Models

Curve fitting models enable you to identify trends and relationships in your time series data. Using SAS Forecast Studio, you can create a curve fitting model with a linear or quadratic trend.

### Create a Curve Fitting Model

To create a curve fitting model:

1. Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

2. Click **New**. The New Model dialog box appears.
3. From the drop-down list, select **Curve Fitting** as the model type.

The Curve Fitting Model dialog box appears.

**Display 16.8** Curve Fitting Model Dialog Box

The screenshot shows the 'Curve Fitting Model' dialog box. The 'Name' field contains 'CurveFit1'. The 'Description' field is empty. The 'Details' field contains the equation 'Y = CONST + LINEAR'. Under 'Dependent Variable', the checkbox 'Log transform the dependent variable' is unchecked. Under 'Curve Component', the 'Linear trend' radio button is selected, and the 'Quadratic trend' radio button is unselected. The checkbox 'Log transform the curve component' is unchecked. A 'View Code...' button is located at the bottom right of the main content area. At the very bottom are 'OK', 'Cancel', and 'Help' buttons.

*Note:* The Curve Fitting Model dialog box also appears when you edit a model. The options that are available when you are creating or editing a model are the same.

- Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio” on page 233](#).

- (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Curve Fitting Model dialog box. You cannot edit this text.

- Select the **Log transform the dependent variable** check box if you want to log transform the dependent variable.
- Select the curve component for the model. You can choose from a linear or quadratic trend.
- Specify whether to log transform the curve component.
- Click **OK**.

## Random Walk Models

### Overview of Random Walk Models

Using SAS Forecast Studio, you can create a random walk model. If you use the default settings, then you can create an ARIMA(0, 1, 0) model with no intercept. The formula for this model is  $y_t = y_{t-1} + \text{error}$ .

You can also create the following random walk models:

Random Walk with Drift

$$y_t = \text{const} + y_{t-1} + \text{error}, \text{ or in ARIMA notation ARIMA}(0, 1, 0)$$

Seasonal Random Walk without Drift

ARIMA(0, 1, 0)(0, 1, 0)<sub>s</sub> with no intercept

Seasonal Random Walk with Drift

ARIMA(0, 1, 0)(0, 1, 0)<sub>s</sub>

### Create a Random Walk Model

To create a random walk model:

- Select **Project** ⇒ **Model Repository**. The Model Repository dialog box appears.

*Note:* You can also create a new model when you add a model to a series. For more information, see [“Add a Model to a Series” on page 168](#).

- Click **New**. The New Model dialog box appears.
- From the drop-down list, select **Random walk** as the model type.

The Random Walk Model dialog box appears.

**Display 16.9** Random Walk Model Dialog Box

*Note:* The Random Walk Model dialog box also appears when you edit a model. The options that are available when you are creating or editing a model are the same.

4. Specify a unique name for the model. By default, SAS Forecast Studio automatically generates a unique name for the model.

*Note:* SAS Forecast Studio has a list of reserved model names. For more information, see [“Reserved Names in SAS Forecast Studio”](#) on page 233.

5. (Optional) Specify a description for the new model.

*Note:* The Details pane shows a representation of the model specification. SAS Forecast Studio generates this representation based on the options that you select in the Random Walk Model dialog box. You cannot edit this text.

6. Select whether to log transform the dependent variable. When you select this option, the model uses the data for the log transformed series.
7. Select whether to include a drift term, trend term, and seasonal term in the model.
8. Click **OK**.

## Chapter 17

# Performing Scenario Analysis

---

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---

## What Is Scenario Analysis?

SAS Forecast Studio enables you to quickly generate a large number of forecasts. However, you might want to see how the generated forecasts change when you manipulate the future values of the independent variables. Here are some questions that you can answer by using scenario analysis:

- What happens to the forecasts when the price increases?
- How does a promotion plan affect my sales forecasts for the promoted product?

The Scenario Analysis View enables you to quickly create and run scenarios, compare different scenarios, save scenarios for future use, and apply the forecasted values from a scenario in your project. Although the Scenario Analysis View is integrated in SAS Forecast Studio and uses the data in the current project, the values that you change in this view do not change the generated forecasts in your project. However, integrating this functionality in SAS Forecast Studio ensures that the analysis is completed properly.

The basis of each scenario is a model that contains the input variables that you want to change. In SAS Forecast Studio, you can specify how these input variables are used in model generation. Each model in the project can use all, some, or none of the input variables.

To perform a scenario analysis, SAS Forecast Studio uses the HPFENGINE procedure to generate score files for the forecasts. For more information about the procedures and functions that SAS Forecast Studio uses, see "Using Forecasting Model Score Files and DATA Step Functions" in *SAS High-Performance Forecasting: User's Guide*.

---

## Create a Scenario

To create a scenario:

1. In the hierarchy or table view, select the series that you want to use in the analysis.
2. Select **View** ⇒ **Details** ⇒ **Scenario Analysis View**.
3. In the Scenario Analysis View, click **New**. The Create New Scenario dialog box appears.
4. Specify a valid SAS name for the scenario. You can also provide a description.
5. Select the model that uses the inputs that you want to change in the analysis and click **OK**. The model now appears in the Scenario Analysis View.
6. In the input table, edit the future values for the independent variable. You can edit these values individually, or you can select multiple values and edit them using the input calculator.

---

## Editing the Values of the Input Variables

### About Editing Input Variables

You can edit the future values of the input variables in the following ways:

- by typing the new value in the input table. You can use this method when you want to specify a single value.
- by using the input calculator. This method is good if you want to create new values for several time periods.

### Edit a Value from the Input Table

To edit the value of an input variable from the input table:

1. In the scenario table, select an input variable. To view all of the input variables, select the **Show All Inputs** check box.
2. In the input table, double-click in the cell for the time period that you want to edit.
3. Type the new value and press ENTER.

### Edit Values by Using the Input Calculator

To edit the values for multiple time periods:

1. In the Scenario Analysis View, select **Series** ⇒ **Input Calculator**. The Input Calculator appears.
2. Select the time periods that you want to edit.

*Note:* Any time periods that you have selected in the input table in the Scenario Analysis View are automatically selected.

3. Specify how to calculate the input values for the selected time periods. You can base the input values on existing values or you can set the input values to a specified value.
4. Click **OK** to save your changes and close the input calculator.

---

## Run a Scenario

To run a scenario:

1. In the Scenario Analysis View, select a scenario from the table.
2. Click **Run Scenario**.

The values in the Scenario Forecast row of the input table are updated to reflect the changes to the input values.

---

## Compare Scenarios

To compare scenarios:

1. In the Scenario Analysis View, click **Compare**. The Compare Scenarios dialog box appears.
2. Select the check boxes of the scenarios that you want to compare. The selected plots appear in the **Scenario plots** area.
3. (Optional) Select the **Show legend** check box.
4. Click **Close** when you are finished.

---

## Set Scenario Forecast Values as Overrides

If you want to apply the results from your scenario analysis to the selected series, you can add the scenario forecasts as overrides.

To set the scenario forecasts as overrides:

1. In the hierarchy or table view, select the series that you want to use in the analysis.

2. Select **View** ⇒ **Details** ⇒ **Scenario Analysis View**.
3. In the Scenario Analysis View, click **Set scenario forecast values as overrides**.

In the Scenario Analysis View, the values of the model forecast and scenario forecast are identical. In the Forecasting View, the values of the scenario forecast appear in the Override row of the data table. By default, these overrides are locked.

---

## Copy a Scenario

You might want to edit values in the scenario without losing your original scenario. You can do this by saving the scenario to a different name and then modifying the input values in this new scenario.

To copy a scenario:

1. Select the scenario that you want to copy.
2. Click **Save As**. The Edit Scenario dialog box appears.
3. Specify a new name for the scenario. You can also modify the description and change the model selection.
4. Click **OK**.

The new scenario appears in the Scenario Analysis View. You can now modify the input values for this copied scenario and compare the results to the original scenario.

---

## Reset Input Values in a Scenario

After modifying the input values for several time periods, you might decide that you want to use the last saved values. To reset the input values to the last saved values, click **Reset**. Any changes that you have made in the input table are lost.

---

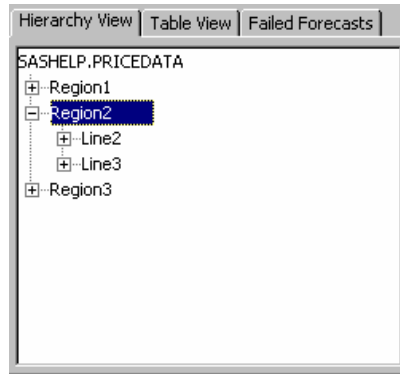
## Example: Performing a Scenario Analysis

### *Creating the Price\_Increase Scenario*

During the next several months, you expect the price of gasoline to increase in Region2. This increase will result in higher shipping costs for your company, and these higher costs need to be passed on to your customers. Currently, the value for the PRICE variable is 67.54489, and you want to raise the price to 70.12. You can create a scenario that shows how the increase in price changes the generated forecasts.

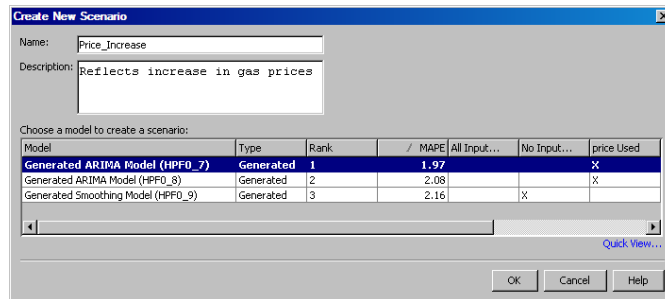
To perform this scenario analysis:

1. In the hierarchy, select the Region2 node.

**Display 17.1** Region2 in the Hierarchy

2. Select **View** ⇒ **Details** ⇒ **Scenario Analysis View**.
3. In the Scenario Analysis View, click **New**. The Create New Scenario dialog box appears.
4. In the **Name** box, type **Price\_Increase**.
5. In the **Description** box, type **Reflects increase in gas prices**.
6. From the table, select the **Generated ARIMA Model (HPF0\_7)**.

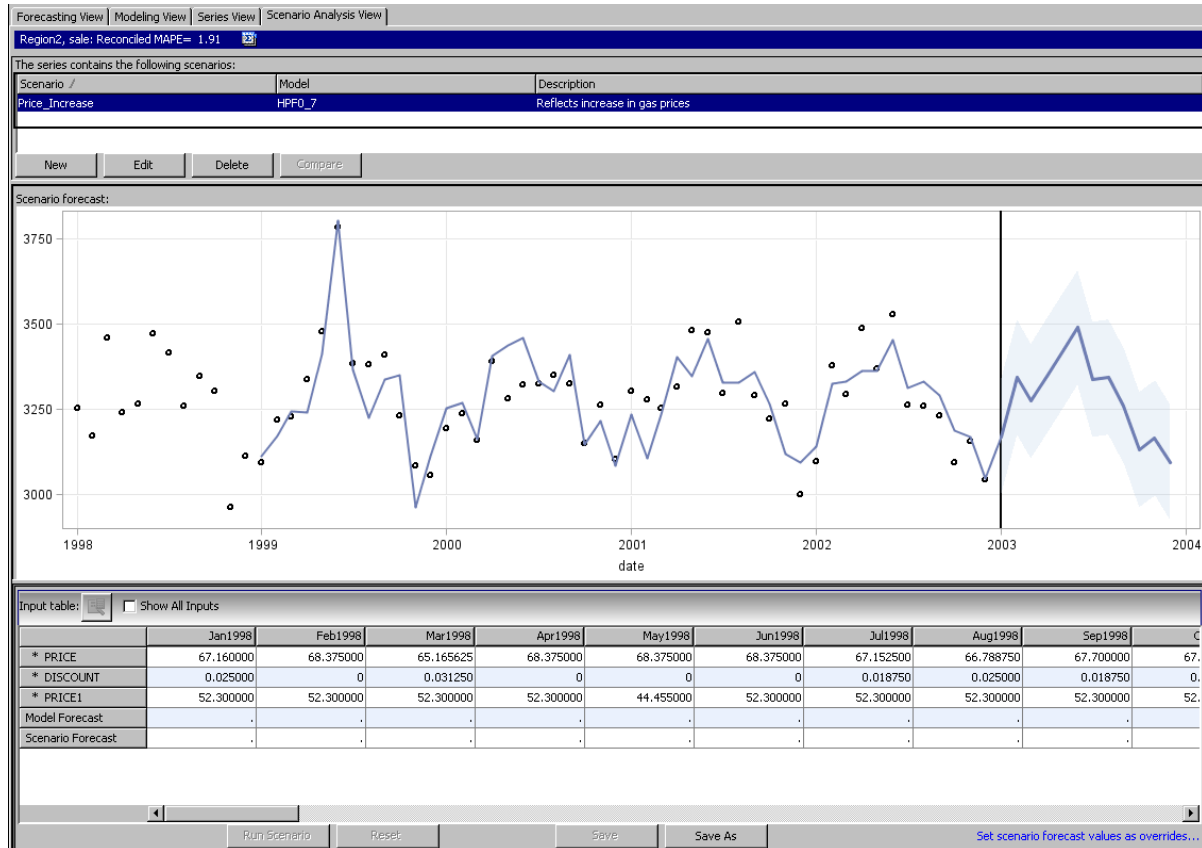
The Create New Scenario dialog box appears similar to the following:

**Display 17.2** Select Model in Create New Scenario Dialog Box

Click **OK**.

The model now appears in the Scenario Analysis View.

**Display 17.3** New Price\_Increase Scenario



7. In the input table, edit the value of the PRICE variable by completing the following steps:
  - a. Select all time periods in the PRICE variable row and select **Series** ⇒ **Input Calculator**. The Input Calculator appears.
  - b. Select **Set to a value** and type **70.12** in the text box.
  - c. From the **Distribute value among periods** drop-down list, select **Assign specified value to each period**.

The Input Calculator appears similar to the following:

**Display 17.4** Assigning the Value of PRICE by Using the Input Calculator

Click **OK**.

In the input table, 70.12000 now appears as the value of PRICE for each time period.

**Display 17.5** New PRICE Values in the Input Table

Input table: <input type="checkbox"/> Show All Inputs										
	2002	Jan2003	Feb2003	Mar2003	Apr2003	May2003	Jun2003	Jul2003	Aug2003	Sep2003
* PRICE	5000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000
* DISCOUNT	0	0.011103	0.011083	0.011064	0.011045	0.011027	0.011010	0.010994	0.010978	0.010963
* PRICE1	5000	51.794768	51.794846	51.794924	51.795003	51.795081	51.795159	51.795237	51.795315	51.795394
Model Forecast	5450	3169.416834	3343.986839	3274.506936	3348.145619	3415.969069	3490.280187	3337.631512	3344.648203	3257.840091
Scenario Forecast	-	3047.743691	3222.313696	3152.833793	3226.472475	3294.295926	3368.607044	3215.958368	3222.975060	3136.166947

### 8. Click **Run Scenario**.

When you compare the scenario forecast to the model forecast for each time period, you see that an increase in price slightly decreases the generated forecast. For example, in the Jan2003 time period, the model forecast is 3169.416834. However, the forecast that is generated by the scenario is 3047.743691. This is a decrease of 121.673143 units (or a decrease in sales of approximately 3.8%).

