

# THE APPLICATION OF STATISTICAL MODELLING IN THE RUBBER INDUSTRY

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The idea behind statistical modelling is to find a stochastic model to explain a natural or an artificial process. It can be a well known model or a new one whose properties need be investigated. The model which best fits the data in question is the one with least prediction errors.

This paper presents a few applications of linear regression and time series modelling in the rubber industry. An application of the famous Box - Jenkins methodology for short term forecasting of natural rubber prices, is illustrated. Some of the current areas of research on time series including non-linear and measurement error models are also mentioned.