



Introduction to handbook on rapid estimates

International workshop on short-term statistics

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United Nations Statistics Division



Outline of presentation

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- Introduction to rapid estimates
- Objectives
- Governance structure
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Introduction to rapid estimates

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What is a rapid estimate?

- Rapid estimate, also called early estimate, refers to a timely numerical evaluation (i.e. an estimate) of an economic variable of interest, using the real-time data flow, in such a way that an early picture of the present, the recent past or the near future can be formed

Real-time data flow

- Is the information set available to people (official statisticians, researchers, etc.) at a specific point in time
- Includes soft, hard, financial data
- Usually provides an incomplete data coverage of the reference period at a specific point in time



Objectives

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- Provides international statistical guidance based on best practices and harmonized principles for the compilation and reporting of rapid estimates
- Outlines practical and suitable compilation methods and issues, drawing on a wide range of experience and expertise



Objectives

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- Assists compilers in producing rapid estimates of key short-term macroeconomic indicators in a comparable manner, using best international practices
- Assists countries that plan to set up a more comprehensive system of estimates of key macroeconomic indicators by
 - Providing methodological foundations for the compilation of rapid estimates
 - Offering practical guidance on individual steps and elements of the compilation process



Governance structure

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- Working group was established to prepare handbook:
 - Eurostat (lead)
 - United Nations Statistics Division
 - Statistics Netherlands
 - National statistics offices of Mexico, Singapore and South Africa
- Various experts are contributing to the preparation of the draft chapters



Outline

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Six parts comprising 17 chapters
Annex (Glossary)



Outline

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Part I: Generalities

- Chapter 1: Introduction: objectives, definitions, costs and benefits of rapid estimates
 - Discusses the importance of timely economic information and the trade-off between timeliness and accuracy
 - Identifies the advantages and drawbacks of rapid estimates
- Chapter 2: A system of rapid estimates: different products for different purposes
 - Presents rapid estimates as a family of statistical products



Part I: Generalities

- Chapter 3: Forecasting and nowcasting macroeconomic variables: a methodological overview
 - Presents a technical discussion of the techniques in forecasting and nowcasting
- Chapter 4: The trade-off between timeliness and reliability: the perspective of a statistical agency
 - Presents in detail the trade-off between timeliness and accuracy
 - Discusses how a statistical agency acquires information and the resultant accuracy of the estimates



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Part II: Statistical and econometric techniques for rapid estimates

- Chapter 5: An overview of modelling techniques for rapid estimates
 - Provides non-technical overview of statistical and econometric techniques to construct rapid estimates
 - Discusses advantages and drawbacks of the techniques
- Chapter 6: Variables selection approaches, the information set structure and various typologies of rapid estimates
 - Describes the features of the information set that is used to derive the various types of rapid estimates
 - Discusses the restrictions characterizing various information sets



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Part II: Statistical and econometric techniques for rapid estimates

- Chapter 7: Model selection, model specifications and various typologies of rapid estimates
 - Presents the statistical models that are more suitable to producing a given type of rapid estimate



Part III: Advanced modelling techniques

- Chapter 8: Mixed-frequency models and rapid estimates
 - Describes the most recent techniques to handle data of different frequencies
 - Discusses the advantages and drawbacks of the techniques
- Chapter 9: Combining forecasting techniques and rapid estimates
 - Describes how various forecasting techniques can be harnessed to improve the results



Part III: Advanced modelling techniques

- Chapter 10: An empirical investigation of combining forecasting techniques
 - Assesses the forecasting combination techniques empirically
- Chapter 11: Combining forecasting techniques and density estimates
 - Describes how various techniques can be used to combine competing density forecasts to obtain a single density forecast



Part III: Advanced modelling techniques

- Chapter 12: Temporal disaggregation techniques
 - Describes techniques used to derive high frequency estimates from low frequency estimates
- Chapter 13: Aggregated versus disaggregated approach for the construction of rapid estimates
 - Discusses the advantages and drawbacks of deriving rapid estimates at the aggregate level or using disaggregated data



Part IV: Some empirical results

- Chapter 14: Quality assessment of rapid estimates
 - Describes how to conduct a standard assessment of the quality of rapid estimates, including deciding when to publish them and how to monitor revisions to the estimates
- Chapter 15: Some empirical application of modelling techniques
 - Describes the application of modelling techniques to actual data sets



Part V: Dissemination of rapid estimates

- Chapter 16: Data presentation issues
 - Discusses the ways in which to present and disseminate rapid estimates
 - Stresses the need for availability of detailed metadata and methodological and empirical studies to ensure transparency



Part VI: Compilation guidelines

- Chapter 17: Guidelines for rapid estimates
 - Provides step-by-step guidance on the compilation of rapid estimates



Annex

- Glossary of rapid estimates
 - Contains definitions of common terms in the literature based on a transparent and easily understandable framework
 - Aims to avoid misunderstanding and communication problems due to a lack of common vocabulary and terminologies when talking about rapid estimates
 - Was developed by Eurostat
 - Is available on http://ec.europa.eu/eurostat/statistics-explained/index.php/Category:Rapid_estimates_glossary



Status and way forward

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- Preparation of handbook is in progress
- Consolidated draft of handbook is expected to be ready by September 2015



Thank you