Updating BEA’s National Accounts: 
*Update on Seasonal Adjustment Plans*

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Seasonal adjustment improvements

Work continues on several fronts:

• Ensuring high-quality seasonal adjustment conducted on input series

• Evaluating GDP and GDI component series for residual seasonality and developing remedial adjustments

• Developing and refining not seasonally adjusted estimates
Actions taken since May update

• Detailed evaluation of NIPA (and Bureau-wide) seasonal adjustment methods and practices
  – All input series will be tested for seasonality (and residual seasonality)
  – Diagnostics and critical values consistent with Census standards

• Partnering with source data providers (Census Bureau, Fed, BLS, EIA)
  – Formal training and one-on-one consultations with time series experts
  – Collaboration on seasonal adjustment for key NIPA source data
Mitigating residual seasonality

• Isolating specific time series and time spans for remedial seasonal adjustment
  – Requires attention to sub-component series as well as aggregates

• Updating and expanding the analysis by Moulton and Cowan (2016)
NSA estimates

• Prepared in parallel with the SA estimates
  – In most cases, NSA source data available
• Level of publication NIPA 1.1x (product side) and 1.10 (income side)
• SA estimates will still reflect an indirect (bottom up) approach to seasonal adjustment
  – The NSA estimates will allow for comparison of the two adjustment approaches (direct and indirect)