ASSET PRICES PREDICTING THROUGH TIME-SERIES MODEL

ABSTRACT

The purpose of this paper is to predict and forecast the future price of US gold prices. The analysis is done through time series data from 1991 – 2012. In order to estimate how price changes according to time we have used price as the independent variable and time as dependent variable. A stationary time series model is used for the prediction. The forecast has been done using ARIMA, ARCH and GARCH models. The predicted values are used for final forecast.

The result of all the three models shows that there is a steady increase in the price of Gold in USD. The results show there is a steady increase in the price of Gold in the next two years(2013-2015)