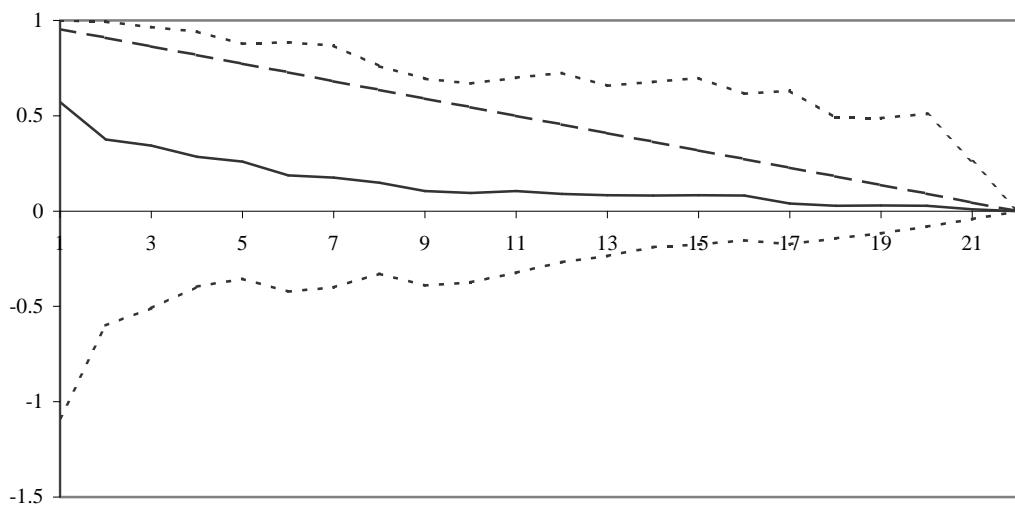


MSE PREDICTABILITY: FIGURE 1

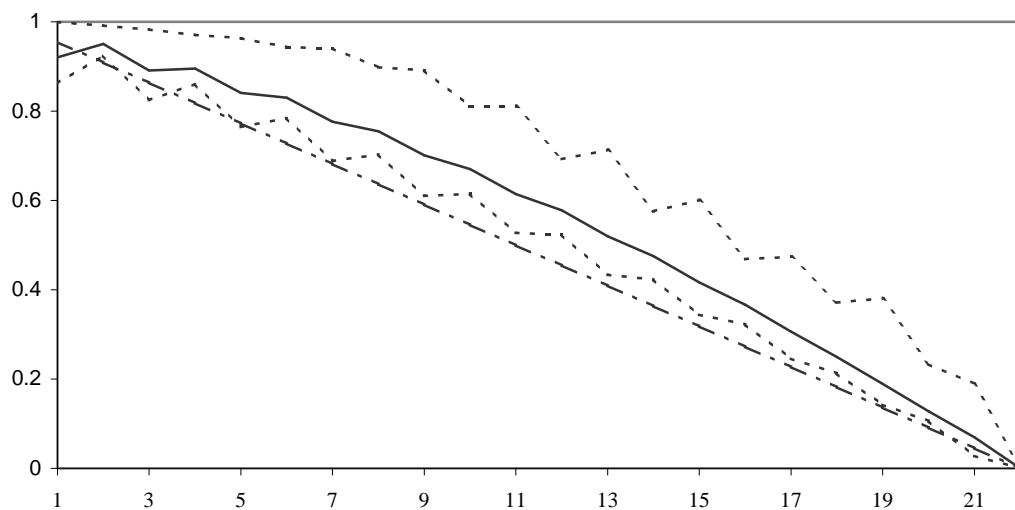
A. Actual Returns *

German Mark



B. Absolute Returns *

German Mark

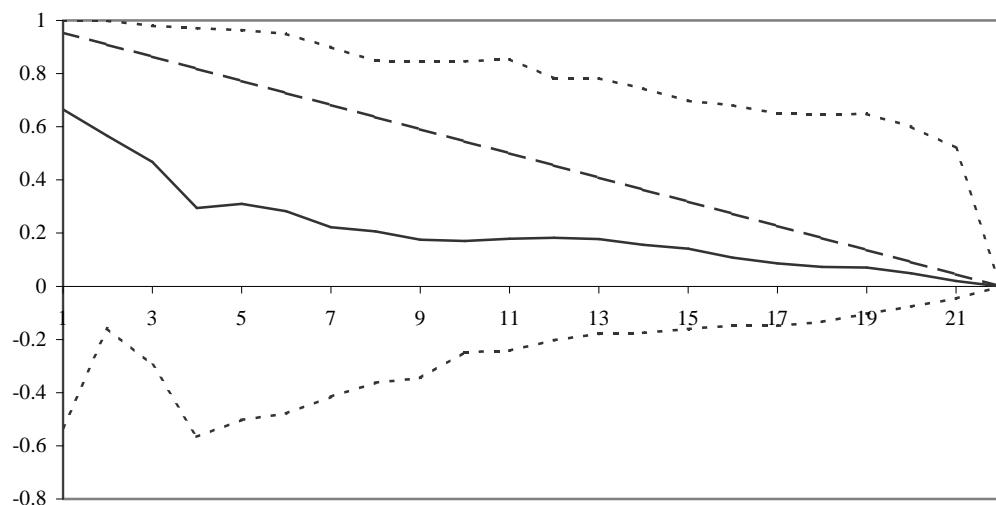


* Based on 500 bootstrap replications, short forecast horizon varies from $j=1..21$ and long forecast horizon $k=22$