**Display 17.6** Difference in Model and Scenario Forecasts for Jan2003

Input table: <input type="checkbox"/> Show All Inputs										
	2002	Jan2003	Feb2003	Mar2003	Apr2003	May2003	Jun2003	Jul2003	Aug2003	Sep2003
* PRICE	5000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000	70.12000
* DISCOUNT	0	0.011103	0.011083	0.011064	0.011045	0.011027	0.011010	0.010994	0.010978	0.010963
* PRICE1	5000	51.794768	51.794846	51.794924	51.795003	51.795081	51.795159	51.795237	51.795315	51.795394
Model Forecast	5450	3169.416834	3343.986839	3274.506936	3348.145619	3415.969069	3490.280187	3337.631512	3344.648203	3257.840091
Scenario Forecast	-	3047.743691	3222.313696	3152.833793	3226.472475	3294.295926	3368.607044	3215.958368	3222.975060	3136.166947

## Applying a Scenario to the Project

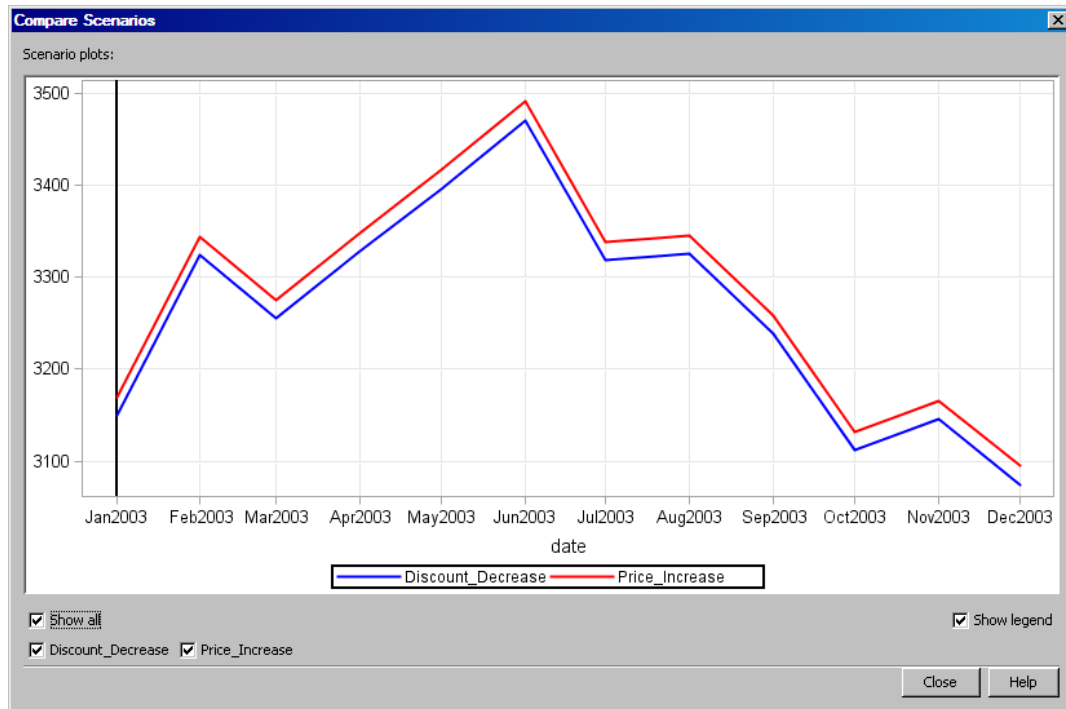
In addition to the Price\_Increase scenario, you create a scenario called Discount\_Decrease for the Region2 series. In this scenario, you see how the forecasts would be impacted if you eliminated the discount. You want to see how the scenarios compare. After the comparison, you decide that the Price\_Increase scenario is the most likely outcome, and you apply the values for the scenario forecast so that they become the actual forecast values in the project.

To compare and select a scenario:

1. To compare Price\_Increase and Discount\_Decrease scenarios, click **Compare**.

The Compare Scenarios dialog box appears.

**Display 17.7** Comparison Plots of the Scenarios



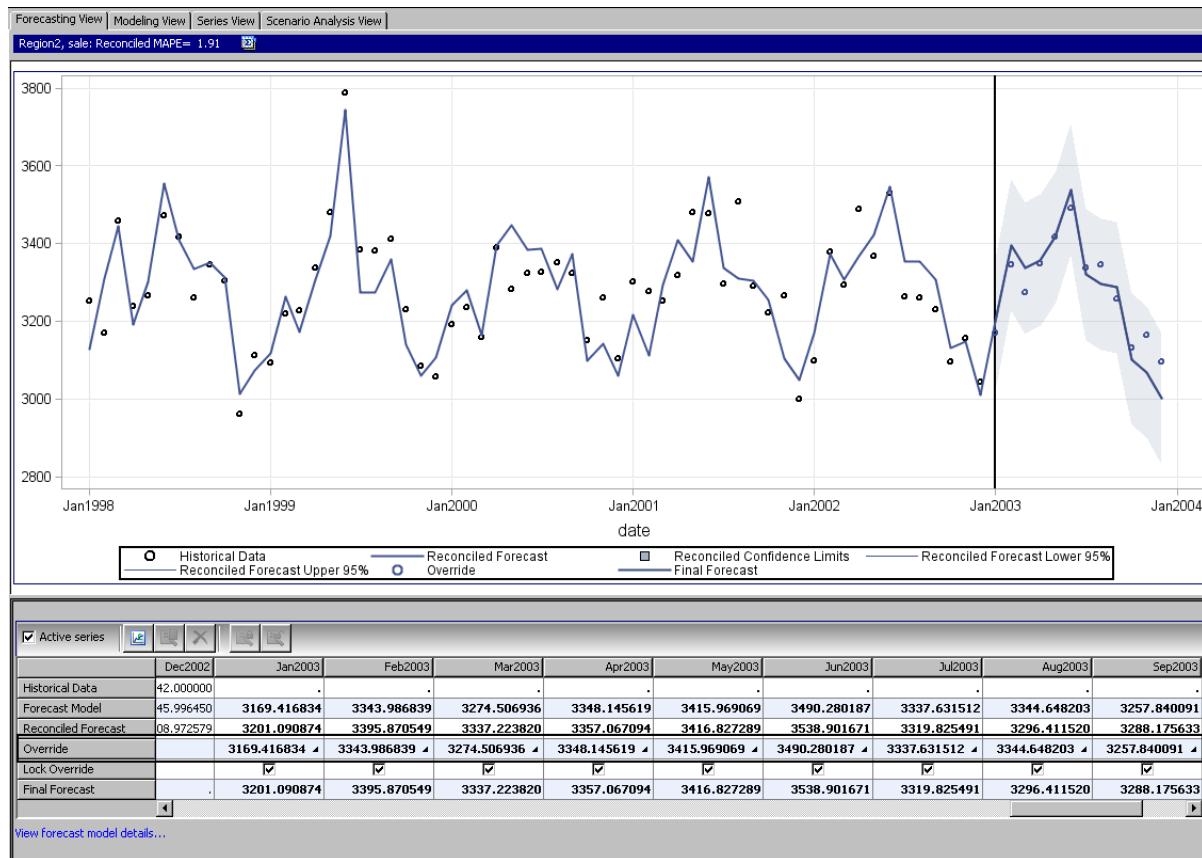
These plots show that the forecasts for the Price\_Increase scenario are slightly higher than the forecasts for the Discount\_Decrease scenario. Although the Price\_Increase scenario results in a slight decrease in sales, it is the better performing scenario, and you want to apply the values from this scenario to the Region2 series.

Click **Close** to close the Compare Scenarios dialog box.

2. In the Scenario Analysis View, select the **Price\_Increase** scenario.
3. Below the input table, click **Set scenario forecast values as overrides**.

Now in the Forecasting View, the values for the scenario forecasts appear in the Override row of the data table.

**Display 17.8** Scenario Forecasts as Overrides in Forecasting View



When you reconcile your project, SAS Forecast Studio uses the scenario forecasts as overrides for the Region2 series.



## Part 5

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# Advanced Topics

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## Chapter 18

# Working in Batch Mode

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## Working with the SAS Code

### About the SAS Code

In SAS Forecast Studio, you can view the SAS code for tasks, such as creating a model or event, or for forecasting the entire project. For more information about how to view the code for a project, see [“View the Project Code” on page 211](#).

From the SAS Code dialog box, you view a read-only version of the SAS code that runs for that object or project. You can expand and collapse the code to view all or only portions of the code. You can also save the code to an external file. For more information, see [“Save the Code to a File” on page 212](#).

### View the Project Code

To view the project code that SAS Forecast Studio generated:

1. Select **Project** ⇒ **SAS Code**. The SAS Code dialog box appears.
2. From the **Task** drop-down list, select the version of the project code that you want to view. You can view the code for a specific task, such as the code for diagnosing the project or the code used in model selection.
3. Select the **Include code to import new data** check box to display the code for importing new data. If you select this option, then any new data that is available is used in the calculations. If you do not select this option, then only the data that was used when the project was created is used in the calculations.

### Save the Code to a File

You can save the code that SAS Forecast Studio generates for a project in order to run the project in batch mode.

To save the SAS Forecast Studio code to a file:

1. Select **Project** ⇒ **SAS Code**. The SAS Code dialog box appears.
2. From the **Task** drop-down list, select the version of the project code that you want to view. You can view the code for a specific task, such as the code for diagnosing the project or the code used in model selection.
3. In the SAS Code dialog box, click **Save**. The Save dialog box appears.
4. Select the location where you want to save this file and click **Save**.

---

## Running Projects in Batch Mode

### Saving the Project Code to a Batch File

Using SAS Forecast Studio, you can save the project code as a series of SAS files. You can use these files to create batch jobs for forecasting.

*Note:* In order for this code to execute properly in batch mode, you must declare the library references that the code uses to run. You can declare these library references in your autoexec.sas file. For help declaring library references, contact the SAS administrator at your site.

There are two versions of each SAS file. The files differ in whether they include the code for importing data.

- If the filename contains `DO_NOT_IMPORT_DATA`, then the code for importing new data is not included in this batch file. When this code is run, only the data that was available during the project creation is used in the calculations.
- If the filename contains `IMPORT_DATA`, then the code for importing new data is included in this batch file.

This data specification code does the following:

1. creates a copy of the original data that is sorted by the BY variables
2. creates XML files that describe the hierarchy
3. accumulates the data for each level

When this code is run, any new data that is available is used in the calculation.

## Descriptions of the Project Code in Each Batch File

### **CREATE\_PROJECT Code Files**

The CREATE\_PROJECT\_DO\_NOT\_IMPORT\_DATA and CREATE\_PROJECT\_IMPORT\_DATA files contain the SAS code to re-create the project. This code includes all of the data preparation and forecasting steps.

*Note:* When you create a project in SAS Forecast Studio, you can choose whether to run the project immediately or whether to save the code to a file. If you choose to save the code, then you can run only the CREATE\_PROJECT\_IMPORT\_DATA code files in batch mode.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- PROC HPFDIAGNOSE statements for each level in the project. These are "destructive," which means that SAS Forecast Studio rediagnoses all series in the project and re-creates the model repositories.

PROC HPFENGINE statements for each level in the project are set to TASK=SELECT. The HPFENGINE procedure selects and fits the models for each series and creates the forecasts.

- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
- DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
- DATA steps to generate data sets that contain the final forecasts at all levels.
- Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.
- A statement that clears catalog, libref, and filename declarations.

### **DIAGNOSE\_DESTRUCTIVE Code Files**

The DIAGNOSE\_DESTRUCTIVE\_DO\_NOT\_IMPORT\_DATA and DIAGNOSE\_DESTRUCTIVE\_IMPORT\_DATA files contain the SAS code to rediagnose the project. This code does not include the data preparation steps.

These files contain the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.

- PROC HPFDIAGNOSE statements for each level in the project. These are "destructive," which means that SAS Forecast Studio rediagnoses all series in the project and re-creates the model repositories.
- PROC HPFENGINE statements for each level in the project are set to TASK=SELECT. The HPFENGINE procedure selects and fits the models for each series and creates the forecasts.
- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
  - DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
  - DATA steps to generate data sets that contain the final forecasts at all levels.
  - Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.
  - A statement that clears catalog, libref, and filename declarations.

### ***SELECT\_MODELS Code Files***

The SELECT\_MODELS\_DO\_NOT\_IMPORT\_DATA and SELECT\_MODELS\_IMPORT\_DATA code files contain the SAS code to perform model selection, to estimate the parameters of the selected model, and to produce forecasts. This code does not include the data preparation, diagnose, fit, and forecasting steps.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- PROC HPFENGINE statements (TASK=SELECT) for each level in the project. The HPFENGINE procedure selects and fits the models for each series and creates the forecasts.
- A statement that replaces missing values for stochastic independent variables.
- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
- DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
- DATA steps to generate data sets that contain the final forecasts at all levels.
- Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.
- A statement that clears catalog, libref, and filename declarations.

### ***FIT\_MODELS Code Files***

The FIT\_MODELS\_DO\_NOT\_IMPORT\_DATA and FIT\_MODELS\_IMPORT\_DATA code files contain the SAS code to estimate parameters using the model that you

specified and then to create a forecast. No model selection is performed. This code does not include the data preparation and diagnose steps.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- PROC HPFENGINE statements (TASK= FIT) for each level in the project. The HPFENGINE procedure refits selected models for each series and creates forecasts.
- A statement that replaces missing values for stochastic independent variables.
- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
- DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
- DATA steps to generate data sets that contain the final forecasts at all levels.
- Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.
- A statement that clears catalog, libref, and filename declarations.

### **FORECAST\_MODELS Code Files**

The FORECAST\_MODELS\_DO\_NOT\_IMPORT\_DATA and FORECAST\_MODELS\_IMPORT\_DATA code files contain the SAS code to reforecast the model and parameters. When refitting the model parameters, SAS Forecast Studio uses the estimate of the previous parameter as a starting point for reestimation. This code does not include the data preparation, diagnose, and fit model steps.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- PROC HPFENGINE statements (TASK= FORECAST) for each level in the project. The HPFENGINE procedure re-creates forecasts for each series by using selected and fitted models.
- A statement that replaces missing values for stochastic independent variables.
- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
- DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
- DATA steps to generate data sets that contain the final forecasts at all levels.
- Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.

- A statement that clears catalog, libref, and filename declarations.

### ***RECONCILE\_FORECASTS\_AND\_OVERRIDES\_DO\_NOT\_IMPORT\_DATA Code File***

The RECONCILE\_FORECASTS\_AND\_OVERRIDES\_DO\_NOT\_IMPORT\_DATA code file contains the SAS code to reconcile model forecasts and overrides. This code does not include the data preparation, diagnose, select, fit, and forecast steps. This code can be run only if those steps have been executed at least once.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
- DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
- DATA steps to generate data sets that contain the final forecasts at all levels.
- Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.
- A statement that clears catalog, libref, and filename declarations.

### ***RECONCILE\_FORECASTS\_DO\_NOT\_IMPORT\_DATA Code File***

The RECONCILE\_FORECASTS\_DO\_NOT\_IMPORT\_DATA code file contains the SAS code to reconcile model forecasts. This code does not include the data preparation, diagnose, select, fit, forecast, and override reconciliation steps. This code can be run only if those steps have been executed at least once.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- If reconciliation is enabled, PROC HPFRECONCILE and PROC HPFENGINE statements for each pair of levels in a sequence, which is determined by the reconciliation level.
- DATA steps for adjusting statistic-of-fit values in the RECSTAT data set.
- DATA steps to generate data sets that contain the final forecasts at all levels.
- A statement that clears catalog, libref, and filename declarations.

### ***RECONCILE\_OVERRIDES\_DO\_NOT\_IMPORT\_DATA Code File***

The RECONCILE\_OVERRIDES\_DO\_NOT\_IMPORT\_DATA code file contains the SAS code to reconcile overrides. This code does not include the data preparation,

diagnose, select, fit, forecast, and reconciliation of the forecast steps. This code can be run only if those steps have been executed at least once.

