ABSTRACT

Inflation is a crucial problem for a country's economy. Inflation can occur when the value of a currency decreases for goods or services. Sectors experiencing inflation also varied for each time period. It is deemed necessary to model the inflation rate in a city to provide an estimate of the inflation rate in the future. Predictions are made by comparing several forecasting methods, namely the Naïve Approach, Exponential Smoothing and Linear Trend where later the application can read data with these formulas based on Bandung city inflation rate data for 2011-2017 as a reference for predicting the 2018 inflation rate by comparison with the website of the Central Bureau of Statistics. The forecasting process is carried out using the Python programming language using the sktime function, namely forecasting. From the several forecasting methods used, the test results show that the naïve approach method with a drift strategy with a value of MSE 1.169, MAE 0.663, MAPE 1730. is the method that has the smallest difference from the real education inflation data in 2018 compared to the Exponential Smoothing forecasting method and Linear Trend which has a much larger difference than the real data.

Keywords: Inflation Rate, Forecasting, Time Series, Education