MSE PREDICTABILITY: FIGURE 2

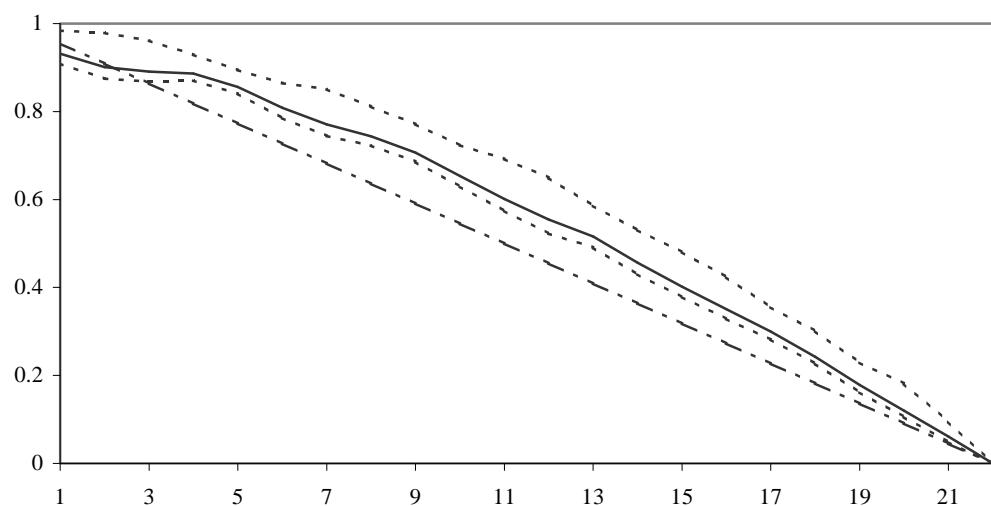
A. Actual Returns *

British Pound



B. Absolute Returns *

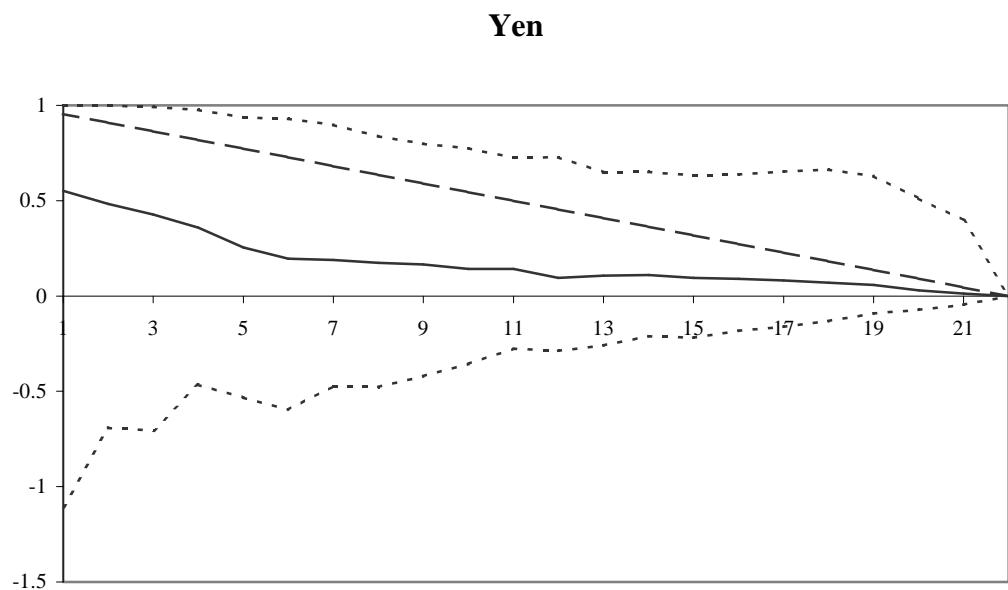
British Pound



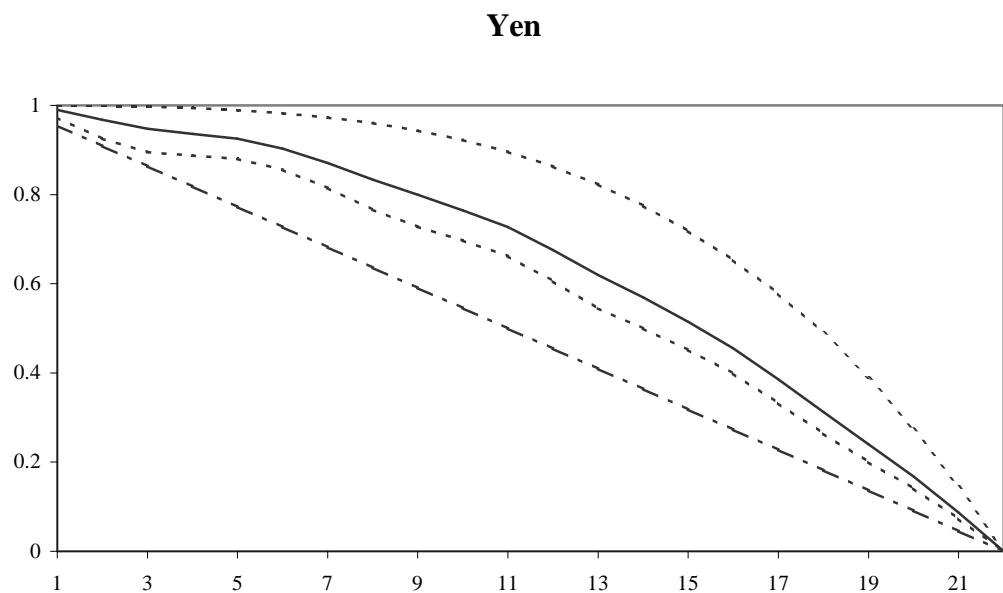
* Based on 500 bootstrap replications, short forecast horizon varies from $j=1..21$ and long forecast horizon $k=22$

MSE PREDICTABILITY: FIGURE 3

A. Actual Returns *



B. Absolute Returns *



* Based on 500 bootstrap replications, short forecast horizon varies from $j=1..21$ and long forecast horizon $k=22$