These files include the following project code:

- Library declarations that create librefs, which reference existing directories inside a project. Library declarations include definitions of macro variables that describe the project location, the data specification location, and the event repository location.
- Catalog declarations for model repositories that are used by the project.
- Macro variable declarations that describe procedure settings.
- Calls to macros that update the final forecasts for any series that contains overrides. If reconciliation is enabled, then the HPFOVREC macro runs and reconciles the overrides. If reconciliation is not enabled, then the MERGOVRD macro runs.
- A statement that clears catalog, libref, and filename declarations.

---

## About the SAS Forecast Server Macros

### Summary of SAS Forecast Server Macros

The following SAS macros are provided with SAS Forecast Server software. A SAS macro is a program that generates SAS statements. Macros make it easy to produce and execute complex SAS programs that would be time-consuming to write yourself.

The following table lists the SAS macros that are included in the SAS Forecast Server software.

**Table 18.1** SAS Forecast Server Macros

Macro Name	Description
%FSADDDEV	Defines an event and adds it to the event repository for the specified project. All types of events and their attributes can be defined.
%FSCLEAR	Clears the project information that is currently stored in the global macro variables.
%FSCOPY	Copies a SAS Forecast Studio project to a new destination. <i>Note:</i> Both servers must run the same version or higher of SAS Forecast Server.
%FSCREATE	Creates a new SAS Forecast Studio project in batch mode.
%FSDELARC	Deletes an archived SAS Forecast Studio project.
%FSDELENV	Deletes the specified environment.

Macro Name	Description
%FSDELEVT	Deletes specified events from the event repository for the specified project.
%FSDELPRJ	Deletes an existing SAS Forecast Studio project.
%FSEXPALL	Exports all SAS Forecast Studio projects to archive files.
%FSEXPRT	Exports a single SAS Forecast Studio project to an archive file.
%FSGETENV	<p>Creates an output data set that contains the following information:</p> <ul style="list-style-type: none"> <li>• the project name</li> <li>• the date and time that the project was created</li> <li>• the date and time that the project was modified</li> <li>• the user name of the person who created the project</li> <li>• whether the project is currently open by another user</li> <li>• whether the user can open this project</li> <li>• whether the user can delete this project</li> <li>• whether the project is public</li> </ul>
%FSGETPRJ	Retrieves the metadata about the SAS Forecast Studio projects.
%FSGETURP	Prints to the log the names of the unregistered projects in the environment. You must use the %FSREGPRJ macro to register these projects.
%FSIMPALL	Imports all SAS Forecast Studio projects from archived files.
%FSIMPORT	Imports a SAS Forecast Studio project from an archived file.
%FSLOAD	Opens an existing SAS Forecast Studio project, and loads global macro variables that describe the project.
%FSMIGALL	Migrates all existing SAS Forecast Studio projects to the current version of SAS Forecast Server.
%FSMIGPRJ	Migrates an existing SAS Forecast Studio project to the current version of SAS Forecast Server.

Macro Name	Description
%FSMOVE	Moves a SAS Forecast Studio project to a new destination. <i>Note:</i> Both servers must run the same version or higher of SAS Forecast Server.
%FSNEWENV	Creates a new environment.
%FSREGENV	Creates a new environment and registers the projects.
%FSREGPRJ	Registers a project in the metadata.
%FSREN	Renames a single SAS Forecast Studio project.
%FSRUNPRJ	Opens an existing SAS Forecast Studio project, and runs the project at a given stage.
%FSSETOWN	Assigns the owner of a SAS Forecast Studio project.
%FSSETPUB	Determines whether public access to a SAS Forecast Studio project should be enabled.
%FSUNREG	Unregisters an existing SAS Forecast Studio project from the metadata server. <i>Note:</i> Only an administrative user can deploy this macro.
%FSURGENV	Unregisters the specified environment.

### Additional Information

These macros are available automatically for you to use in your SAS programs.

For more information, see the following resources:

- *SAS Forecast Server: Administrator's Guide* describes the syntax for each of the macros and provides examples of how to use the macros.
- *SAS Macro Language: Reference* describes the SAS macro facility.



## Chapter 19

# Working with SAS Forecast Studio Tasks

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## Overview of the SAS Forecast Studio Tasks

### ***What Are the SAS Forecast Studio Tasks?***

The following forecasting tasks are available from the SAS Add-In for Microsoft Office and SAS Enterprise Guide:

- the Forecast Studio Create Project task to create a SAS Forecast Studio project from a Microsoft Excel or SAS data source
- the Forecast Studio Open Project task to open the results from a selected series in an existing SAS Forecast Studio project
- the Forecast Studio Override Project task to submit overrides for the forecast data in an existing SAS Forecast Studio project

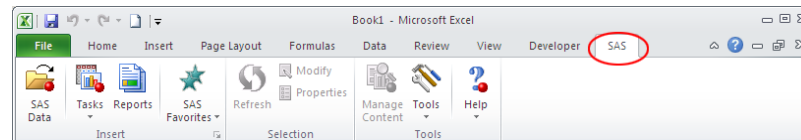
### ***What Is the SAS Add-In for Microsoft Office?***

The SAS Add-In for Microsoft Office extends the functionality of Microsoft Excel, Microsoft Word, and Microsoft PowerPoint by enabling you to access SAS analytics and SAS reporting functionality without any SAS programming experience. The SAS add-in is designed for users who are familiar with these Microsoft Office programs but who might be new to SAS.

When the SAS add-in is installed on your computer, you see the following items automatically integrated into Microsoft Excel, Microsoft Word, and Microsoft PowerPoint:

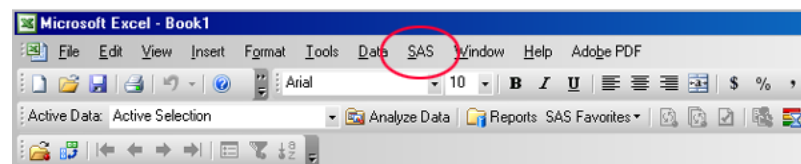
- a SAS tab if you are using Microsoft Office 2007 or 2010

**Display 19.1** SAS Tab in Microsoft Excel 2010



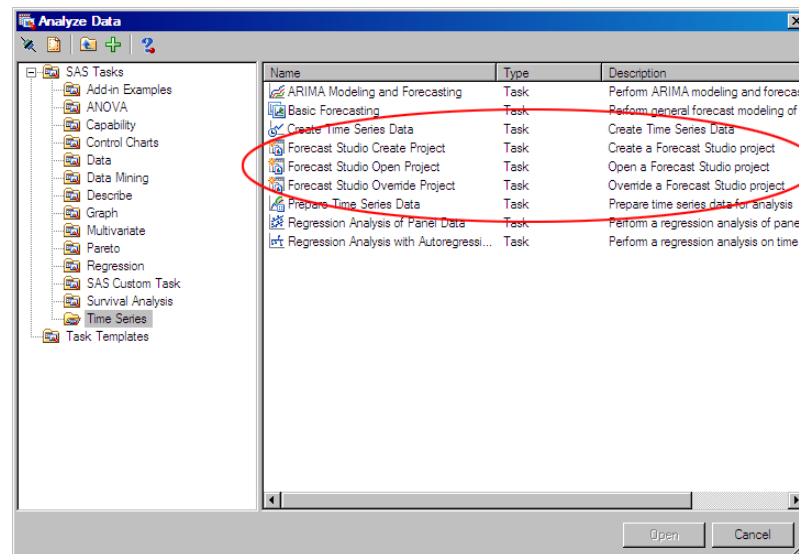
- a SAS menu and the SAS Analysis Tools toolbar if you are using Microsoft Office 2003

**Display 19.2** Location of SAS Menu in Microsoft Excel 2003



The SAS add-in includes approximately 80 SAS tasks that enable you to perform a variety of analyses. The Forecast Studio Create Project task, the Forecast Studio Open Project task, and the Forecast Studio Submit Overrides task are available in the Analyze Data window. In the SAS Tasks folder, click **Time Series** to view these tasks.

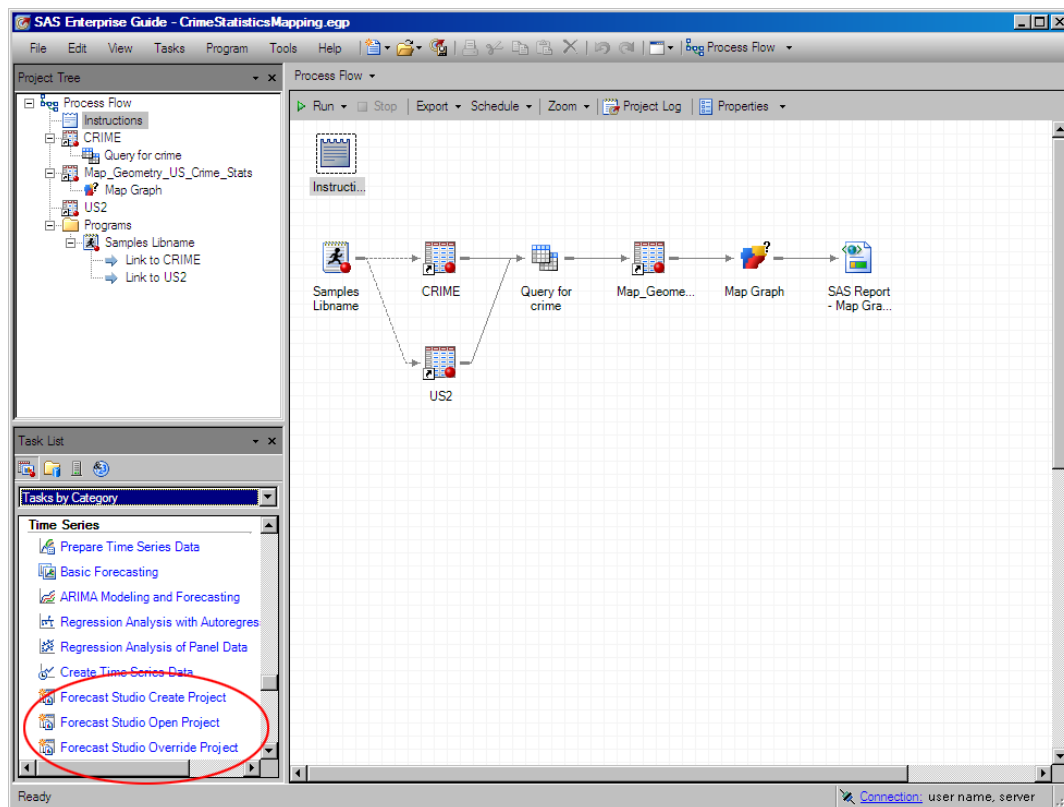
**Display 19.3** Forecasting Tasks in Analyze Data Window



## What Is SAS Enterprise Guide?

SAS Enterprise Guide provides a SAS graphical interface that helps you exploit the power of SAS and publish dynamic results in a Microsoft Windows client application. The solution is the preferred SAS interface for business analysts, programmers, and statisticians and a key application in SAS Business Intelligence offerings.

Display 19.4 SAS Enterprise Guide



SAS Enterprise Guide includes approximately 80 SAS tasks that enable you to perform a variety of analyses. To access the forecasting tasks, select **Tasks** ⇒ **Time Series**.

### Prerequisites for Using the SAS Forecast Studio Tasks

In order to use the SAS Forecast Studio tasks in the SAS Add-In for Microsoft Office or SAS Enterprise Guide, your site administrator must complete these steps:

- install SAS Forecast Server 4.1.
- install the SAS Add-In 4.3 for Microsoft Office or SAS Enterprise Guide 4.3.
- configure SAS Forecast Server to use the SAS Add-In for Microsoft Office. For more information, see the *SAS Forecast Server: Administrator's Guide*.

## The Forecast Studio Create Project Task

The Forecast Studio Create Project task enables you to create a SAS Forecast Studio project by using a Microsoft Excel or SAS data source. Using this task, you can specify the forecasting variables, choose whether to forecast the data hierarchically, and specify the forecast horizon for the new SAS Forecast Studio project.

---

## The Forecast Studio Open Project Task

The Forecast Studio Open Project task enables you to select a series from an existing SAS Forecast Studio project and specify the result types to open in Microsoft Excel, Microsoft Word, or Microsoft PowerPoint.

Here are some examples of the results that you can open:

- the forecasting plot
- the data table
- all of the models that have been defined for the current project
- the estimates, standard errors, and significance tests for each of the model parameters
- tables for each of the components that are used by the model
- all the available statistics of fit for the forecasting model
- the forecast values of the dependent variable for the time range of the forecast horizon

After opening these results, you can perform additional analyses using the other SAS tasks that ship with the SAS Add-In for Microsoft Office or SAS Enterprise Guide.

---

## The Forecast Studio Override Project Task

The Forecast Studio Override Project task enables you to submit overrides for the forecast data in an existing SAS Forecast Studio project. After you submit an override, SAS Forecast Server reconciles the project. How the override is applied depends on whether the data in the project is forecasted hierarchically.

- If the data in the project is forecasted hierarchically, then the override is an adjustment that is done with respect to the reconciled statistical forecast.
- If the data in the project is not forecasted hierarchically, then the override is an adjustment that is done with respect to the statistical forecast.

If SAS Forecast Server detects an override conflict when reconciling the project, then an error message appears in the SAS Add-In for Microsoft Office or SAS Enterprise Guide. The conflicts cannot be reconciled in the SAS Add-In for Microsoft Office or SAS Enterprise Guide. The project must be opened in SAS Forecast Studio to reconcile the conflicts.

When the project is opened in SAS Forecast Studio, the "Reconciliation needed" warning appears at the top of the workspace. Click **Reconcile** to open the Override Conflicts dialog box to see all of the overrides that were submitted. To resolve the override conflicts, the SAS Forecast Studio user can modify the overrides by using the Override Conflicts dialog box. Alternatively, the SAS Forecast Studio user can close this dialog box and update the overrides in the data table.

---

## Additional Information

The availability of these tasks depends on the capabilities that were assigned to you. (For more information about capabilities, see [“Understanding Role-Based Settings in SAS Forecast Studio” on page 20](#).) If the Forecast Studio tasks are not available to you in the SAS Add-In 4.3 for Microsoft Office or SAS Enterprise Guide 4.3, contact your site administrator.

For more information about how to use each of these tasks, see the Help for the SAS Add-In for Microsoft Office or SAS Enterprise Guide.



## Part 6

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## Appendix 1

# Troubleshooting Tips

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## Viewing the SAS Log

The SAS log is a file that contains a record of the SAS statements that you enter as well as messages about the execution of your program. The log lists any errors that occurred while the data was being processed. The log also contains warnings and messages that help you troubleshoot these errors.

*Note:* If you need more information about a warning or error in the log, contact SAS Technical Support.

To view the SAS log that SAS Forecast Studio creates when generating the forecast, select **Tools** ⇒ **SAS Log**. If an error occurs when SAS Forecast Studio is generating the forecasts, click  in the status bar to open the SAS log.

---

## Troubleshooting the Time ID Variable

In order to create the time series data, SAS Forecast Studio requires a specific format for the input data. For more information about how SAS Forecast Studio creates the time series data, see [“Preparing an Input Data Set for SAS Forecast Studio” on page 25](#).

By default, SAS Forecast Studio reviews the first 10,000 observations in the time series data. If SAS Forecast Studio identifies three unique values for the time ID variable, then SAS Forecast Studio can automatically set the time interval. For more information about how to specify the number of observations to determine the time interval, see *SAS Forecast Server: Administrator's Guide*.

