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| t | D _t | Moving Avg. F _t | Weighted Moving Avg F _t | Exp. Smoothing F _t |
|----|----------------|-------------------------------|--|-------------------------------------|
| 1 | 400 | — | — | 400 |
| 2 | 420 | — | — | 400 |
| 3 | 450 | — | — | 404 |
| 4 | 480 | 423.33 | 431 | 413.20 |
| 5 | 480 | 443.33 | 449 | 422 |
| 6 | 500 | 463.33 | 468 | 434 |
| 7 | 530 | 480 | 486 | 447 |
| 8 | 550 | 503.33 | 511 | 463.70 |
| 9 | 580 | 526.66 | 534 | 481 |
| 10 | 600 | 533.33 | 561 | 500.80 |
| 11 | | 576 | 584 | 520.6 |

(i) Moving Average:-

$$(a) MAD = \frac{\sum |A_t - F_t|}{n} = \frac{\sum |D_t - F_t|}{7} = 43.8095$$

$$(b) MSE = \frac{\sum (A_t - F_t)^2}{n-1} = \frac{\sum (D_t - F_t)^2}{6} = 2288.89$$

$$(c) MAPE = \frac{\sum \frac{|A_t - F_t|}{A_t} \times 100}{n} = 8.26\%$$

Ans

(ii) Weighted Moving Average:-

$$(a) MAD = \frac{\sum |A_t - F_t|}{n} = 37.1429 \quad \{n=7\}$$

$$(b) MSE = \frac{\sum (D_t - F_t)^2}{n-1} = \frac{11570}{6} = 1928.33$$

$$(c) MAPE = \frac{\sum \frac{|A_t - F_t|}{A_t} \times 100}{n} = \frac{0.4898651 \times 100}{7} = 7\%$$

Ans

(iii) Exponential Smoothing:-

$$(a) \text{ MAD} = \frac{\sum |A_t - F_t|}{n} = \frac{604.3}{9} = 67.144$$

$$(b) \text{ MSE} = \frac{\sum (A_t - F_t)^2}{n-1} = \frac{46404.6}{8} = 5800.57$$

$$(c) \text{ MAPE} = \frac{\sum \left| \frac{A_t - F_t}{A_t} \right| \times 100}{n} = \frac{1.15395 \times 100}{9} = 12.82\%.$$

Ans

(iv) Linear Regression:-

| X_i | Y_i | $X_i Y_i$ | X_i^2 | \hat{Y}_i |
|-------|-------|-----------|---------|-------------|
| 1 | 400 | 400 | 1 | 397.45 |
| 2 | 420 | 840 | 4 | 419.57 |
| 3 | 450 | 1350 | 9 | 441.69 |
| 4 | 460 | 1840 | 16 | 463.81 |
| 5 | 480 | 2400 | 25 | 485.93 |
| 6 | 500 | 3000 | 36 | 508.05 |
| 7 | 530 | 3710 | 49 | 530.17 |
| 8 | 550 | 4400 | 64 | 552.29 |
| 9 | 580 | 5220 | 81 | 574.41 |
| 10 | 600 | 6000 | 100 | 596.53 |
| 11 | | | | 618.65 |
| 12 | | | | 640.77 |

$$(a) \text{ MAD} = \frac{\sum |Y_i - \hat{Y}_i|}{10} = \frac{40.6}{10} = 4.06$$

$$(b) \text{ MSE} = \frac{\sum (Y_i - \hat{Y}_i)^2}{9} = \frac{238.789}{9} = 26.532$$

$$(c) \text{ MAPE} = \frac{\sum \left| \frac{Y_i - \hat{Y}_i}{Y_i} \right| \times 100}{10} = \frac{0.082507}{10-1} = 0.825\%.$$

Ans

By MAPE, the best method to use will be linear regression.

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