

Package ‘iForecast’

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Type Package

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Author Ho Tsung-wu

Maintainer Ho Tsung-wu <tsungwu@ntnu.edu.tw>

Description Compute both static onestep and iterative multistep time series forecasts of machine learning models.

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LazyData TRUE

LazyLoad yes

Depends R (>= 3.5),caret

Imports magrittr

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 data-sets

Economic and Financial Data Sets

Description

ES_15m is 15-min realized absolute variance of e-mini S&P 500. macrodata contains monthly US unemployment(unrate), ES_Daily is daily realized absolute variance of e-mini S&P 500. macrodata contains monthly US unemployment(unrate) and year-to-year changes in three regional business cycle indices (OECD, NAFTA, and G7). bc contains monthly business cycle data, bc is binary indicator(0=recession, 1=boom) of Taiwan's business cycle phases, IPI_TWN is industrial production index of Taiwan, LD_OECD, LD_G7, and LD_NAFTA are leading indicators of OECD, G7 and NAFTA regions; all four are monthly rate of changes.

Usage

```
data(ES_15m)
data(macrodata)
data(ES_Daily)
data(bc)
```

Value

an object of class "zoo".

 iForecast

Extract predictions and class probabilities from train objects

Description

It generates both the static and recursive time series plots of machine learning prediction object generated by ttsCaret, ttsAutoML and ttsLSTM.

Usage

```
iForecast(Model, newdata, type)
```

Arguments

Model	Object of trained model.
newdata	The dataset for prediction, the column names must be the same as the trained data.
type	If type="staticfit", it computes the direct (static) forecasting values of insample model fit; if type="recursive", it computes the recursive (dynamic) forecasting values of insample model; for recursive forecasts, AR term is required.

Details

This function generates forecasts of `ttsCaret`, `ttsAutoML`, and `ttsLSTM`.

Value

`prediction` The forecasted time series target variable. For binary case, it returns both probabilities and class.

Author(s)

Ho Tsung-wu <tsungwu@ntnu.edu.tw>, College of Management, National Taiwan Normal University.

Examples

```
# Cross-validation takes time, example below is commented.
## Machine Learning by library(caret)
#Case 1. Low frequency, regression type
data("macrodata")
dep <- macrodata[569:669,"unrate",drop=FALSE]
ind <- macrodata[569:669,-1,drop=FALSE]
train.end <- "2018-12-01"# Choosing the end dating of train

models <- c("svm","rf","rpart")[3]
type <- c("none","trend","season","both")[1]
Caret <- ttsCaret(y=dep, x=ind, arOrder=c(1), xregOrder=c(1),
  method=models, tuneLength =1, train.end, type=type,resampling="cv")
testData1 <- window(Caret$data,start="2019-01-01",end=end(Caret$data))
P1 <- iForecast(Model=Caret,newdata=testData1,type="staticfit")
P2 <- iForecast(Model=Caret,newdata=testData1,type="recursive")

#tail(cbind(testData1[,1],P1))
#tail(cbind(testData1[,1],P2))

#Case 2. Low frequency, binary type
data(bc) #binary dependent variable, business cycle phases
dep=bc[,1,drop=FALSE]
ind=bc[,-1]

train.end=as.character(rownames(dep))[as.integer(nrow(dep)*0.8)]
test.start=as.character(rownames(dep))[as.integer(nrow(dep)*0.8)+1]

#Caret = ttsCaret(y=dep, x=ind, arOrder=c(1), xregOrder=c(1), method=models,
#               tuneLength =10, train.end, type=type)

#testData1=window(Caret$data,start=test.start,end=end(Caret$data))

#head(Caret$dataused)
#P1=iForecast(Model=Caret,newdata=testData1,type="staticfit")
#P2=iForecast(Model=Caret,newdata=testData1,type="recursive")

#tail(cbind(testData1[,1],P1),10)
```

```
#tail(cbind(testData[,1],P2),10)
```

rollingWindows	<i>Rolling timeframe for time series analysis</i>
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Description

It extracts time stamp from a timeSeries object and separates the time into in-sample training and out-of-sample validation ranges.

