

Question 1

The weight values used in the weighted moving average are: _____

- ☐ a. each weight is assigned an arbitrary value
- ☐ b. determined by a weighting formula.
- ☒ c. highest weightage is given to the most recent value.
- ☐ d. assigned so that the sum of the weights is ranges from 0 to 1.

Question 2

The first step in time-series analysis is to _____

- ☒ a. plot the data on a graph.
- ☐ b. identify relevant correlated variables.
- ☐ c. perform preliminary regression calculations.
- ☐ d. calculate a moving average.

Question 3

A forecast that projects a company's sales is a(n): _____

- ☐ a. technological forecast.
- ☒ b. demand forecast.
- ☐ c. associative model.
- ☐ d. economic forecast.

Question 4

Which one of the following does not fall under qualitative forecasting method?

- ☒ a. Moving average methods
- ☐ b. Life cycle analogy
- ☐ c. Judgmental methods
- ☐ d. Delphi method

Question 5

Time-series analysis is based on the assumption that _____

- ☐ a. the data do not exhibit a trend.
- ☐ b. there are dependable correlations between the variable to be forecast and other independent variables
- ☐ c. random error terms are normally distributed.
- ☒ d. past patterns in the variable to be forecast will continue unchanged into the future.

Question 6

The financial budget presented in Saudi Ministerial Council is the example of long range forecast by time horizon.

☐ True

☒ False

Question 7

Naive approach assumes that the demand in the next period is same as demand in most recent period.

- ☒ True
☐ False

Question 8

Which of the following statements is true?

- ☐ a. If the correlation coefficient between X and Y is very close to zero, then there is a weak relationship between X and Y.
- ☐ b. The Delphi method is a forecasting model that incorporates the use of regression.
- ☐ c. The coefficient of determination will always be between -1 and +1.
- ☒ d. No single best forecasting model exists.

Question 9

Which of the following forecasting method is suitable for launching new products?

- ☐ a. Moving average methods
- ☐ b. Exponential smoothing
- ☐ c. Causal models
- ☒ d. Judgmental methods

Question 10

Decisions relating to production scheduling involve: _____

- ☐ a. both short-term as well as medium-term forecasting
- ☒ b. short-term forecasting.
- ☐ c. medium-term forecasting.
- ☐ d. long-term forecasting.

Question 11

Linear regression is most similar to _____

- ☐ a. the naive method of forecasting.
- ☐ b. the trend projection method of forecasting.
- ☐ c. the weighted moving average method of forecasting.
- ☒ d. the simple moving average method of forecasting.



Question 12

Time series patterns that repeat themselves after a period of days or weeks are called ____

☐ a. random variation.

☒ b. cycles.

☐ c. seasonality.

☐ d. trend.

Question 13

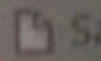
Forecast error calculated from LAD performance measure ranges from -1 to +1.

☐ True

☒ False

Question 14

1 points



The measure of forecast error which calculates the average of absolute differences between the actual and the forecast demand over n time periods is known as: _____

- ☐ a. mean absolute percentage error
- ☒ b. mean absolute deviation
- ☐ c. mean-square error
- ☐ d. mean error

Question 15

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If demand is 106 during January, 120 in February, 134 in March, and 142 in April, what is the 3-month simple moving average for May?

- ☒ a. 132
- ☐ b. 138
- ☐ c. 126
- ☐ d. 142

Question 16

Quantitative forecasting techniques include: _____

- ☐ a. Consumer surveys
- ☐ b. Delphi method
- ☐ c. Manager opinions
- ☒ d. Exponential smoothing

Question 17

Course assigned to the professor in the fall semester is the example of short range forecast by time horizon.

- ☒ True
- ☐ False

Question 18

Recent drop in the oil prices is the example of seasonal pattern in a time series.

☐ True

☒ False

Question 19

The computed value obtained from MAD performance measure with moving average method ranges from -1 to +1.

☐ True

☒ False

Question 20

The computed value obtained from MAPE performance measure ranges from 0 to +1.

☒ True

☐ False