Here are some common errors:

- SAS Forecast Studio determines the time interval that best fits the data. If SAS Forecast Studio detects multiple time intervals, SAS Forecast Studio selects the most frequently used base interval. Although SAS Forecast Studio selects the default interval, you can change this interval using the **Interval** option in the New Project wizard or the Forecasting Settings dialog box.

- SAS Forecast Studio issues warnings about gaps in the data or duplicate values in the time ID variable. It is important to investigate these warnings. When possible, SAS Forecast Studio provides graphs of your time ID data to help you determine whether the gaps in the data are correct. The diagnostic graphs are shown for the first BY group with a problem. If these data issues are fixed, the warning might appear again if there is a problem in another BY group. If your data is transactional or you are confident that the data is correct, then you can ignore these warnings.
- SAS Forecast Studio is unable to determine the time interval. When SAS Forecast Studio is unable to determine the time interval for the data, then the Specify Time ID Interval dialog box appears. You can use this dialog box to select another variable as the time ID variable or to manually set the time interval.

Here are the reasons why SAS Forecast Studio cannot determine the time interval:

- The values of the time ID variable are not evenly spaced values at a specific time interval. For example, transactional data is recorded at no particular time interval.

In the Specify Time ID Interval dialog box, select the **Manually set the time interval and other time ID properties** option and specify the time interval to use. Then SAS Forecast Studio can aggregate the data using that time interval.

*Note:* If the specified time interval is too small, then a large number of observations could have missing values. For example, you select WEEK as the interval, but there is no data for many of the weeks. A larger interval, such as MONTH, should be selected.

- The values of the time ID variable are evenly spaced values at a specific time interval, but SAS Forecast Studio cannot detect the time interval. For example, SAS Forecast Studio cannot detect the time interval if the data represents a multi-weekday interval, such as the WEEKDAY3. interval.

In the Specify Time ID Interval dialog box, select **Manually set the time interval and other time ID properties** option and specify the time interval to use.

- The wrong variable has been selected as the time ID variable.

In the Specify Time ID Interval dialog box, select the **Select another variable as a time ID** option. SAS Forecast Studio returns you to the Assign Variables to Roles step in the New Project Wizard, so you can select a different variable to use as the time ID.

- The values of the time ID variable are in an unsupported format, such as data that contains SAS time values. SAS Forecast Studio supports only SAS date and datetime values.

If your data is hourly or uses a smaller time interval, then the values in the time ID variable must use the datetime format (which is the number of seconds since January 1, 1960). If the data uses a SAS time format, then SAS Forecast Studio does not allow you to select that variable as the time ID. If the time ID variable has time values (the number of seconds since midnight) but no format, then SAS Forecast Studio assumes that the time ID values are dates (the number of days since January 1, 1960).

---

## Troubleshooting Other Types of Variables

When you assign a variable (other than the time ID variable) to a role, you might get an error if the data values do not meet a specific requirement in SAS Forecast Studio. Some common errors include the following:

- Assigning variables to incorrect roles is a common source of errors.

*Note:* Incorrectly assigning variables to the BY variables role does not always generate errors. For example, if you forget to assign a BY variable, then that variable is not included in the hierarchy and the data is not aggregated over that variable.

- SAS Forecast Studio cannot load or find the format that is associated with a variable. When you define a custom format, you save these formats in a SAS catalog. In order for SAS Forecast Server to find the format catalog and recognize your custom format, you must specify the FMTSEARCH system option in your start-up files. For more information about how to add a custom format to the SAS Forecast Server, see the *SAS Forecast Server: Administrator's Guide*.
- If your BY variable contains a format that maps multiple data values to the same formatted value, then SAS Forecast Server does not create the project. Mapping several data values to the same formatted value is not allowed.

This error is detected after you finish the New Project wizard. You will not see this error when you assign a variable to the BY variable role.



## Appendix 2

# Reserved Names in SAS Forecast Studio

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## Reserved Variable Names

### Overview of Reserved Variable Names

For each project, SAS Forecast Studio creates several output data sets. The variable names in your input data set cannot match any of the variable names in these output data sets. The variable names in your input data set also cannot start with an underscore. If you try to assign a variable to a role and the variable name matches either of these conditions, then an error message appears.

For more information about the output data sets that SAS Forecast Studio creates, see [“Output Data Sets in the Project Directory” on page 239](#).

### Reserved Variable Names

The following table lists alphabetically the variables that are used by SAS Forecast Studio.

Variable Name	Description
<i>_VariableName</i>	Any variable name that begins with an underscore
AADJRSQ	Amemiya's adjusted R-square
ACTUAL	Dependent series value
ADJRSQ	Adjusted R-square
AGGCHILDPREDICT	Aggregated prediction of child nodes
AIC	Akaike Information Criterion

Variable Name	Description
AICC	Finite sample corrected Akaike Information Criterion
APC	Amemiya's Prediction Criterion
DFE	Degrees of freedom error
END	Ending value of the time ID
ENDOBS	Number of the last observation in the data
ERROR	Prediction errors
FINALPREDICT	Predicted value for the parent node
GMAPE	Geometric mean percent error
GMAPPE	Geometric mean predictive percent error
GMAPES	Geometric mean absolute error percent of standard deviation
GMASPE	Geometric mean symmetric percent error
GMRAE	Geometric mean relative absolute error
ISRECONCILED	If the node is reconciled, then this variable is 1; if the node is not reconciled, then this variable is 0.
LEAF	Keyword used in model generation
LLOCK	Lock level for lower bound on the forecast
LOWBROVR	Lower confidence limits before override reconciliation
LOWER	Lower confidence limits
LOWERBD	Lower bound on the forecast
MAE	Mean absolute error
MAPE	Mean absolute percent error
MAPPE	Symmetric mean absolute predictive percent error
MASE	Mean absolute scaled error
MAX	Maximum value

Variable Name	Description
MAXAPES	Maximum absolute error percent of standard deviation
MAXERR	Maximum error
MAXPE	Maximum percent error
MAXPPE	Maximum predictive percent error
MAXRE	Maximum relative error
MAXSPE	Maximum symmetric percent error
MDAPE	Median percent error
MDAPES	Median absolute error percent of standard deviation
MDAPPE	Median predictive percent error
MDASPE	Median symmetric percent error
MDRAE	Median relative absolute error
ME	Mean error
MEAN	Mean value
MIN	Minimum value
MINAPES	Minimum absolute error percent of standard deviation
MINERR	Minimum error
MINPE	Minimum percent error
MINPPE	Minimum predictive percent error
MINRE	Minimum relative error
MINSPE	Minimum symmetric percent error
MPE	Mean percent error
MPPE	Mean predictive percent error
MRAE	Mean relative absolute error
MRE	Mean relative error
MSE	Mean square error

Variable Name	Description
MSPE	Mean symmetric percent error
N	Number of nonmissing observations or number of variance products
NAME	Variable name
NMISS	Number of missing observations
NMISSA	Number of missing actuals
NMISSP	Number of missing predicted
NOBS	Number of observations
NONMISSCHLD	Number of nonmissing children in the current AGGBY group
NOTE	Text that user specifies for a series
NPARMS	Number of model parameters
OLOCK	Lock level for equality constraint
OVERRIDE	Equality constraint on the forecast
PREBFOVR	Predicted values before override reconciliation
PREDICT	Predicted values
RECDIFF	Reconciliation difference
RMSE	Root mean square error
RSQUARE	R-square
RWRSQ	Random walk R-square
SBC	Schwarz Bayesian information criterion
SMAPE	Symmetric mean absolute percent error
SSE	Sum of squares error
SST	Corrected total sum of squares
START	Beginning value of the time ID
STARTOBS	Number of the first observation
STD	Prediction standard errors

Variable Name	Description
STDBFOVR	Standard deviation before override reconciliation
STDDEV	Standard deviation
SUM	Summation value
TOP	Keyword used in model generation
TSS	Total sum of squares
ULOCK	Lock level for the upper bound on the forecast
UMSE	Unbiased mean square error
UNLOCK	For locked overrides, the value of this variable is 0. For unlocked overrides, the value is 1.
UPPEFOVR	Upper confidence limits before override reconciliation
UPPER	Upper confidence limits
UPPERBD	Upper bound on the forecast
URMSE	Unbiased root mean square error
XML	User preferences for a series in XML format

---

## Reserved Model Names

SAS Forecast Studio uses the following keywords in the names of the automatically generated models:

- LEAF
- TOP
- HPF

These words are reserved for SAS Forecast Studio models. If the name of the model that you are creating contains these keywords, then a warning message appears, and you are prompted to select a different name.

*Note:* If you are copying a system-generated model that contains one of these keywords, then the copied name can contain one of these keywords. For example, if you copy a model named LEAF, then SAS Forecast Studio names the copied model LEAFCOPY $n$ , where  $n$  is the lowest available integer value. Because this name is unique, SAS Forecast Studio allows this name.



## Appendix 3

# Output Data Sets in the Project Directory

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---

## Overview of Output Data Sets

SAS Forecast Studio creates several output data sets. In general, these data sets contain the variables that you assign as BY variables. These output data sets are created for each level of the hierarchy and are saved in the following locations:

Windows environments

```
!ROOT\SAS\ForecastServer\4.1\environment\Projects\project-
name\hierarchy
```

UNIX environments

```
!ROOT/SAS/ForecastServer/4.1/environment/Projects/project-
name/hierarchy
```

If the forecast fails for one series, then the forecasts in the horizon appear as .F in the data. If the series is at or above the reconciliation level, then all the parent nodes have missing reconciled forecasts, and these missing values appear as .F in the data. If the

series is at or below the reconciliation level, then all the children nodes have missing reconciled forecasts, and these missing values appear as .F in the data.

---

## FINALFOR= Data Set

The FINALFOR= data set contains the observations that have a time ID value in the forecast horizon. If the RECFOR= data set is created for a level in the hierarchy, then the FINALFOR= data set is a subset of the RECFOR= data set. Otherwise, the FINALFOR= data set is a subset of the OUTFOR= data set.

---

## OUT= Data Set

The OUT= data set contains the variables that you assign as the time ID, BY variables, and dependent variables. The values for the time ID are based on the interval of the time series. The values of the dependent variables are accumulated, and missing values are interpreted using the data preparation options that you specified.

If any of the forecasting steps fail for a particular variable, the variable values are extended by missing values.

---

## OUTCOMPONENT= Data Set

The OUTCOMPONENT= data set contains the variables that you assign as BY variables and the variables listed below:

- \_NAME\_ - variable name or the name of the dependent variable
- \_COMP\_ - the name of the component
- \_TIMEID\_ - time ID values or the time ID variables
- \_ACTUAL\_ - the value of the dependent series
- \_PREDICT\_ - the forecast value of the component
- \_LOWER\_ - lower confidence limit
- \_UPPER\_ - upper confidence limit
- \_STD\_ - prediction standard error

---

## OUTEST= Data Set

The OUTEST= data set contains the variables that you assign as BY variables. This data set also contains the variables listed below if a forecasting model has been selected to forecast the actual time series. The following variables contain data that is related to the parameter estimation step:

- \_NAME\_ - variable name or the name of the dependent variable

- `_SELECT_` - the name of the model selection list
- `_MODEL_` - the name of the forecasting model
- `_MODELVAR_` - the model variable that is used for mapping
- `_DSVAR_` - the data set variable that is used for mapping
- `_TRANSFORM_` - the transformation for the model that was applied
- `_COMPONENT_` - the model component. Examples of model components include autoregressive (AR), moving average (MA), and trend.
- `_COMPMODEL_` - the model portion of an intermittent demand component
- `_FACTOR_` - the model factor
- `_LAG_` - the lag for the input
- `_SHIFT_` - the shift
- `_PARM_` - the parameter name
- `_LABEL_` - the parameter label
- `_EST_` - the parameter estimate
- `_STDERR_` - standard error of the parameter estimate
- `_TVALUE_` - the **t**-values of the parameter estimates
- `_PVALUE_` - the **p**-values of the parameter estimates
- `_STATUS_` - indicates the success or failure of estimating the parameter.

Here are the values for the `_STATUS_` variable:

- |      |  |
|------|--|
| 0    | The forecast completed successfully.   |
| 3000 | Model selection could not be completed. Forecast values are set to missing.  |
| 3001 | Model selection could not be completed because no models can be fit from the initial selection list. Forecast values are set to missing.   |
| 3002 | The forecast completed, but one or more input variables were omitted from the selected model. This can occur only for ARIMAX or unobserved component models (UCM).   |
| 3003 | The selected model could not be forecast. The forecast reverted to the default exponential smoothing model.  |
| 3004 | An arithmetic exception occurred when trying to forecast the selected model. The forecast is generated by using the default exponential smoothing model for the variable that produces the arithmetic exception. |
| 3005 | An arithmetic exception occurred when trying to forecast the selected model. The forecast is generated by using a zero-drift random walk model for the BY variable that produces the exception.                  |
| 3006 | An arithmetic exception occurred when trying to forecast the selected model. The forecast of missing values is generated for the BY variable that produces the exception.  |
| 3007 | The mean value of the forecast is generated because minimum number of observations is the selection criterion.   |
| 3008 | There were insufficient nonmissing observations in the variable to forecast. A missing value is produced for the forecast.   |
| 3009 | There were insufficient nonzero observations in the variable to forecast. A missing value is produced for the forecast.  |

---

## OUTFOR= Data Set

The OUTFOR= data set contains the variables that you assign as BY variables and the variables listed below:

- \_NAME\_ - variable name or the name of the dependent variable
- \_TIMEID\_ - time ID values or the time ID variables
- ACTUAL - values of the dependent series
- PREDICT - predicted values
- STD - prediction standard errors
- LOWER - lower confidence limits
- UPPER - upper confidence limits
- ERROR - prediction errors

If the forecasting step fails for a particular variable, no observations are recorded. If you specify to transform the time series, then the values in the variables listed above are the inverse transform forecasts. When you transform the time series, you can specify whether the median or mean forecasts are recorded.

---

## OUTOVRD= Data Set

The OUTOVRD= data set contains any overrides that you specify in SAS Forecast Studio. This data set contains the variables that you assign as BY variables and the following variables:

- \_NAME\_ - variable name or the name of the dependent variable
- \_TIMEID\_ - time ID values or the time ID variables
- LOWER - lower bound on the forecast
- LLOCK - lock level for the lower bound
- OVERRIDE - the values of the overrides that you specify
- OLOCK - an indicator variable that specifies whether the override is locked. A value of 0 means the override is locked, and a value of 1 means an unlocked override.
- UPPER - upper bound on the forecast
- ULOCK - lock level for the upper bound

This data set is created only if you have specified overrides. If you did not specify any overrides, then SAS Forecast Studio does not create this data set.

