

Bloomberg Markets

TOP FORECASTERS U.S. ECONOMY

HOW WE CRUNCHED THE NUMBERS

TO IDENTIFY THE TOP forecasters of the U.S. economy, we focused on estimates submitted to Bloomberg News for 13 key indicators: the consumer price index, durable goods, existing home sales, gross domestic product, housing starts, industrial production, the Institute for Supply Management manufacturing index, new home sales, nonfarm payrolls, personal spending, the producer price index, retail sales and unemployment.

For the 12 monthly indicators, we compiled estimates made at the end of each month from September 2008 to August 2010 for the following month's report. For GDP, the only one of the 13 indicators that's reported quarterly, we looked at forecasts for 12 quarters, beginning in September 2007, also from the month before the actual number was released. (We used original and unadjusted GDP figures.) To measure each forecaster's accuracy, we averaged the differences between the forecasts he or she made and the actual reported numbers.

To qualify for the rankings, a forecaster had to have made at least 15 out of the 24 monthly estimates. For GDP, each forecaster had to have made a minimum of nine forecasts in the 12 quarters measured. At least 50 forecasters qualified for each of the 13 rankings. Individuals not currently associated with a firm were excluded.

To identify the top overall forecasters, we averaged the rankings of people who appeared on at least nine lists. The top forecaster, Lou Crandall of Wrightson ICAP, had an accuracy score of 86.4 percent. On average, his forecasts deviated least from the actual figures.

BLOOMBERG RANKINGS rankings@bloomberg.net

UNEMPLOYMENT

FORECASTER, FIRM	ACCURACY SCORE*
1 SCOTT J. BROWN, PH.D., <i>Raymond James</i>	90.0
2 DAVID GREENLAW, <i>Morgan Stanley</i>	88.3
JOHN SILVIA, <i>Wells Fargo Securities</i>	88.3
4 PETER POSSING ANDERSEN/ SIGNE ROED-FREDERIKSEN, <i>Danske Bank</i>	88.1
PETER D'ANTONIO, <i>Citigroup</i>	88.1

*Average error for the 24 months ended on Sept. 30, subtracted from 100.
Source: Bloomberg

RAYMOND JAMES®

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