Usage

```
rollingWindows(x,estimation="18m",by = "6m")
```

Arguments

x	The time series matrix (vector) with timeSeries or zoo format of "
estimation	The range of insample estimation period, the default is 18 months(18m), where the k-fold cross-section is performed. Week is also supported (see example).
by	The range of out-of-sample validation/testing period, the default is 6 months(6m).Week is also supported (see example).

Details

This function is similar to the backtesting framework in portfolio analysis. Rolling windows fixes the origin and the training sample grows over time, moving windows can be achieved by placing window() on dependent variable at each iteration.

Value

window	The time labels of from and to
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Author(s)

Ho Tsung-wu <tsungwu@ntnu.edu.tw>, College of Management, National Taiwan Normal University.

Examples

```
data(macrodta)
y=macrodta[,1,drop=FALSE]
timeframe=rollingWindows(y,estimation="300m",by="6m")
#estimation="300m", because macrodta is monthly
FROM=timeframe$from
TO=timeframe$to
```

```

data(ES_Daily)
y=ES_Daily[,1,drop=FALSE]
timeframe=rollingWindows(y,estimation = "60w",by="1w")
#estimation="60w", because ES_Daily is daily(obs=60x5)
FROM=timeframe$from
TO=timeframe$to

```

ttsAutoML	<i>Train time series by automatic machine learning of h2o provided by H2O.ai</i>
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Description

It generates both the static and recursive time series plots of H2O.ai object generated by package h2o provided by H2O.ai.

Usage

```
ttsAutoML(y,x=NULL,train.end,arOrder=2,xregOrder=0,maxSecs=30)
```

Arguments

y	The time series object of the target variable, or the dependent variable, with timeSeries or zoo format, must have dimension. y can be either binary or continuous. Time format must be "
x	The time series matrix of input variables, or the independent variables, with zoo format. Time format must be "
train.end	The end date of training data, must be specified. The default dates of train.start and test.end are the start and the end of input data; and the test.start is the 1-period next of train.end.
arOrder	The autoregressive order of the target variable, which may be sequentially specified like arOrder=1:5; or discontinuous lags like arOrder=c(1,3,5); zero is not allowed.
xregOrder	The distributed lag structure of the input variables, which may be sequentially specified like xregOrder=1:5; or discontinuous lags like xregOrder=c(0,3,5); zero is allowed since contemporaneous correlation is allowed.
maxSecs	The maximal run time specified, in seconds. Default=20.

Details

This function calls the h2o.automl function from package h2o to execute automatic machine learning estimation. When execution finished, it computes two types of time series forecasts: static and recursive. The procedure of h2o.automl automatically generates a lot of time features.

Value

output	Output object generated by train function of caret.
arOrder	The autoregressive order of the target variable used.
data	The dataset of imputed.
dataused	The data used by arOrder, xregOrder

Author(s)

Ho Tsung-wu <tsungwu@ntnu.edu.tw>, College of Management, National Taiwan Normal University.

Examples

```
# Cross-validation takes time, example below is commented.
data("macrodata")
dep<-macrodata[, "unrate", drop=FALSE]
ind<-macrodata[, -1, drop=FALSE]

# Choosing the dates of training and testing data
train.end<-"2008-12-01"

#autoML of H2O.ai

#autoML <- ttsAutoML(y=dep, x=ind, train.end, arOrder=c(2,4),
# xregOrder=c(0,1,3), maxSecs =30)
#testData2 <- window(autoML$dataused, start="2009-01-01", end=end(autoML$data))
#P1<-iForecast(Model=autoML, newdata=testData2, type="staticfit")
#P2<-iForecast(Model=autoML, newdata=testData2, type="recursive")

#tail(cbind(testData2[,1],P1))
#tail(cbind(testData2[,1],P2))
```

ttsCaret

Train time series by caret and produce two types of time series forecasts: static and recursive

Description

It generates both the static and recursive time series plots of machine learning prediction object generated by package caret.