---

## OUTSTAT= Data Set

The OUTSTAT= data set contains the variables that you assign as BY variables and the variables listed below. The following variables contain observations related to the statistics-of-fit step:

- `_NAME_` - variable name or the name of the dependent variable
- `_REGION_` - the region in which the statistics are calculated. Statistics that are calculated in the fit region are indicated by FIT. Statistics that are calculated in the forecast region are indicated by FORECAST.
- DFE - degrees of freedom error
- N - number of observations
- NOBS - number of observations that were used in calculating the statistics
- NMISSA - number of missing actuals
- NMISSP - number of missing predicted values
- NPARMS - number of parameters
- TSS - total sum of squares
- SST - corrected total sum of squares
- SSE - sum of squares error
- MSE - mean square error
- UMSE - unbiased mean square error
- RMSE - root mean square error
- URMSE - unbiased root mean square error
- MAPE - mean absolute percent error
- MAE - mean absolute error
- MASE - mean absolute scaled error
- RSQUARE - R-square
- ADJRSQ - adjusted R-square
- AADJRSQ - Amemiya's adjusted R-square
- RWRSQ - random walk R-square
- AIC - Akaike information criterion
- AICC - finite sample corrected AIC
- SBC - Schwarz Bayesian information criterion
- APC - Amemiya's prediction criterion
- MAXERR - maximum error
- MINERR - minimum error
- MINPE - minimum percent error
- MAXPE - maximum percent error

- ME - mean error
- MPE - mean percent error
- MDAPE - median absolute percent error
- GMAPE - geometric mean absolute percent error
- MINPPE - minimum predictive percent error
- MAXPPE - maximum predictive percent error
- MSPPE - mean predictive percent error
- MAPPE - symmetric mean absolute predictive percent error
- MDAPPE - median absolute predictive percent error
- GMAPPE - geometric mean absolute predictive percent error
- MINSPE - minimum symmetric percent error
- MAXSPE - maximum symmetric percent error
- MSPE - mean symmetric percent error
- SMAPE - symmetric mean absolute percent error
- MDASPE - mean absolute symmetric percent error
- GMASPE - geometric mean absolute symmetric percent error
- MINRE - minimum relative error
- MAXRE - maximum relative error
- MRE - mean relative error
- MRAE - mean relative absolute error
- MDRAE - median relative absolute error
- GMRAE - geometric mean relative absolute error
- MAPES - mean absolute error percent of standard deviation
- MDAPES - median absolute error percent of standard deviation
- GMAPES - geometric mean absolute error percent of standard deviation

If the statistics-of-fit step fails for a particular variable, no observations are recorded.

---

## OUTSTATSELECT= Data Set

The OUTSTATSELECT= data set contains the same variables as the OUTSTAT= data set with the addition of the following:

- \_MODEL\_ - the name of the forecasting model
- \_SELECT\_ - the name of the model selection list
- \_SELECTED\_ - whether the model was chosen to forecast the dependent series

---

## OUTSUM= Data Set

The OUTSUM= data set contains the variables that you assign as BY variables. This data set also records the summary statistics for each forecast variable and the multistep forecasts as determined by the value of the LEAD= option.

The following variables that are related to summary statistics also appear in this data set. These variables depend on the options that you set for accumulation and for the interpretation of missing values.

- `_NAME_` - variable name or the name of the dependent variable
- `_STATUS_` - forecasting status. Nonzero values imply that no forecast was generated for the series.

Here are the values for the `_STATUS_` variable:

0	The forecast completed successfully.
3000	Model selection could not be completed. Forecast values are set to missing.
3001	Model selection could not be completed because no models can be fit from the initial selection list. Forecast values are set to missing.
3002	The forecast completed, but one or more input variables were omitted from the selected model. This can occur only for ARIMAX or unobserved component models (UCM).
3003	The selected model could not be forecast. The forecast reverted to the default exponential smoothing model.
3004	An arithmetic exception occurred when trying to forecast the selected model. The forecast is generated by using the default exponential smoothing model for the variable that produces the arithmetic exception.
3005	An arithmetic exception occurred when trying to forecast the selected model. The forecast is generated by using a zero-drift random walk model for the BY variable that produces the exception.
3006	An arithmetic exception occurred when trying to forecast the selected model. The forecast of missing values is generated for the BY variable that produces the exception.
3007	The mean value of the forecast is generated because minimum number of observations is the selection criterion.
3008	There were insufficient nonmissing observations in the variable to forecast. A missing value is produced for the forecast.
3009	There were insufficient nonzero observations in the variable to forecast. A missing value is produced for the forecast.

- NOBS - number of observations
- N - number of nonmissing observations or number of observations
- NMISS - number of missing observations
- MIN - minimum value
- MAX - maximum value
- MEAN - mean value
- STDDEV - standard deviation

The `_LEAD $n$ _` variable is related to the multistep forecast ( $n$  ranges from one to the value of the horizon).

If the forecast step fails for a particular variable, the variables related to forecasting are set to missing.

---

## RECFOR= Data Set

The RECFOR= data set contains the values of the reconciled forecasts. The following variables contain data that is related to the forecasting step:

- `_NAME_` - variable name or the name of the dependent variable
- `_TIMEID_` - time ID values or the time ID variables
- `PREDICT` - predicted values
- `STD` - prediction standard errors
- `LOWER` - lower confidence limits
- `UPPER` - upper confidence limits
- `ERROR` - prediction errors
- `_RECONSTATUS_` - the reconciliation status. This variable contains a code that specifies whether the reconciliation is successful or not. A corresponding message is also printed to the log.

The `_RECONSTATUS_` variable can have the following values:

0	Success
500	A locked equality constraint that has been imposed.
1000	ID value out of range with respect to the START= and END= interval.
2000	Insufficient data to reconcile.
3000	Reconciliation failed for the predicted value. This implies that it also failed for the confidence limits and standard error.
4000	Reconciliation failed for the standard error.
5000	Reconciliation failed for the confidence limits
6000	The constrained optimization problem is infeasible.
7000	The option DISAGGREGATION=PROPORTION has been changed to DISAGGREGATION=DIFFERENCE for this observation due to discordant signs in the input.
8000	The STDMETHOD= option provided by the user has been changed for this observation.
9000	The CLMETHOD= option provided by the user has been changed for this observation.
10000	The standard error hit the limits imposed by the STDDIFBD= option.
11000	Multiple warnings have been printed to the log for this observation.

*Note:* The RECFOR= data set is not created if you chose not to forecast your data hierarchically or when the reconciliation functionality is disabled. If you chose to forecast the data hierarchically and reconciliation functionality is enabled, then SAS

Forecast Studio does not create the RECFOR= data set for the reconciliation level in the hierarchy. In this case, the reconciled forecasts are identical to the forecasts generated by the statistical model, so the content of the RECFOR= data set will be the same as the OUTFOR= data set.

---

## RECSTAT= Data Set

The RECSTAT= data set contains the values of the reconciled forecasts. This data set also contains the same variables as the OUTSTAT= data set.

If the statistics-of-fit step fails for a particular variable, no observations are recorded. If you specified to transform the time series, the values in the variables listed above are computed based on the inverse transform forecasts. When you transform the time series, you can specify whether the median or mean forecasts are recorded.

*Note:* The RECSTAT= data set is not created if you chose not to forecast your data hierarchically or when the reconciliation functionality is disabled. If you chose to forecast the data hierarchically and reconciliation functionality is enabled, then SAS Forecast Studio does not create the RECSTAT= data set for the reconciliation level in the hierarchy. In this case, the reconciled forecasts are identical to the forecasts generated by the statistical model, so the content of the RECSTAT= data set will be the same as the OUTSTAT= data set.

---

## RECSUM= Data Set

The RECSUM= data set contains the variables that you assigned to the BY variables role. The RECSUM= data set records the summary statistics for each dependent variable. If you selected a model for the series, then the reconciled forecasts can include the prediction values, the upper confidence limits, or the lower confidence limits, depending on the options that you specify. If you did not select a model, then the reconciled forecasts are set to missing.

The following variables that are related to summary statistics also appear in this data set. These variables depend on the options that you set for accumulation and for the interpretation of missing values.

- \_NAME\_ - variable name or the name of the dependent variable
- \_STATUS\_ - forecasting status. Nonzero values imply that no forecast was generated for the series.
- NOBS - number of observations
- N - number of nonmissing observations or number of observations
- NMISS - number of missing observations
- MIN - minimum value
- MAX - maximum value
- MEAN - mean value
- STDDEV - standard deviation

The following variables that are related to forecast summation are based on the values that you specify for the lead and for starting the summation:

- PREDICT - forecast summation of the predicted values
- STD - forecast summation of the prediction standard errors
- LOWER - forecast summation of the lower confidence limits
- UPPER - forecast summation of the upper confidence limits

Variance-related computations are computed only when no transformation is specified for the time series.

Your data set also contains the `_LEAD_` variable if you have a multistep forecast. A multistep forecast ranges from one to the lead number that you specified. This reconciled forecast can also contain the lower confidence limits, the upper confidence limits, or the predicted values.

If the forecast step fails for a particular variable, the variables related to forecasting are set to missing. The RECSUM= data set contains a summary of the (accumulated) time series and might contain the forecasts for all series.

*Note:* The RECSUM= data set is not created if you chose not to forecast your data hierarchically or when the reconciliation functionality is disabled. If you chose to forecast the data hierarchically and reconciliation functionality is enabled, then SAS Forecast Studio does not create the RECSUM= data set for the reconciliation level in the hierarchy. In this case, the reconciled forecasts are identical to the forecasts generated by the statistical model, so the content of the RECSUM= data set will be the same as the OUTSUM= data set.

---

## SCENARIO Data Set

The SCENARIO data set contains information about any scenarios that you created in the Scenario Analysis View. This data set is saved in the directory for the series that is used in the scenario. If no scenarios are created for a series, then no data set is created. Modifications to the values of the input variables are stored with the scenario, so the values of the time ID variable are not continuous. For each series, the names of the scenarios must be unique. Although this data set is not indexed, a combination of the BY variables and the `_NAME_` variable can be used as a unique key for the data set.

The SCENARIO data set contains the following variables:

- `_NAME_` - name of the scenario
- `_DESC_` - description of the scenario
- `_MODEL_` - name of the model that is used in the scenario
- `_STATUS_` - a system note for the scenario. This column is not currently used by SAS Forecast Studio.
- columns for each BY variable. The values in these columns identify the series that is associated with the scenario.
- a column for the time ID variable. This column stores the modifications to the input variable.
- a column for each input variable. This column stores the modification to the input variable.

## Appendix 4

# Statistics of Fit

---

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## What Are Statistics of Fit?

The statistics of fit are statistical values that are used to evaluate how well a forecasting model performs by comparing the actual data to the predictions. For a given forecast model that has been fitted to the time series data, the model should be checked or evaluated to see how well it fits or forecasts the data. Commonly used statistics of fit are Root Mean Square Error (RMSE), Mean Absolute Percent Error (MAPE), Akaike Information Criteria (AIC), and many others. The statistics of fit can be computed from the model residuals or the prediction errors.

When the full range of data is used to both fit and evaluate the model, this is referred to as in-sample evaluation. When the most recent data is excluded for parameter estimation (holdout) and this holdout sample is used for evaluation, this is referred to as holdout sample evaluation. Holdout sample analysis is similar to the training and testing of neural networks. A portion of the data is withheld from training (fit) and the withheld data (holdout) is used to test performance.

When a particular statistic of fit is used for forecast model selection, it is referred to as the model selection criterion. For example, if the MAPE (an often recommended choice) is used as a model selection criterion, the forecast model with the smallest MAPE in the evaluation region (in-sample or holdout-sample) is chosen as the best model.

When a particular statistic of fit is used to judge how well the forecasting process is predicting the future, it is referred to as the performance statistic.

---

## Understanding the Formulas and Definitions

To understand the formulas and definitions for the statistics of fit, review the following information:

- $n$  is the number of nonmissing observations.
- $k$  is the number of fitted parameters in the model.
- $APE = |100 * (y_t - \hat{y}_t) / y_t|$  is the absolute percent error.
- $ASPE = |100 * (y_t - \hat{y}_t) / 0.5(y_t + \hat{y}_t)|$  is the absolute symmetric percent error.
- $APPE = |100 * (y_t - \hat{y}_t) / \hat{y}_t|$  is the absolute predictive percent error.
- $RAE = |(y_t - \hat{y}_t) / (y_t - y_{t-1})|$  is relative absolute error.

---

## Descriptions of Statistics of Fit

The definitions and formulas for the statistics of fit that are available in SAS Forecast Studio are described below. You can use statistics of fit to measure how well different models fit the data. The statistics of fit for the various forecasting models can be printed or stored in a data set.

Adjusted R-squared (ADJRSQ)

The adjusted  $R^2$  statistic,  $1 - (\frac{n-1}{n-k})(1 - R^2)$ .

Akaike Information Criterion (AIC)

Akaike's information criterion,  $n \ln(\frac{SSE}{n}) + 2k$ .

Akaike Information Criterion, finite sample size corrected (AICC)

Akaike's information criterion with an empirical correction for small sample sizes,  $AIC + (\frac{2k(k+1)}{n-k-1})$ .

Amemiya's Adjusted R-squared (AADJRSQ)

Amemiya's adjusted  $R^2$ ,  $1 - (\frac{n+k}{n-k})(1 - R^2)$ .

Amemiya's Prediction Criterion (APC)

Amemiya's prediction criterion,  $\frac{1}{n} SST(\frac{n+k}{n-k})(1 - R^2) = (\frac{n+k}{n-k})\frac{1}{n} SSE$ .

Geometric Mean Absolute Error Percent of Standard Deviation (GMAPES)

The geometric mean of the absolute error as a percentage of the standard deviation.

Geometric Mean Percent Error (GMAPE)

The geometric mean percent error.

Geometric Mean Predictive Percent Error (GMAPPE)

The geometric mean absolute predictive percent prediction error.

Geometric Mean Relative Absolute Error (GMRAE)

The geometric mean of the relative absolute errors.

Geometric Mean Symmetric Percent Error (GMASPE)

The geometric mean of the absolute symmetric percent errors.

Maximum Absolute Error Percent of Standard Deviation (MAXAPES)

The maximum of the absolute error as a percentage of the standard deviation.

Maximum Error (MAXERR)

The largest prediction error.

Maximum Percent Error (MAXPE)

The largest percent prediction error,  $100\max\left(\frac{(y_t - \hat{y}_t)}{y_t}\right)$ . The summation ignores observations where  $y_t = 0$ .

Maximum Predictive Percent Error (MAXPPE)

The maximum of the predictive percent errors.

Maximum Relative Error (MAXRE)

The maximum of the relative errors.

Maximum Symmetric Percent Error (MAXSPE)

The maximum of the symmetric percent errors.

Mean Absolute Error (MAE)

The mean absolute prediction error,  $\frac{1}{n}\sum_{t=1}^n |y_t - \hat{y}_t|$ .

Mean Absolute Error Percent of Standard Deviation (MAPES)

The mean of the absolute error as a percentage of the standard deviation.

Mean Absolute Percent Error (MAPE)

The mean of the absolute percent errors.

Mean Absolute Predictive Symmetric Percent Error (MAPPE)

The mean of the absolute symmetric predictive percent error.

Mean Absolute Scaled Error (MASE)

The mean of the absolute scaled errors.

Mean Absolute Symmetric Percent Error (SMAPE)

The symmetric mean of the absolute percent error.

Mean Error (ME)

The mean prediction error,  $\frac{1}{n}\sum_{t=1}^n (y_t - \hat{y}_t)$

Mean Percent Error (MPE)

The mean percent prediction error,  $\frac{1}{n}\sum_{t=1}^n \frac{(y_t - \hat{y}_t)}{y_t}$ . The summation ignores observations where  $y_t = 0$ .

Mean Predictive Percent Error (MPPE)

The mean of the predictive percent error.

Mean Relative Absolute Error (MRAE)

The mean of the relative absolute errors.

Mean Relative Error (MRE)

The mean of the relative errors.

Mean Square Error (MSE)

The mean squared prediction error calculated from the one-step-ahead forecasts,

$MSE = \frac{1}{n}SSE$ . This formula enables you to evaluate small holdout samples.

Mean Symmetric Percent Error (MSPE)

The mean of the symmetric percent errors.

Median Absolute Error Percent of Standard Deviation (MDAPES)

The median of the absolute error as a percentage of the standard deviation.

**Median Absolute Percent Error (MDAPE)**

The median of the percent errors.

**Median Absolute Predictive Percent Error (MDAPPE)**

The median of the predictive percent errors.

**Median Relative Absolute Error (MDRAE)**

The median of the relative absolute errors.

