**Saint Lucia**

Saint Lucia is an overseas territory of the United Kingdom with a population in 2007 of 171,000. It is an island of 616 square miles and counts as its neighbors Barbados, Saint Vincent, The Grenadines, and Martinique. It is an island with a growing tourist industry and offers the attraction of long sandy beaches, stunning nature trails, superb diving in deep blue waters, and relaxing spas.

With an increased tourism goes the demand for hotel and restaurants. Related to these two hospitality institutions is the volume of wine in thousand liters, sold per month during 2005, 2006, and 2007. This data is given in Table 1. In addition, the local tourist bureau published data on the number of tourists visiting Saint Lucia for the same period. This information is in Table 2.

***Table 1***

|  |  |  |  |
| --- | --- | --- | --- |
| Month | Unit wine sales (1,000 liters) | | |
| 2005 | 2006 | 2007 |
| January | 530 | 535 | 578 |
| February | 436 | 477 | 507 |
| March | 522 | 530 | 562 |
| April | 448 | 482 | 533 |
| May | 422 | 498 | 516 |
| June | 499 | 563 | 580 |
| July | 478 | 488 | 537 |
| August | 400 | 428 | 440 |
| September | 444 | 430 | 511 |
| October | 486 | 486 | 480 |
| November | 437 | 502 | 499 |
| December | 501 | 547 | 542 |

***Table 2***

|  |  |  |  |
| --- | --- | --- | --- |
| Month | Tourist bookings | | |
| 2005 | 2006 | 2007 |
| January | 28,700 | 29,800 | 30,800 |
| February | 23,200 | 25,200 | 28,000 |
| March | 29,000 | 28,000 | 31,000 |
| April | 23,500 | 26,000 | 28,400 |
| May | 21,900 | 25,000 | 27,500 |
| June | 25,300 | 31,000 | 32,000 |
| July | 26,000 | 25,550 | 31,000 |
| August | 20,100 | 23,200 | 22,000 |
| September | 22,300 | 24,100 | 26,000 |
| October | 25,100 | 25,100 | 27,000 |
| November | 22,600 | 27,000 | 28,000 |
| December | 27,000 | 31,900 | 30,200 |

**Required**

Use the data for forecasting purposes and develop and test an appropriate model.