Usage

```
ttsCaret(
  y,
  x=NULL,
  method,
  train.end,
  arOrder=2,
  xregOrder=0,
  type,
  tuneLength =10,
  preProcess = NULL,
  resampling="boot",
  Number=NULL,
  Repeat=NULL)
```

Arguments

y	The time series object of the target variable, or the dependent variable, with <code>timeSeries</code> or <code>zoo</code> format, must have dimension. <code>y</code> can be either binary or continuous. Time format must be "
x	The time series matrix of input variables, or the independent variables, with <code>zoo</code> format. Time format must be "
method	The <code>train_model_list</code> of <code>caret</code> . While using this, make sure that the method allows regression. Methods in <code>c("svm", "rf", "rpart", "gamboost", "BstLm", "bstSm", "blackboost")</code> are feasible.
train.end	The end date of training data, must be specified. The default dates of <code>train.start</code> and <code>test.end</code> are the start and the end of input data; and the <code>test.start</code> is the 1-period next of <code>train.end</code> .
arOrder	The autoregressive order of the target variable, which may be sequentially specified like <code>arOrder=1:5</code> ; or discontinuous lags like <code>arOrder=c(1,3,5)</code> ; zero is not allowed.
xregOrder	The distributed lag structure of the input variables, which may be sequentially specified like <code>xregOrder=0:5</code> ; or discontinuous lags like <code>xregOrder=c(0,3,5)</code> ; zero is allowed since contemporaneous correlation is allowed.
type	The additional input variables. We have four selection: "none"=no other variables, "trend"=inclusion of time dummy, "season"=inclusion of seasonal dummies, "both"=inclusion of both trend and season. No default.
tuneLength	The same as the length specified in <code>train</code> function of package <code>caret</code> .
preProcess	Whether to pre-process the data, current possibilities are "BoxCox", "YeoJohnson", "expoTrans", "center", "scale", "range", "knnImpute", "bagImpute", "medianImpute", "pca", "ica" and "spatialSign". The default is no pre-processing.

resampling	The method for resampling, as trainControl function list in package caret. The default is "boot" for bootstrapping with 25 replications. Current choices are c("cv","boot","repeatedcv","LOOCV") where "cv" is K-fold CV with a default K=10 or specified by the "Number" below, "LOOCV" denotes the leave-one-out CV
Number	The number of K for K-Fold CV, default (NULL) is 10; for "boot" option, the default number of replications is 25
Repeat	The number for the repetition for "repeatedcv".

Details

This function calls the train function of package caret to execute estimation. When execution finished, we compute two types of time series forecasts: static and recursive.

Value

output	Output object generated by train function of caret.
arOrder	The autoregressive order of the target variable used.
data	The dataset of imputed.
dataused	The data used by arOrder, xregOrder, and type.
training.Pred	All tuned prediction values of training data, using besTunes to extract the best prediction.

Author(s)

Ho Tsung-wu <tsungwu@ntnu.edu.tw>, College of Management, National Taiwan Normal University.

Examples

```
# Cross-validation takes time, example below is commented.
## Machine Learning by library(caret)
library(zoo)
#Case 1. Low frequency
data("macrodata")
dep <- macrodata[569:669,"unrate",drop=FALSE]
ind <- macrodata[569:669,-1,drop=FALSE]
train.end <- "2018-12-01"# Choosing the end dating of train

models <- c("glm","knn","nnet","rpart","rf","svm","enet","gbm","lasso","bridge")[2]
type <- c("none","trend","season","both")[1]
Caret <- ttsCaret(y=dep, x=NULL, arOrder=c(1), xregOrder=c(1),
  method=models, tuneLength =1, train.end, type=type,
  resampling=c("boot","cv","repeatedcv")[2],preProcess = "center")
testData1 <- window(Caret$data,start="2019-01-01",end=end(Caret$data))
P1 <- iForecast(Model=Caret,newdata=testData1,type="staticfit")
P2 <- iForecast(Model=Caret,newdata=testData1,type="recursive")

tail(cbind(testData1[,1],P1,P2))
```



```

#Case 2. High frequency
#head(ES_15m)
#head(ES_Daily)
#dep <- ES_15m #SP500 15-minute realized absolute variance
#ind <- NULL
#train.end <- as.character(rownames(dep))[as.integer(nrow(dep)*0.9)]

#models<-c("svm","rf","rpart","gamboost","BstLm","bstSm","blackboost")[1]
#type<-c("none","trend","season","both")[1]
# Caret <- ttsCaret(y=dep, x=ind, arOrder=c(3,5), xregOrder=c(0,2,4),
# method=models, tuneLength =10, train.end, type=type,
# resampling=c("boot","cv","repeatedcv")[2],preProcess = "center")
#testData1<-window(Caret$data,start="2009-01-01",end=end(Caret$data))
#P1<-iForecast(Model=Caret,newdata=testData1,type="staticfit")
#P2<-iForecast(Model=Caret,newdata=testData1,type="recursive")