**Median Absolute Symmetric Percent Error (MDASPE)**

The median of the symmetric percent errors.

**Minimum Absolute Error Percent of Standard Deviation (MINAPES)**

The minimum of the absolute error as a percentage of the standard deviation.

**Minimum Error (MINERR)**

The smallest prediction error.

**Minimum Percent Error (MINPE)**

The smallest percent prediction error,  $100\min\left(\frac{(y_t - \hat{y}_t)}{y_t}\right)$ . The summation ignores observations where  $y_t = 0$ .

**Minimum Predictive Percent Error (MINPPE)**

The smallest predictive percent error.

**Minimum Relative Error (MINRE)**

The smallest relative error.

**Minimum Symmetric Percent Error (MINSPE)**

The smallest symmetric percent error.

**R-square (RSQUARE)**

The  $R^2$  statistic,  $R^2 = 1 - \frac{SSE}{SST}$ . If the model fits the series badly, the model sum of squares error,  $SSE$ , might be larger than  $SST$  and the  $R^2$  statistic will be negative.

**Random Walk R-square (RWRSQ)**

The random walk  $R^2$  statistic (Harvey's  $R^2$  statistic using the random walk model for comparison),  $1 - \left(\frac{n-1}{n}\right)\frac{SSE}{RWSSE}$ , where  $RWSSE = \sum_{t=2}^n (y_t - y_{t-1} - \mu)^2$ , and  $\mu = \frac{1}{n-1} \sum_{t=2}^n (y_t - y_{t-1})$ .

**Root Mean Square Error (RMSE)**

The root mean square error,  $\sqrt{MSE}$ .

**Schwarz Bayesian Information Criterion (SBC)**

Schwarz Bayesian information criterion,  $n^* \ln\left(\frac{SSE}{n}\right) + k^* \ln(n)$ .

**Sum of Squares Error (SSE)**

The sum of the squared prediction errors.  $SSE = \sum_{t=1}^n (y_t - \hat{y}_t)^2$ , where  $\hat{y}$  is the one-step predicted value.

**Total Corrected Sum of Squares for the dependent variable**

The total sum of squares for the series corrected for the mean:  $\sum_{t=1}^n (y_t - \bar{y})^2$ , where  $\bar{y}$  is the series mean.

**Total Sum of Squares (SST)**

The total sum of squares for the series, uncorrected for the mean:  $\sum_{t=1}^n y_t^2$ .

Unbiased Mean Square Error (UMSE)

The unbiased mean square error.

Unbiased Root Mean Square Error (URMSE)

The unbiased root mean square error.

---

## Additional Information

For more information about statistics of fit, see the "Forecasting Process Details" chapter in the *SAS High-Performance Forecasting: User's Guide*.

---

## Descriptive Statistics

You can view the descriptive statistics for each series. These descriptive statistics are available from the Series Properties pane. You can also create a filter by using these descriptive statistics.

First observation

The time period of the first observation in the series.

Last observation

The time period of the last observation in the series.

Number of values

The number of values in the series.

Number of missing values

The number of series with missing values.

Number of nonmissing values

The number of series with nonmissing values.

Sum of values

The sum of the values in the series.

Mean value

The mean of the values in the series.

Standard deviation

The standard deviation for the values in the series.

Minimum value

The minimum value in the series.

Maximum value

The maximum value in the series.



## Appendix 5

# Default Model Selection Lists

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## Overview of the Default Model Selection Lists

Although you can create your own model, SAS Forecast Studio ships with several lists of candidate models that can be added to the project during the project setup. These model selection lists are saved in several SAS catalogs in the SASHELP library.

When you use a model, that model is automatically added to the model repository for the project. After a model is added to the repository, you can add a model to any series in the project. To view the complete list of models that are available for the current project, select **Project** ⇒ **Model Repository**.

---

## Best Smoothing Model

The model selection list for the Best Smoothing Model is saved in the SASHELP.HPFDFLT.BEST catalog. The following models are in this selection list:

- Damped Trend Exponential Smoothing
- Double (Brown) Exponential Smoothing
- Linear (Holt) Exponential Smoothing
- Seasonal Exponential Smoothing
- Simple Exponential Smoothing
- Winters (Additive) Method
- Winters (Multiplicative) Method

---

## Best Nonseasonal Smoothing Model

The model selection list for the Best Nonseasonal Model is saved in the SASHELP.HPFDFTL.BESTN catalog. The following models are in this selection list:

- Simple Exponential Smoothing
- Double (Brown) Exponential Smoothing
- Linear (Holt) Exponential Smoothing
- Damped Trend Exponential Smoothing

---

## Best Seasonal Smoothing Model

The model selection list for the Best Seasonal Smoothing Model is saved in the SASHELP.HPFDFTL.BESTS catalog. The following models are in this selection list:

- Additive Seasonal Exponential Smoothing
- Winters Additive Method
- Winters Multiplicative Method

---

## Time Series Forecasting Models

The model selection list for the time series forecasting models is saved in the SASHELP.HPFDFTL.TSFSELECT catalog. The following models are in this selection list:

- Airline Model
- ARIMA(0,1,1)s NOINT
- ARIMA(0,1,1)(1,0,0)s NOINT
- ARIMA(0,1,2)(0,1,1)s NOINT
- ARIMA(0,2,2)(0,1,1)s NOINT
- ARIMA(2,0,0)(1,0,0)s
- ARIMA(2,1,0)(0,1,1)s NOINT
- ARIMA(2,1,2)(0,1,1)s NOINT
- Damped Trend Exponential Smoothing
- Double (Brown) Exponential Smoothing
- Linear (Holt) Exponential Smoothing
- Linear Trend
- Linear Trend with Autoregressive Errors
- Linear Trend with Seasonal Terms

- Log Airline Model
- Log ARIMA(0,1,1)s NOINT
- Log ARIMA(0,1,1)(1,0,0)s NOINT
- Log ARIMA(0,1,2)(0,1,1)s NOINT
- Log ARIMA(0,2,2)(0,1,1)s NOINT
- Log ARIMA(2,0,0)(1,0,0)s
- Log ARIMA(2,1,0)(0,1,1)s NOINT
- Log ARIMA(2,1,2)(0,1,1)s NOINT
- Log Damped Trend Exponential Smoothing
- Log Double (Brown) Exponential Smoothing
- Log Linear (Holt) Exponential Smoothing
- Log Linear Trend
- Log Linear Trend with Autoregressive Errors
- Log Linear Trend with Seasonal Terms
- Log Mean
- Log Random Walk with Drift
- Log Seasonal Dummy
- Log Seasonal Exponential Smoothing
- Log Simple Exponential Smoothing
- Log Winters Method – Additive
- Log Winters Method – Multiplicative
- Mean
- Random Walk with Drift
- Seasonal Dummy
- Seasonal Exponential Smoothing
- Simple Exponential Smoothing
- Winters (Additive) Method
- Winters (Multiplicative) Method



## Appendix 6

# Autoregressive, Differencing, and Moving Average Orders

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## Which Models Use Autoregressive, Differencing, and Moving Average Orders?

For ARIMA and Subset (factored) ARIMA models, you can specify the autoregressive, differencing, and moving average orders for the model. How you specify these orders differs slightly between the models. For the ARIMA model, you can specify integer values for the orders that make up the nonseasonal and seasonal components. For Subset (factored) ARIMA models, you have more flexibility. SAS Forecast Studio uses the syntax from PROC HPFARIMASPEC to specify this order. For more information about the underlying code, see the HPFARIMASPEC procedure in the *SAS High-Performance Forecasting: User's Guide*.

For ARIMA, Subset (factored) ARIMA, and Unobserved Components models, you can also specify the differencing order for inputs, such as events.

---

## Autoregressive Orders

The **Autoregressive (p)** option specifies the autoregressive part of the model.

To specify an autoregressive order, use the following syntax:

- For an autoregressive model with degrees from 1 to an integer value, use  $p = (1, \dots, \text{integer})$ . This syntax creates a model of  $P = (1, \dots, \text{integer})$ .
- For an autoregressive model with parameters at specified lags, use  $p = (\text{integer})$ . This syntax creates a model of  $P = (\text{integer})$ .
- For an autoregressive model with a seasonal component, use  $p = (\text{integer}, \dots, \text{integer})$  ( $\text{integer} \dots \text{integer}$ )s, where  $s$  is a placeholder for the seasonal component. This

placeholder value is supplied later. You can also specify an integer value for this seasonal component. This syntax creates a model of  $P = (integer,...integer)(integer,...integer)s$ .

- For an autoregressive model with multiple factors, use  $p = (integer,...integer)(integer,...integer)$ . This syntax creates a model of  $P = (integer,...integer)(integer,...integer)$ .

The following table shows some examples of this syntax:

Model Description	Value of p	Result in Details Pane
Autoregressive model with degrees from 1 to an integer value	$p = 5$	$P = (1\ 2\ 3\ 4\ 5)$
Autoregressive model with parameters at specified lags	$p = (5)$	$P = (5)$
Autoregressive model with a seasonal component with "s" as a placeholder	$p = (1\ 2\ 3)(2\ 7)s$	$P = (1\ 2\ 3)(2\ 7)s$
Autoregressive model with a seasonal component of 12	$p = (1\ 2\ 3)(2\ 7)12$	$P = (1\ 2\ 3)(24\ 84)$
Autoregressive model with three factors	$p = (1\ 2)(1)(1)s$	$P = (1\ 2)(1)(1)s$

## Differencing Orders

The **Differencing (d)** option specifies the differencing orders for the dependent series.

For differencing orders, you must enclose the value or values that you specify in parentheses. Unlike the autoregressive and moving average orders, you must include all orders that you specify in a single list. You can specify an integer value multiple times in the same list. You can use placeholders (such as "s") to specify seasonal differencing.

To specify a differencing order, use the following syntax:

- For a single differencing order, use  $d = (integer)$ . This syntax creates a model of  $D = (integer)$ .
- For multiple differencing orders, use  $d = (integer,...,integer)$ . This syntax creates a model of  $D = (integer,...,integer)$ .
- For a differencing order with a seasonal component, use  $d = (integer,...,s)$ . This syntax creates a model of  $D = (integer,...,s)$ , where  $s$  is a placeholder for the seasonal order. This placeholder value is supplied later.

The following table includes examples of this syntax:

Model Description	Value of d	Result in Details Pane
Single differencing order	d = 5	Incorrect syntax; no order specified
Single differencing order	d = (5)	D = (5)
Multiple differencing orders	d = (1 1 3 5)	D = (1 1 3 5)
Differencing order with a seasonal component	d = (1 s s)	D = (1 s s)

## Moving Average Orders

The **Moving average (q)** option specifies the moving average part of the model. The syntax of the moving average order is identical to the syntax of the autoregressive order.

To specify a moving average order, use the following syntax:

- For a moving average model with degrees from 1 to an integer value, use  $q = \text{integer}$ . This syntax creates a model of  $Q = (1, \dots, \text{integer})Q = (1, \dots, \text{integer})$ .
- For a moving average model with parameters at specified lags, use  $q = (\text{integer})$ . This syntax creates a model of  $Q = (\text{integer})$ .
- For a moving average model with a seasonal component, use  $q = (\text{integer}, \dots, \text{integer}) (\text{integer}, \dots, s)$ , where  $s$  is a placeholder for the seasonal component. This placeholder value is supplied later. You can also specify an integer value for this seasonal component. This syntax creates a model of  $Q = (\text{integer}, \dots, \text{integer}) (\text{integer}, \dots, \text{integer})s$ .
- For a moving average model with multiple factors, use  $q = (\text{integer}, \dots, \text{integer}) (\text{integer}, \dots, \text{integer})$ . This syntax creates a model of  $Q = (\text{integer}, \dots, \text{integer}) (\text{integer}, \dots, \text{integer})s$ .

The following table shows some examples of this syntax:

Model Description	Value of q	Result in Details Pane
Moving average model with degrees from 1 to an integer value	q = 5	Q = (1 2 3 4 5)
Moving average model with parameters at specified lags	q = (5)	Q = (5)
Moving average model with a seasonal component with "s" as a placeholder	q = (1 2 3)(2 7)s	Q = (1 2 3)(2 7)s
Moving average model with a seasonal component of 12	q = (1 2 3)(2 7)12	Q = (1 2 3)(24 84)

Model Description	Value of q	Result in Details Pane
Moving average model with three factors	$q = (1\ 2)(1)(1)s$	$Q = (1\ 2)(1)(1)s$

## Example: Specifying the Orders for the Airline Model

Using the syntax that is available in SAS Forecast Studio, you can create the familiar Airline model,  $ARIMA(0,1,1)(0,1,1)s$ , by specifying the differencing and moving average orders in the Subset (factored) ARIMA model. You can specify this model in any of the following ways:

Model Description	Value of d	Value of q	Result
Season length is specified as a wildcard	$d = (1\ s)$	$q = (1)(1)s$	$D = (1\ s)\ Q = (1)(1)s$
Monthly seasonality is specified	$d = (1\ 12)$	$q = (1)(1)12$	$D = (1\ 12)\ Q = (1)(12)$
Alternative way to specify monthly seasonality	$d = (1\ 12)$	$q = (1)(12)$	$D = (1\ 12)\ Q = (1)(12)$

## Appendix 7

# Sample Reports in SAS Forecast Studio

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## Getting Started Reports

The Getting Started reports show the basic functionality that is available in SAS Forecast Studio. When you run these sample reports, you can see how parameters work and the types of output that you can generate.

**Table A7.1** Introduction

Name of Report	Description
Introduction to Reports	Creates a report that contains the results of the SAS Forecast Studio project. The report contains the following data sets: Time Series, Time Series Summary, Model Selection, Model Parameter, Model Components, Model Extended, Model Forecast, Model Statistics, Reconciled Forecasts, and Reconciled Statistics.

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Name of Report	Description
Introduction to Stored Processes	Demonstrates a simple example of a stored process. When you run this report, you can specify the title of the report.

**Table A7.2** Special Features

Name of Report	Description
Using Dynamic Parameters	Shows all of the dynamic parameters that you can use in SAS Forecast Studio. For more information about dynamic report parameters, see <i>SAS Forecast Server: Administrator's Guide</i> .
Using Libraries	Shows how libraries that are not pre-assigned can be used in reports. This sample includes a demonstration of the SAS Forecast Server macro variables.
Using Package Files	Shows how you include extra files in the results package. This sample demonstrates how to use SAS Forecast Server macros to manually include files in the results package.
Working with List Variables	Shows how parameters that accept multiple values are passed to the SAS code. This sample also shows how the SAS Forecast Server macros can be used to reformat these parameter values, so you can run code that was written for a previous release of SAS Forecast Server.

## Time Series Reports

The Exploration reports contain plots of the time series or dependent variable to be forecast. The following table gives a brief explanation of the Time Series reports and lists the parameters that you can customize at run time.

