

## Case Study: SalesForecast Model for CSX

### The Software

SalesForecast is an online software tool that helps validate internal forecasts with custom econometric models and predictive analytics. It enables understanding of what drives revenue or market cap.

#### FEATURES

- Can be used for a sector, the market, company sales, a division, or product line
- Co-relates historical data with 30+ key economic indicators through statistical analysis
- Enables you to find/add additional indicators relevant to your business
- Identifies macroeconomic variables that drive sales
- Enables one-quarter lead and lag
- Creates forecasts based on forecasts for these indicators as well as trends
- Presents a range of forecasts for comparison to “bottom up” internal forecast
- Allows you to look at sensitivities
- Automatically updates indicators
- Automatically downloads public company data

### The Model

The model for CSX found that:

- CSX sales are a leading indicator of US Employment, non-residential private investment, and GDP
- There is low co-relation with most economic indicators except with the one quarter lead
- Analysis by business segment provides a deeper understanding

