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fcast graph — Graph forecasts after fcast compute

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# **Description**

fcast graph graphs dynamic forecasts of the endogenous variables from a vector autoregressive (VAR) model or a vector error-correction (VEC) model that has already been obtained from fcast compute; see [TS] fcast compute.

### **Quick start**

```
Graph forecasts in f_y1 after fcast compute
fcast graph f_y1
```

Same as above, and include observed values of the predicted variable fcast graph f\_y1, observed

Same as above, but suppress confidence bands fcast graph f\_y1, observed noci

### Menu

Statistics > Multivariate time series > VEC/VAR forecasts > Graph forecasts

## **Syntax**

```
fcast graph varlist [if] [in] [, options]
```

where varlist contains one or more forecasted variables generated by fcast compute.

options	Description
Main	
<u>di</u> fferences	graph forecasts of the first-differenced variables (vec only)
noci	suppress confidence bands
<u>o</u> bserved	include observed values of the predicted variables
Forecast plot	
cline_options	affect rendition of the forecast lines
CI plot	
<pre>ciopts(area_options)</pre>	affect rendition of the confidence bands
Observed plot	
<pre>obopts(cline_options)</pre>	affect rendition of the observed values
Y axis, Time axis, Titles, Legend, Ov	verall
twoway_options	any options other than by () documented in [G-3] twoway_options
byopts(by_option)	affect appearance of the combined graph; see [G-3] by_option

# **Options**

( Main )

implies noci.

differences specifies that the forecasts of the first-differenced variables be graphed. This option is available only with forecasts computed by fcast compute after vec. The differences option

noci specifies that the confidence intervals be suppressed. By default, the confidence intervals are included.

observed specifies that observed values of the predicted variables be included in the graph. By default, observed values are not graphed.

```
Forecast plot cline_options affect the rendition of the plotted lines corresponding to the forecast; see [G-3] cline_options.
```

ciopts (area\_options) affects the rendition of the confidence bands for the forecasts; see [G-3] area\_options.

Observed plot

obopts (cline\_options) affects the rendition of the observed values of the predicted variables; see [G-3] cline\_options. This option implies the observed option.

```
Y axis, Time axis, Titles, Legend, Overall
```

twoway\_options are any of the options documented in [G-3] twoway\_options, excluding by().

byopts(by\_option) are documented in [G-3] by\_option. These options affect the appearance of the combined graph.

## Remarks and examples

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fcast graph graphs dynamic forecasts created by fcast compute.

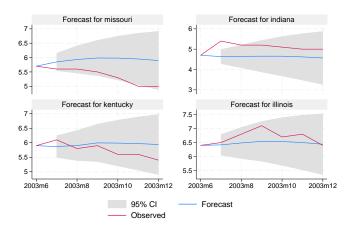
#### Example 1

In this example, we use a cointegrating VEC model to model the state-level unemployment rates in Missouri, Indiana, Kentucky, and Illinois, and we graph the forecasts against a 6-month holdout sample.

- . use https://www.stata-press.com/data/r18/urates
- . vec missouri indiana kentucky illinois if t < tm(2003m7), trend(rconstant)
- > rank(2) lags(4)

(output omitted)

- . fcast compute m1\_, step(6)
- . fcast graph m1\_missouri m1\_indiana m1\_kentucky m1\_illinois, observed



Because the 95% confidence bands for the predicted unemployment rates in Missouri and Indiana do not contain all their observed values, the model does not reliably predict these unemployment rates.

# Also see

[TS] **fcast compute** — Compute dynamic forecasts

[TS] var intro — Introduction to vector autoregressive models

[TS] **vec intro** — Introduction to vector error-correction models

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