Evaluating the persistence of forecasting models: A comparison approach

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This paper compares persistence in forecasting techniques for the British FTSE–100, the German XETRA DAX and the U.S. S&P 500 indices. The empirical results show that a portfolio manager can possibly produce a satisfactory return in the long run based on MA, AR, Bootstrap, and GMM techniques, while the ARMA model in conjunction with the bootstrap technique seems to have the stronger forecasting ability.

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