**Table A7.3** *Exploration*

Name of Report	Description
Branch Series Plot	<p>Creates a report that contains a time series plot for the selected node and for the lower-level nodes in the same branch of the hierarchy.</p> <p>When you run this report, you can change the title of the report. You can also select whether SAS Forecast Studio should use the same scale for the Y-axis of each graph. Using the same scale enables you to compare values across graphs. By default, SAS Forecast Studio scales the series.</p>
Level Descriptive Statistics Table	<p>Creates a report that contains a descriptive statistics table for the selected level of the hierarchy.</p> <p>When you run this report, you can specify the following information:</p> <ul style="list-style-type: none"> <li>• the title of the table</li> <li>• the descriptive statistic that you want to use to sort the table</li> <li>• the sort order (either ascending or descending)</li> <li>• the minimum and maximum number of observations, nonmissing observations, and missing observations</li> <li>• the minimum and maximum of the minimum series values, the maximum series values, and the mean series values</li> </ul>
Node Series Plot	<p>Creates a report that contains a time series plot for the selected node.</p> <p>When you run this report, you can specify the title of the report.</p>

Name of Report	Description
Path Cross Series Plot	<p>Creates a report that contains a plot of the time series and independent variables for the selected node and for the upper-level nodes in the same path of the hierarchy.</p> <p>When you run this report, you must select one independent variable to include in the report. You can also change the title of the report.</p> <p><i>Note:</i> To run this project, you must have at least one independent variable in the project.</p>
Node Cross Series Plot	<p>Creates a report that contains a plot of the time series and independent variables for the selected node.</p> <p>When you run this report, you must select one independent variable to include in the report. You can also change the title of the report.</p> <p><i>Note:</i> To run this project, you must have at least one independent variable in the project.</p>
Path Series Plot	<p>Creates a report that contains a time series plot for the selected node and for the upper-level nodes in the same path of the hierarchy.</p> <p>When you run this report, you can change the title of the report.</p>
Hierarchical Series Plot	<p>Creates a report that contains the time series plots for the selected node and for lower-level and upper-level nodes in the hierarchy. This report contains a series plot for the current node, a series plot for the child branch, and a table that displays the value of the BY variables for that branch.</p> <p>When you run this report, you can specify the titles of the graphs. You can also select whether to use the same scale for the child series. Using the same scale enables you to compare values across graphs. By default, SAS Forecast Studio scales the series.</p>

The Statistical Analysis reports contain general diagnostic plots and statistics that are associated with time series modeling. The following table gives a brief explanation of the Time Series reports and lists the parameters that you can customize at run time.

**Table A7.4** *Statistical Analysis*

Name of Report	Description
Level Seasonal Cycles Plot	<p>Creates a report that contains the seasonal cycles plot for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the decomposition mode</li> <li>• the decomposition component</li> <li>• whether to scale the series</li> </ul>
Node X12-ARIMA Analysis Report	<p>Creates a report that contains the X12-ARIMA analysis report for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the transformation options</li> <li>• the X11 options</li> <li>• the ARIMA options</li> <li>• the regression options</li> <li>• the outlier options</li> <li>• the estimation options</li> </ul>
Node Seasonal Cycles Plot	<p>Creates a report that contains the seasonal cycles plot for the selected node in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the decomposition mode</li> <li>• the decomposition component</li> <li>• whether to scale the series</li> </ul>
Node Stationarity Analysis Report	<p>Creates a report that contains the stationarity analysis report for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the number of dependent variable lags</li> <li>• the series transformation options</li> </ul>

Name of Report	Description
Node GARCH Autoregression Analysis Report	<p>Creates a report that contains the GARCH autoregression analysis report for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• whether to include the intercept in the analysis</li> <li>• the number of dependent variable lags</li> <li>• the series transformation options</li> <li>• the selection parameters</li> <li>• the GARCH options</li> <li>• the estimation options</li> </ul>
Node Autocorrelation Analysis Report	<p>Creates an autocorrelation analysis report for the selected node in the hierarchy. The output contains the following information:</p> <ul style="list-style-type: none"> <li>• the plots that you selected for the dependent variable</li> <li>• a table that shows the autocorrelations for each time lag</li> </ul> <p>When you run this report, you can customize or select the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the plots to include in the report</li> <li>• the autocorrelation statistics</li> <li>• the number of lags</li> <li>• the number of parameters</li> <li>• the series transformation</li> <li>• the simple differencing order</li> <li>• the seasonal differencing order</li> <li>• how to interpret missing values</li> <li>• how to interpret zero values</li> </ul>

Name of Report	Description
Node Cross Correlation Analysis Report	<p data-bbox="935 239 1378 296">Creates a cross-correlation analysis report for the selected node of the hierarchy.</p> <p data-bbox="935 310 1378 367">When you run this report, you can customize the following parameters:</p> <ul data-bbox="935 382 1378 852" style="list-style-type: none"><li data-bbox="935 382 1166 413">• the title of the report</li><li data-bbox="935 424 1378 483">• the independent variable to include in the report</li><li data-bbox="935 493 1254 525">• the cross-correlation statistics</li><li data-bbox="935 535 1150 567">• the number of lags</li><li data-bbox="935 577 1214 609">• the number of parameters</li><li data-bbox="935 619 1254 678">• the series and the cross series transformation</li><li data-bbox="935 688 1251 720">• the simple differencing order</li><li data-bbox="935 730 1267 762">• the seasonal differencing order</li><li data-bbox="935 772 1270 804">• how to interpret missing values</li><li data-bbox="935 814 1238 846">• how to interpret zero values</li></ul>

Name of Report	Description
Node Time Series Analysis Report	<p data-bbox="935 243 1385 327">Creates an analysis report of the time series for the selected node in the hierarchy. The output contains the following information:</p> <ul data-bbox="935 344 1385 1667" style="list-style-type: none"> <li data-bbox="935 344 1385 371">• season statistics for the dependent variable</li> <li data-bbox="935 388 1385 415">• descriptive statistics for the time series</li> <li data-bbox="935 432 1385 487">• seasonal decomposition for the dependent variable</li> <li data-bbox="935 504 1385 531">• series plot for the dependent variable</li> <li data-bbox="935 548 1385 575">• series histogram</li> <li data-bbox="935 592 1385 646">• seasonal cycle plot for the dependent variable</li> <li data-bbox="935 663 1385 718">• an ACF plot and a standardized ACF plot for the dependent variable</li> <li data-bbox="935 735 1385 789">• a PACF plot and a standardized PACF plot for the dependent variable</li> <li data-bbox="935 806 1385 861">• an IACF plot and a standardized IACF plot for the dependent variable</li> <li data-bbox="935 877 1385 961">• a white noise probability plot and a white noise probability plot (log scale) for the dependent variable</li> <li data-bbox="935 978 1385 1033">• a seasonally adjusted series plot for the dependent variable</li> <li data-bbox="935 1050 1385 1104">• a percent change adjusted series plot for the dependent variable</li> <li data-bbox="935 1121 1385 1176">• a trend-cycle component plot for the dependent variable</li> <li data-bbox="935 1192 1385 1247">• a seasonal-irregular component plot for the dependent variable</li> <li data-bbox="935 1264 1385 1318">• a seasonal component plot for the dependent variable</li> <li data-bbox="935 1335 1385 1390">• a trend-cycle-seasonal plot for the dependent variable</li> <li data-bbox="935 1407 1385 1461">• an irregular component plot for the dependent variable</li> <li data-bbox="935 1478 1385 1533">• a trend component plot for the dependent variable</li> <li data-bbox="935 1549 1385 1604">• a cycle component plot for the dependent variable</li> <li data-bbox="935 1621 1385 1675">• a statistics summary for the dependent variable</li> </ul> <p data-bbox="935 1692 1385 1738">When you run this report, you can customize the title of the report.</p>

Name of Report	Description
Node Decomposition Analysis Report	<p>Creates a decomposition analysis report for the selected node in the hierarchy. The output contains the following information:</p> <ul style="list-style-type: none"> <li>• the seasonal decomposition plots that you selected</li> <li>• a table that shows for each time period the value of the original series and the value of the seasonally adjusted series</li> </ul> <p>When you run this report, you can customize or select the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the plots to include in the report</li> <li>• the decomposition mode</li> <li>• the Hodrick-Prescott Filter Parameter</li> <li>• the decomposition components</li> <li>• the series transformation</li> <li>• the simple differencing order</li> <li>• the seasonal differencing order</li> <li>• how to interpret missing values</li> <li>• how to interpret zero values</li> </ul>
Node Stepwise Regression Analysis Report	<p>Creates a report that contains the stepwise regression analysis report for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• whether to include the intercept in the analysis</li> <li>• the number of dependent and independent variable lags</li> <li>• the series transformation and cross-series transformation options</li> <li>• the selection parameters, such as the selection method and the significance levels for entry and for staying</li> </ul>

Name of Report	Description
Node GARCH Regression Analysis Report	<p>Creates a report that contains the GARCH regression analysis report for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• whether to include the intercept in the analysis</li> <li>• the number of dependent variable and independent variable lags</li> <li>• the series transformation options</li> <li>• the cross-series transformation options</li> <li>• the selection parameters</li> <li>• the GARCH options</li> <li>• the estimation options</li> </ul>
Node Stepwise Autoregression Analysis Report	<p>Creates a report that contains the stepwise autoregression analysis report for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• whether to include the intercept in the analysis</li> <li>• the number of dependent variable lags</li> <li>• the series transformation options</li> <li>• the selection parameters, such as the selection method and the significance levels for entry and for staying</li> </ul>

## Statistical Model Reports

These reports contain the evaluation criteria that are associated with the forecast models. The following table gives a brief explanation of the Statistical Model Evaluation Analysis reports and lists the parameters that you can customize at run time.

**Table A7.5** *Evaluation*

Name of Report	Description
Level Model Statistics Univariate Plot	<p>Creates a report that contains a plot of the distribution of fit statistics that are associated with the forecast models at the selected level.</p> <p>When you run this report, you can customize the title of the report, and you select the model statistics that you want to plot.</p>
Level Model Statistics Table	<p>Creates a report that contains a table of the model statistics for each node in the selected level in the hierarchy.</p> <p>When you run this report, you can customize the title of the report.</p>
Node Model Statistics Table	<p>Creates a report that contains a table of the model statistics (for example, the fit statistics) for the time series and the forecast model at the selected node.</p> <p>When you run this report, you can customize the title of the report.</p>
Hierarchical Model Statistics Table	<p>Creates a report that contains a table of the model statistics for each node in the hierarchy. This report contains the statistics for the parent node, the current node, and the branches in the child node.</p> <p>When you run this report, you can customize the title for each table in the report.</p>
Level Model Statistic Volatility Plot	<p>Creates a report that contains a plot of the volatility in the selected level.</p>

These reports contain the forecast values and associated statistics that SAS Forecast Studio generates for the project. The following table gives a brief explanation of these forecast reports and lists the parameters that you can customize at run time.

**Table A7.6** *Forecast*

Name of Report	Description
Branch Model Forecast Chart	<p>Creates a report that contains a bar chart of the BY variable for the selected branch of the hierarchy.</p> <p>When you run this report, you can customize the title of the report, and you can specify the number of future time periods to include in the plot.</p>
Node Model Forecast Plot	<p>Creates a report that contains a plot of the one-step ahead and lead forecasts for the selected node.</p> <p>When you run this report, you can customize the title of the report.</p>
Path Model Forecast Plot	<p>Creates a report that contains a plot of the one-step ahead and lead forecasts for the selected node and for the upper-level nodes in the same path of the hierarchy.</p> <p>When you run this report, you can customize the title of the report.</p>
Node Model Forecast Table	<p>Creates a report that contains the forecast values of the lead for the selected node in the hierarchy. This report contains the predicted values for each time period in the selected node. The output also includes the lower confidence limits, the upper confidence limits, and the prediction standard errors.</p> <p>When you run this report, you can customize the title of the report, and you can select whether to include the historical data for the node in the report. If you include the historical data, then the report includes the actual values and the prediction errors.</p>
Branch Model Forecast Plot	<p>Creates a report that contains a plot of the one-step ahead and lead forecasts for the selected node and for the lower-level nodes in the same branch of the hierarchy.</p> <p>When you run this report, you can customize the title of the report. You can also select whether to scale the forecasts. Scaling the forecasts enables you to compare values across graphs. By default, SAS Forecast Studio scales the forecast values.</p>

Name of Report	Description
Node Model Forecast Analysis Report	<p>Creates a report that contains an analysis report of the forecasts for the selected node in the hierarchy.</p> <p>When you run this report, you can customize the title of the report, and you can select which plots and tables to include in the report. You can also choose whether to include detailed information in the tables.</p>
Node Model Forecast Percent Change Table	<p>Creates a report that contains a table that displays the percentage change of the difference between the mean and the forecasts of the time series.</p> <p>When you run this report, you can customize the title of the report, and you can select whether to include the historical data in the report.</p>
Node Model Forecast Percent Change Plot	<p>Creates a report that contains a plot that displays the percentage change of the difference between the mean and the forecasts of the time series. This report displays a plot of the percent change for the future and historical data.</p> <p>When you run this report, you can customize the title of each plot.</p>

These reports contain the parameters estimates that are associated with the forecast models. The following table gives a brief explanation of the Statistical Model Parameter Analysis reports and lists the parameters that you can customize at run time.

**Table A7.7** *Parameter Analysis*

Name of Report	Description
Level Parameter Estimates Univariate Plot	<p>Creates a report that contains a univariate plot of the parameter estimates. These estimates are associated with a common independent variable for the forecast models at the selected level in the hierarchy.</p> <p>When you run this report, you can customize or select the following parameters:</p> <ul style="list-style-type: none"> <li>• the title of the report</li> <li>• the independent variables to include in the report. You must select at least one independent variable, but you can have no more than two independent variables in the report</li> <li>• the significance level</li> </ul>

Name of Report	Description
Node Parameter Estimates Table	<p>Creates a report that contains a table of the parameter estimates for the selected node in the hierarchy. This report lists the parameter estimates for each component (LEVEL, TREND, and SEASON). The report also includes the standard error, <i>t</i>-values, and <i>p</i>-values of the parameter estimates.</p> <p>When you run this report, you can customize the title of the report.</p>
Level Parameter Estimates Table	<p>Creates a report that contains a table of the parameter estimates for the selected level in the hierarchy. This report lists the parameter estimates for each component (LEVEL, TREND, and SEASON). The report also includes the standard error, <i>t</i>-values, and <i>p</i>-values of the parameter estimates.</p> <p>When you run this report, you can customize the title of the report.</p>

These reports contain the predicted values for the input and output variables that are used in the project. The following table gives a brief explanation of these component reports and lists the parameters that you can customize at run time.

**Table A7.8** *Component*

Name of Report	Description
Node Component Plot	<p>Creates a report that contains a component plot for the selected node in the hierarchy. This report displays a plot of the predicted values for the model inputs and outputs at the selected node.</p> <p>When you run this report, you can customize the title of the report.</p>
Node Component Table	<p>Creates a report that contains a component table for the selected node in the hierarchy. This report displays the predicted value for the time series and independent variables for the selected node.</p> <p>When you run this report, you can customize the title of the report, and you can select whether to include historical estimates.</p>

These reports contain the forecast values for the project. The following table gives a brief explanation of these summary reports and lists the parameters that you can customize at run time.

**Table A7.9** *Summary*

Name of Report	Description
Level Model Forecast Summary Table	<p>Creates a report that contains a summary table of the forecast values for the selected level in the hierarchy. This report lists the forecast values for each time period.</p> <p>When you run the report, you can customize the title of the report.</p>
Node Model Forecast Summary Table	<p>Creates a report that contains a summary table of the forecast values for the selected node in the hierarchy. This report lists the forecast values for the dependent variable for each time period.</p> <p>When you run the report, you can customize the title of the report.</p>

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## Joint Reports

These reports contain information about the difference between the reconciled and unreconciled forecasts. The following table gives a brief explanation of the Joint reports and lists the parameters that you can customize at run time.

