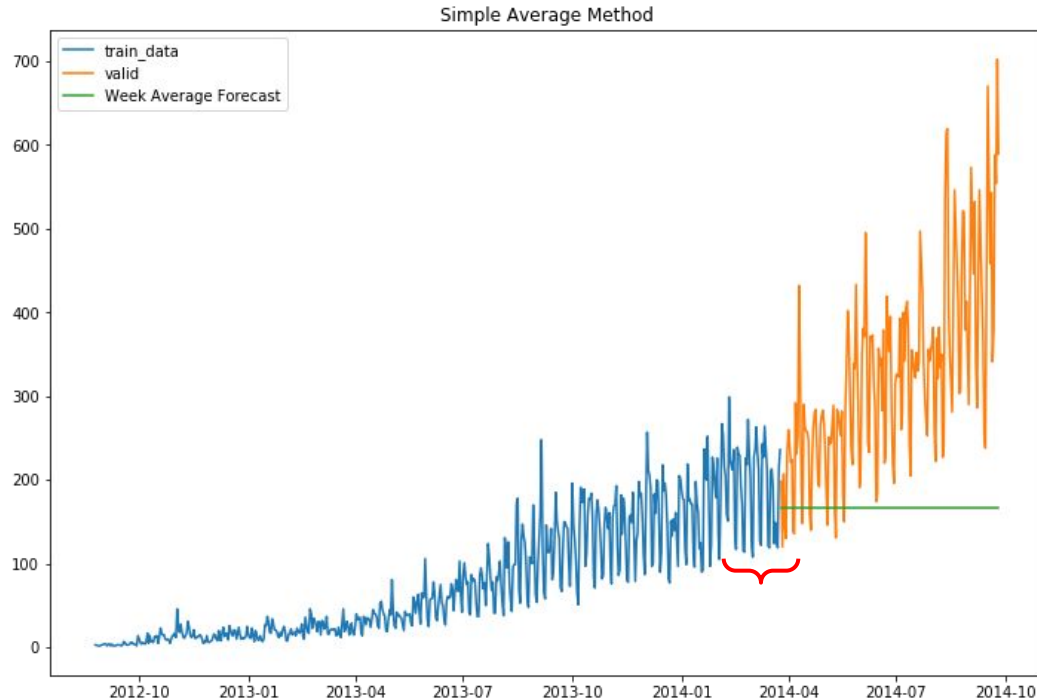


Moving Average Approach

Moving Average Approach

Problem Statement: Forecast the number of passengers who will onboard the flight per day in the next quarter.



Moving Average Approach

Problem Statement: Forecast the number of passengers who will onboard the flight per day in the next quarter.

Date count

2014-03-19	192
2014-03-20	124
2014-03-21	149
2014-03-22	129
2014-03-23	119
2014-03-24	214
2014-03-25	236
2014-03-26	
2014-03-27	
2014-03-28	
2014-03-29	
2014-03-30	



Moving Average Approach

Problem Statement: Forecast the number of passengers who will onboard the flight per day in the next quarter.

Date count

2014-03-19	192
2014-03-20	124
2014-03-21	149
2014-03-22	129
2014-03-23	119
2014-03-24	214
2014-03-25	236
2014-03-26	166
2014-03-27	
2014-03-28	
2014-03-29	
2014-03-30	



Moving Average Approach

Problem Statement: Forecast the number of passengers who will onboard the flight per day in the next quarter.

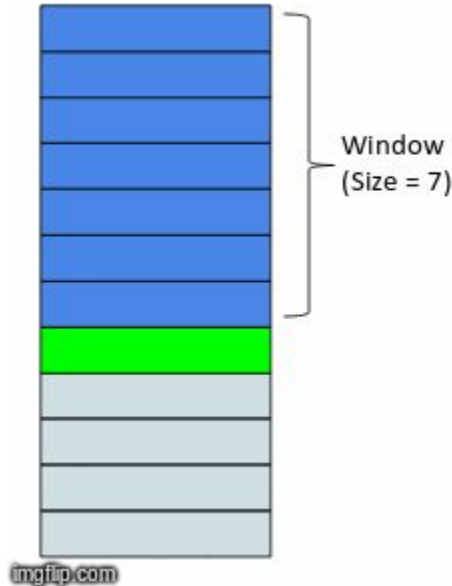
Date count

2014-03-19	192
2014-03-20	124
2014-03-21	149
2014-03-22	129
2014-03-23	119
2014-03-24	214
2014-03-25	236
2014-03-26	166
2014-03-27	162
2014-03-28	
2014-03-29	
2014-03-30	