```

ttsLSTM

Train time series by LSTM of tensorflow provided by kera

Description

It generates both the static and recursive time series plots of deep learning LSTM object generated by package tensorflow provided by kera.

Usage

```

ttsLSTM(y,
  x=NULL,
  train.end,
  arOrder=1,
  xregOrder=0,
  type,
  memoryLoops=10,
  shape=NULL,
  dim3=5,
  batch.range=2:7,
  batch.size=NULL)

```

Arguments

- | | |
|---|--|
| y | The time series object of the target variable, or the dependent variable, with timeSeries or zoo format, must have dimension. y can be both continuous and discrete. Time format must be " |
| x | The time series matrix of input variables, or the independent variables, with zoo format. Time format must be " |

train.end	The end date of training data, must be specified. The default dates of train.start and test.end are the start and the end of input data; and the test.start is the 1-period next of train.end.
arOrder	The autoregressive order of the target variable, which may be sequentially specified like arOrder=1:5; or discontinuous lags like arOrder=c(1,3,5); zero is not allowed. Default is 1.
xregOrder	The distributed lag structure of the input variables, which may be sequentially specified like xregOrder=1:5; or discontinuous lags like xregOrder=c(0,3,5); zero is allowed since contemporaneous correlation is allowed.
type	The additional input variables. We have four selection: "none"=no other variables, "trend"=inclusion of time dummy, "season"=inclusion of seasonal dummies, "both"=inclusion of both trend and season. No default.
memoryLoops	Length of LSTM learning network loop, to achieve better learning results, this one is suggested to be the same as the length of data row. Default is 10..
shape	The second dimension of LSTM array. If NULL, then it will use the number of columns of complete dataset..
dim3	The third dimension of LSTM array. Default is 5..
batch.range	The range of search batch.size. The code selects the first that satisfies exact division with the rows of data used.
batch.size	The number of batch size for LSTM layer. Default is NULL determined by searching among the batch.range..

Details

This function calls the function fit of package tensorflow to execute Long-Short Term Memory (LSTM) estimation. When execution finished, it computes two types of time series forecasts: static and recursive.

Value

output	Output object generated by train function of caret.
batch.size	The batch.size used for LSTM network.
k	The third dimension of array in LSTM network.
SHAPE	The shape size of array in LSTM network.
arOrder	he autoregressive order of the target variable used.
data	The dataset of used.
dataused	The data used by arOrder, xregOrder, and type

Author(s)

Ho Tsung-wu <tsungwu@ntnu.edu.tw>, College of Management, National Taiwan Normal University.

Examples

```
# Cross-validation takes time, example below is commented.
data("macrodata")
dep<-macrodata[, "unrate", drop=FALSE]
ind<-macrodata[, -1, drop=FALSE]

# Choosing the dates of training and testing data
train.end<-"2008-12-01"

#RNN with LSTM network
#LSTM<-ttsLSTM(y=dep, x=ind, train.end, arOrder=c(2,4), xregOrder=c(1,4),
# memoryLoops=5, type=c("none", "trend", "season", "both")[4],
# batch.range=2:7, batch.size=NULL)

#testData3<-window(LSTM$dataused, start="2009-01-01", end=end(LSTM$data))
#P1<-iForecast(Model=LSTM, newdata=testData3, type="staticfit")
#P2<-iForecast(Model=LSTM, newdata=testData3, type="recursive")

#tail(cbind(testData3[, 1], P1, P2))
```

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