

Forecasting and Nowcasting with Text as Data

Module 2 - In-class assignment

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All views expressed here and any remaining errors are my own.

Choose one application

You will work with **one of three text corpora**.

1. Financial PhraseBank (sentiment)

- Short financial sentences labeled as negative / neutral / positive
- Suggested: text classification, benchmarking, few-shot fine-tuning

2. ACLED notes (events)

- Use text to enrich event characterization (Spain, Sudan)
- Suggested: build an index (repression / escalation), classify violent vs non-violent

3. Panel forecasting (macro + text)

- Predict recession risks using structured + unstructured data
- Suggested: build text-based signals, evaluate forecasting performance

What I will evaluate

- **Teamwork**
 - Everyone should actively participate
- **Critical thinking (more than results)**
 - Choice of method and justification
 - Discussion of limitations
 - Possible extensions or improvements
- **Engagement**
 - High-quality questions or comments to other groups

Rules

Logistics

- Duration: **45 minutes**
- Work in groups (max 4 people)
- Presentation: 5 minutes per group

What to deliver

- Maximum **4 slides**
- Include:
 - main results/metrics
 - brief discussion

Submission

- Send slides to: `renato.vassallo@bse.eu`
- CC your teammates