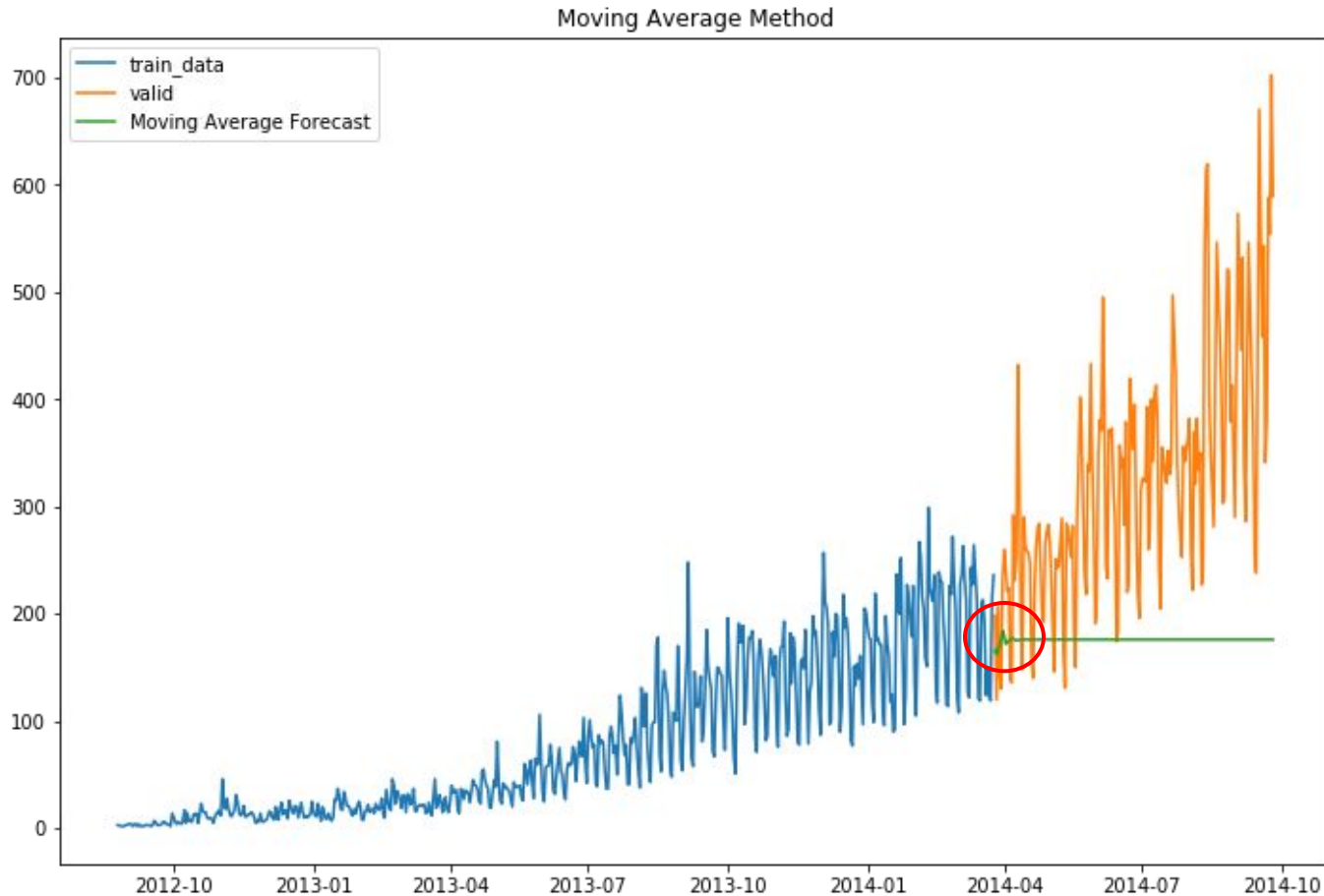
Moving Average Approach

Problem Statement: Forecast the number of passengers who will onboard the flight per day in the next month.



