

38. The sum of the weights in a weighted moving average forecast
- a. must equal the number of periods being averaged
 - b. must equal 1.00**
 - c. must be less than 1.00
 - d. must be greater than 1.00

(Medium)

39. An exponential smoothing forecasting technique requires all of the following except
- a. the forecast for the current period
 - b. the actual demand for the current period
 - c. a smoothing constant
 - d. large amounts of historical demand data**

(Medium)

40. The smoothing constant, α , in the exponential smoothing forecast
- a. must always be a value greater than 1.0
 - b. must always be a value less than 0.10
 - c. must be a value between 0.0 and 1.0**
 - d. should be equal to the time frame for the forecast

(Medium)

41. The closer the smoothing constant, α , is to 1.0
- a. the greater the reaction to the most recent demand**
 - b. the greater the dampening, or smoothing, effect
 - c. the more accurate the forecast will be
 - d. the less accurate the forecast will be

(Medium)

42. The exponential smoothing model will produce a naïve forecast when
- a. the smoothing constant, α , is equal to 0.00
 - b. the smoothing constant, α , is equal to 1.00**
 - c. the smoothing constant, α , is equal to 0.50
 - d. the smoothing constant, α , is equal to 2.00

(Medium)

43. Given the following demand data for the past five months, the three period moving average forecast for June would be

Period	Demand
January	120
February	90
March	100
April	75
May	110

- a. 103.33
- b. 99.00**

The exponential smoothing forecast for November using $\alpha = 0.35$ would be

- a. 552.45
- b. 553.50
- c. 554.55
- d. 557.50

(Medium)

73. Given the demand and forecast values shown in the table below:

Period	Demand	Forecast
June	495	484
July	515	506
August	519	528
September	496	506
October	557	550

The forecast error for September is

- a. 10.00
- b. -10.00
- c. 1.00
- d. 39.00

(Medium)

74. Given the demand and forecast values shown in the table below:

Period	Demand	Forecast
June	495	484
July	515	506
August	519	528
September	496	506
October	557	550

The MAD through the end of October would be

- a. 9.20
- b. -9.20
- c. 1.00
- d. 7.00

(Hard)

75. Given the demand and forecast values shown in the table below:

Period	Demand	Forecast
June	495	484
July	515	506
August	519	528
September	496	506
October	557	550

The MAPD through the end of October would be

- a. 0.0368