**Table A7.10** *Joint Reports*

Name of Report	Description
Node Joint Statistics Table	<p>Creates a report that contains the following tables for the selected node in the hierarchy:</p> <ul style="list-style-type: none"> <li>• a model statistics table</li> <li>• a table that contains the statistics for the reconciled and unreconciled forecasts</li> </ul> <p>When you run this report, you can customize the title of the tables.</p>

Name of Report	Description
Node Joint Forecast Plot	<p>Creates a report that contains the following graphs for the selected node in the hierarchy:</p> <ul style="list-style-type: none"> <li>• a forecast plot that shows the predicted and reconciled values</li> <li>• a plot that shows the reconciliation adjustment for each data point</li> <li>• a plot that shows the percent change of reconciliation adjustment for each data point</li> </ul> <p>When you run this report, you can customize the title of the plots.</p>

## Import and Export Reports

These reports demonstrate how project data can be imported to or exported from an external data source. The following table gives a brief explanation of the Import and Export reports and lists the parameters that you can customize at run time.

**Table A7.11** *Import and Export*

Name of Report	Description
Export Node Macro Definitions	<p>Enables you to export to an external file the macro definitions for the selected node of the hierarchy.</p> <p>When you run this report, you must specify the full path and name of this external file.</p>
Export as Data Set	<p>Exports the current project to a SAS data set. You have the option of registering this data set in the metadata.</p> <p>When you run this report, you must specify the following information:</p> <ul style="list-style-type: none"> <li>• whether the generated data is included in the report results</li> <li>• whether to register the generated data set in the metadata</li> <li>• the library in which to store the exported data</li> <li>• the name of the data set for the exported data</li> </ul>

Name of Report	Description
Export as Information Map	Exports the data sets in the project to a SAS Information Map.  When you run this report, you must specify the metadata library and data set for the exported data.
Export as OLAP Cube	Exports the forecasted data in the project to an OLAP cube.  When you run this report, you must specify a name for the cube, a description of the cube, the OLAP schema, and a hierarchy label.
Import Excel Table	Enables you to import a Microsoft Excel worksheet to a SAS data set.  When you run this report, you must specify the location of this worksheet.

## Quality Reports

The following table gives a brief explanation of the quality reports and lists the parameters that you can customize at run time.

**Table A7.12** Quality Reports

Name of Report	Description
Level Reconciled Forecast Quality Missing Table	Creates a report that contains a table of the number of missing reconciled forecast values for the selected level in the hierarchy.  When you run this report, you can customize the title of the report.
Level Model Forecast Quality Extreme Table	Creates a report that contains a table of the number of extreme forecast values in the model for the selected level in the hierarchy.  When you run this report, you can customize the title of the report. You can also specify the number of standard deviations to use in the analysis and the horizon slope.
Level Reconciled Forecast Quality Extreme Table	Creates a report that contains a table of the number of extreme reconciled forecast values for the selected level in the hierarchy.  When you run this report, you can customize the title of the report. You can also specify the number of standard deviations to use in the analysis and the horizon slope.

Name of Report	Description
Level Reconciled Status Table	Creates a report that contains a table listing the status for the selected level in the hierarchy.
Level Model Forecast Quality Missing Table	Creates a report that contains a table of the number of missing forecast values in the model for the selected level in the hierarchy.  When you run this report, you can customize the title of the report.

## Reconciliation Reports

These reports contain information about the reconciled forecasts in the project. The following table gives a brief explanation of the reconciled forecasts reports and lists the parameters that you can customize at run time.

**Table A7.13** Forecast

Name of Report	Description
Node Reconciled Forecast Table	Creates a report that contains a table of the reconciled forecast values and the associated statistics (for example, standard errors and confidence limits) for the selected node. This table includes the predicted values, the lower and upper confidence limits for these values, the prediction standard errors, and the reconciliation status.  When you run this report, you can customize the title of the plot. You can also select whether to include the historical data. If you include the historical data, then the table includes the actual values for each time period and the predicted errors.
Node Reconciled Forecast Analysis Report	Creates an analysis report for the reconciled forecast values for the selected node in the hierarchy. The output also contains the diagnostic plots and fit statistics for the reconciled forecasts. The number of plots and tables depends on the options that you select when you create the report.  When you run this report, you can customize the following parameters: <ul style="list-style-type: none"> <li>the title of the report</li> <li>the plots to include in the report</li> <li>the tables to include in the report</li> <li>whether to include the details in the tables</li> </ul>

Name of Report	Description
Path Reconciled Forecast Plot	<p>Creates a report that contains a plot of the reconciled forecast for the selected node and each upper-level node in the same path.</p> <p>When you run this report, you can customize the title of the report.</p>
Node Reconciled Forecast Plot	<p>Creates a report that contains a plot of the reconciled forecast for the selected node. This plot shows the predicted values and shows the upper and lower confidence limits for the future values.</p> <p>When you run this report, you can customize the title of the plot.</p>
Branch Reconciled Forecast Plot	<p>Creates a report that contains a plot of the reconciled forecasts for the selected node and the lower-level nodes in the same branch of the hierarchy.</p> <p>When you run this report, you can customize the title of the report, and you can specify the number of future time periods to include in the plot.</p>

These reports contain information that is associated with the reconciliation of the forecasts. The following table gives a brief explanation of the reconciled evaluation reports and lists the parameters that you can customize at run time.

**Table A7.14** Evaluation

Name of Report	Description
Level Reconciled Statistic Volatility Plot	<p>Creates a report that contains a scatter plot of the volatility of the reconciled forecasts for each node in the selected hierarchy.</p> <p>When you run this report, you can customize the title of the report. You can also select the statistic that you want to plot.</p>
Level Reconciled Statistics Table	<p>Creates a report that contains a table of the statistics (for example, fit statistics) for the time series and reconciled forecasts for each node in the selected level.</p> <p>When you run this report, you can customize the title of the report.</p>

Name of Report	Description
Level Reconciled Statistics Univariate Plot	<p>Creates a report that contains a plot of the distribution of fit statistics for the reconciled forecasts for the selected level. This report also contains a univariate plot for each reconciled statistic that you select.</p> <p>When you run this report, you can customize the title, and you can select the reconciled statistics that you want to plot.</p>
Hierarchy Reconciled Statistics Table	<p>Creates a report that contains tables of the statistics for the time series and reconciled forecasts for the hierarchy. This report includes tables for the parent node, the current node, and the branches in the child node.</p> <p>When you run this report, you can customize the title for each table in the report.</p>
Node Reconciled Statistics Table	<p>Creates a report that contains a table of the statistics (for example, fit statistics) for the time series and reconciled forecasts at the selected node.</p> <p>When you run this report, you can customize the title of the report.</p>

---

## Transactional Statistics Reports

The following table gives a brief explanation of the Transactional Statistics reports and lists the parameters that you can customize at run time.

Name of Report	Description
Node Seasonal Statistics Table	<p>Creates a report that contains a table of the seasonal statistics (for example, the mean, the minimum value, and the maximum value) for the selected node of the hierarchy. The seasonal statistics are displayed for each time period for the series that generated the data at the selected node. The report also includes the global statistics for the dependent variable.</p> <p>When you run this report, you can specify the name of this report, and you can select the seasonal statistics to include in the output.</p>

Name of Report	Description
Node Trend Statistics Table	<p>Creates a report that contains a table of the trend statistics (for example, the mean, the minimum value, the maximum value) for the selected node in the hierarchy. The trend statistics are displayed for each time period for the series that generated the data at the selected node. The report also includes the global statistics for the dependent variable.</p> <p>When you run this report, you can specify the name of this report, and you can select the trend statistics to include in the report.</p>

---

## Overrides Reports

These reports contain information about any overrides that you added to the project. The following table gives a brief explanation of the Override reports and lists the parameters that you can customize at run time.

**Table A7.15** *Override*

Name of Report	Description
Level Override Table	<p>Creates a report that contains a table of all the overrides for the selected level in the hierarchy.</p> <p>When you run this report, you can customize the title of the table, and you can choose whether to include historical events.</p>

## Final Forecast Reports

These reports contain information about the final forecasts that SAS Forecast Studio generated for the project. The following table gives a brief explanation of the Final Forecast reports and lists the parameters that you can customize at run time.

**Table A7.16** *Final Forecast*

Name of Report	Description
Node Final Forecast Table	<p>Creates a report that contains a table of the final forecasts for the selected node in the hierarchy. This table lists the predicted values, the lower and upper confidence limits for these values, the prediction standard errors, the reconciliation status, and the final predicted values.</p> <p>When you run this report, you can customize the title of the plot. You can also select whether to include the historical data. If you include the historical data, then the table includes the actual values for each time period and the predicted errors.</p>
Node Final Forecast Plot	<p>Creates a report that contains the plot of the final forecasts for the selected node in the hierarchy.</p> <p>When you run this report, you can customize the title of the plot.</p>

## Reporting Variables Reports

These reports contain the statistics for the reporting variable. To run this report, you must have at least one reporting variable in the project.

The following table gives a brief explanation of the Reporting Variables reports and lists the parameters that you can customize at run time.

**Table A7.17** *Reporting Variables*

Name of Report	Description
Node Report Series Plot	<p>Creates a report that contains a series plot for the reporting variable in the selected node in the hierarchy.</p> <p>When you run this report, you must select one reporting variable to include in the output. You can also customize the title of the report.</p>

Name of Report	Description
Node Report Series Table	<p>Creates a report that contains a series table for the reporting variables in the selected node in the hierarchy.</p> <p>When you run this report, you must select at least one reporting variable to include in the output. You can also customize the title of the report and specify whether to include historical data in the output.</p>



# Glossary

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**accumulation**

either of two processes that are used to convert a time series. (1) Accumulation converts a time series that has no fixed interval into a time series that does have a fixed interval (such as hourly or monthly). (2) Accumulation converts a time series that has a fixed interval into a time series with a lower frequency time interval (such as hourly into daily). Accumulation combines data within the same time interval into a summary value for that time period.

**ACF plot**

a plot of the autocorrelation coefficients across different values of time lags. This plot enables you to determine whether seasonality exists in the time series. Short form: ACF plot.

**aggregation**

the process of combining more than one time series to form a single series within the same time interval. For example, data can be combined into a total or average.

**aggregation statistic**

the mathematical operation used to combine forecasts across levels in the hierarchy. The reconciliation method that you choose determines the levels where the aggregation statistic is used.

**autocorrelation**

the internal correlation between observations in a time series. Autocorrelation coefficient values range from -1 to +1. When autocorrelation coefficient values are positive, deviations from the mean of one sign tend to be followed by deviations of the same sign. When they are negative, deviations of one sign tend to be followed by deviations of the opposite sign.

**autocorrelation function plot**

See ACF plot.

**bottom-up method of reconciliation**

a reconciliation method that uses the forecasts at the lowest level of the hierarchy to adjust forecasts for the higher levels in the hierarchy.

**confidence limits**

the upper and lower values of a (usually 95%) confidence interval. In repeated sampling, approximately (1-alpha) 100% of the resulting intervals would contain the true value of the parameter that the interval estimates (where alpha is the confidence level associated with the interval).

**disaggregation method**

a method that specifies how the forecasts in the lower level of the hierarchy are reconciled when the reconciliation method is top-down or middle-out. The disaggregation method can reconcile the forecasts in either of the following ways: (1) by using the proportion that each lower-level forecast contributes to the higher-level forecast; or (2) by splitting equally the difference between the higher-level forecast and the lower-level forecasts.

**dummy variable**

See indicator variable.

**environment**

a virtual container of run-time settings for SAS Forecast Server client sessions.

**event**

an incident that disrupts the normal flow of any process that generates the time series. Examples of events are holidays, retail promotions, and natural disasters.

**event repository**

a storage location that contains information about calendar events and includes a brief description of each event.

**forecast**

a numerical prediction of a future value for a time series.

**holdout sample**

the number of periods of the most recent data that should be excluded from the parameter estimation. The holdout sample can be used to evaluate the forecasting performance of a candidate model.

**horizon**

the number of intervals into the future, beyond a base date, for which analyses and predictions are made.

**IACF plot**

a plot of the inverse autocorrelation coefficients across different values of time lags. This plot is useful for detecting over-differencing in the model. Short form: IACF plot.

**indicator variable**

a numeric variable with a value of either 1 or 0 that is used to indicate whether or not unusual events occur. The variable takes the value of 1 during the event and 0 otherwise.

**inverse autocorrelation**

the autocorrelation of an autoregressive model remodeled as a moving average model.

**inverse autocorrelation function plot**

See IACF plot.

**level shift**

a persistent change in the magnitude of a time series curve.

**locked override**

a user-supplied value for a forecast that is honored when the hierarchy is reconciled. The final forecast value for that level is the value that you specified for the locked override. Locked overrides can generate override conflicts.

**middle-out method of reconciliation**

a reconciliation method that combines the bottom-up method above the reconciliation level and the top-down method below the reconciliation level. When a hierarchy has more than one middle level, you need to specify which of those levels to use as the reconciliation level. The forecasts at the reconciliation level are used to generate forecasts for both the higher and lower levels.

**model selection criterion**

the statistic of fit that is used for forecast model selection.

**model selection list**

a list of candidate model specifications. You can choose which model specification is best suited to forecast a particular time series.

**override conflict**

a condition that occurs when the value of one locked override is incompatible with the value of another locked override in the same branch of the hierarchy. Override conflicts that are not resolved prior to reconciliation can result in unreconciled nodes.

**PACF plot**

a plot of the partial autocorrelation coefficients across different values of time lags. This plot is useful for identifying the order of an autoregressive model. Short form: PACF.

**partial autocorrelation**

the internal correlation between observations in a time series that causes the effect of all intervening lags to be removed.

**partial autocorrelation function plot**

See PACF plot.

**performance statistic**

a statistic of fit that is used to determine how well a forecasting process is predicting the future.

**project hierarchy**

the order of the variables that you have assigned to the BY variables role. An example of a hierarchy is Region > Product Category > Product Line.

**pulse**

a temporary change in the magnitude of a time series curve. The magnitude returns to the former level immediately after the change.

**ramp**

a persistent change in the trend or slope of a time series curve.

**reconciliation method**

the method that specifies the level in the hierarchy where the process of reconciliation starts. The following reconciliation methods are available: bottom-up method, middle-out method, and top-down method.

**report**

output that is generated by running custom SAS code against the data in your project.

**residual**

the difference between an observed data value and its predicted value.

**seasonal adjustment**

a statistical technique designed to even out seasonal swings in time series data in order to analyze nonseasonal trends.

**seasonality**

a regular change in time series data values that occurs at the same point in each time cycle.

**selection criterion**

a statistical value that is used to evaluate how well a forecasting model  $\hat{y} = f(x)$  performs by comparing the actual data to the predictions.

**statistic of fit**

a statistical value that is used to evaluate how well a forecasting model fits the historical series by comparing the actual data to the predicted values.

**time series data**

timestamped data collected over time at a particular frequency. Some examples of time series data are Web visits per hour, sales per month, and calls per day.

**top-down method of reconciliation**

a reconciliation method that uses the forecasts at the highest level of the hierarchy to adjust the forecasts for the lower levels.

**transactional data**

timestamped data collected over time at no particular frequency. Some examples of transactional data are point-of-sale data, inventory data, call center data, and trading data.

**unlocked override**

a user-supplied value for a forecast that acts as a guideline for the final forecast value. The final forecast for the level reflects the value of the unlocked override, but the final forecast and the unlocked override are often not identical. Because these overrides can be overridden when the hierarchy is reconciled, unlocked overrides do not generate override conflicts.

**unreconciled node**

a node in the hierarchy that cannot be reconciled. A node can be unreconciled if (1) the final forecast of an upper level is not equal to the aggregate of the final forecasts of the lower levels; or (2) a final forecast violates the limits that are implied by a locked override in one of the lower levels in the same branch of the hierarchy.

**variable label**

up to 256 characters of descriptive text that can be printed in the output by certain procedures instead of, or in addition to, the variable name.

**white noise**

a series of random fluctuations in the values of a data series. A white noise model has only a mean or constant parameter. A series is described as white noise if its spectral density function is constant.

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