Moving Average Approach

Moving Average Approach



Thank You

Weighted Moving Average Approach

Weighted Moving Average Approach

- Moving Average
 - Average of values in the window
 - Equal weight of all values

Weighted Moving Average Approach

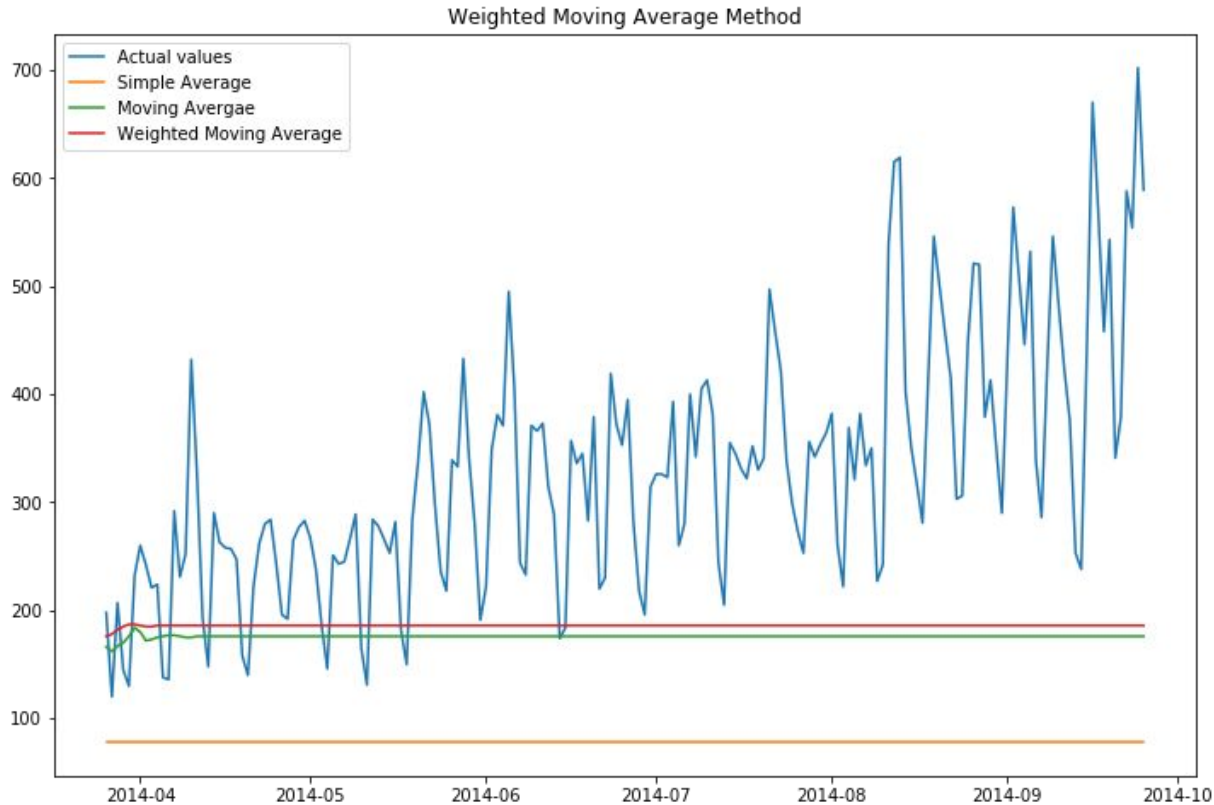
- Moving Average
 - Average of values in the window
 - Equal weight of all values
- Weighted Moving Average
 - Assign weights to values in the window
 - Higher weights to recent observations

Weighted Moving Average Approach

Simple Approaches to Time Series Forecasting

- Naive Method
- Simple Average
- Moving Average
- Weighted Moving Average

Simple Approaches to Time Series Forecasting



Thank You

Weighted Moving Average Approach

- Advantages
 - Gives higher weights to recent observations
 - Would work well when series has no trend
 - Flexibility to define the weight function

Weighted Moving Average Approach

- Advantages
 - Gives higher weights to recent observations
 - Would work well when series has no trend
 - Flexibility to define the weight function
- Disadvantages
 - Becomes constant after a certain point
 - Does not take trend into account