

Modelling exercise Time series analysis 2015/2016

The aim of this exercise is to predict the exchange rate JPY (Japanese yen)/EUR (euro), that is, how many yens will correspond to 1 euro on Thursday 19th May 2016*.

Go to the exchange rate section of the website of Slovak National Bank, the direct link is <http://www.nbs.sk/en/home#kurzDetail>

The screenshot shows the ECB Exchange Rates website. The page title is "ECB Exchange Rates". Under the heading "Monthly, cumulative and annual exchange rates", there are three radio buttons: "Monthly overview" (selected), "Cumulative overview", and "Annual overview". Below these are three dropdown menus: "Month", "Year", and "Format *", followed by an "Export" button. A disclaimer states: "The National Bank of Slovakia makes no warranties, express or implied, regarding these tables or the performance of this site. The NBS shall not be liable for any losses or damages incurred in connection with this site." On the right, there is a section for "* Formats" with options: "pdf - for print", "html - for browsing", "csv - excel format", and "xml - for further dat". Below the disclaimer, there is a "Date:" field with "09.05.2016" and a "Change date" button. A table of exchange rates is shown, with the JPY row highlighted in blue. The table includes columns for the currency code, name, and rate. To the right of the table are buttons for "Calculator", "Charts", and "Exchange Rate". Below these buttons, the selected currency "Yen (JPY)" is shown, along with the date "Rate for: 09.05.2016" and the rate "EUR 1 = JPY 123.39".

Currency	Rate
USD Us Dollar	1.1395
JPY Yen	123.39
BGN Bulgarian Lev	1.9558
CZK Czech Koruna	27.022

Choose the time period for the data that you want to analyse, a model to use, look for other relevant information that might influence the exchange rate, ...

Submission:

- Submit your prediction (a number rounded to two decimal places) and a short description of how you arrived to your answer.
- By email: beata.ulohy@gmail.com, with subject: **time series 2016 – exercise - name**

Time limit: You have 45 minutes to prepare your answer.

Grading: 5 points for each submission, 5 extra points for the best prediction (in case more people arrive to the same best prediction, these points will be splitted among them).

* In this way, we will be able to tell on the last day of the term (i.e., Friday 20th May), which prediction was the most accurate.