Assignment 3

Due on 2020-10-07. 22:46:18

1. Which of these aspects does not hold good characterizing the forecasts?
   A) Long-term forecasts are usually less accurate than short-term forecasts
   B) Demand for a product is usually less predictable than demand for a service
   C) Forecasts may be inaccurate which should include both the expected value of the forecast and a measure of forecast error
   D) None of these

2. Forecasting methods are primarily subjective and rely on human judgment
   A) True
   B) False
   C) Can't tell
   D) None of these

3. The simple exponential smoothing forecasting method is appropriate when
   A) Time series has a trend and is non-seasonal
   B) Time series has no observable trend or seasonality
   C) Time series has an observable trend or seasonality
   D) Time series has no observable level or seasonality

4. Qualitative forecasting methods are more appropriate when
   A) There is a good historical data available
   B) Historical data is not available
   C) Experts do not have critical market intelligence
   D) Forecasting depends on the market trend

5. The measure of forecast error where the amount of error of each forecast is squared and then an average is calculated is
   A) Mean absolute error (MAE)
   B) Mean squared error (MSE)
   C) Mean absolute percentage error (MAPE)
   D) Tracking signal

6. Which of these measures of forecast error does not compute the total error in a forecast regardless of sign?
   A) Mean deviation
   B) Mean Squared Error (MSE)
   C) Mean Absolute Deviation (MAD)
   D) Mean Absolute Percentage Error (MAPE)

7. The measure of forecast error that penalizes larger errors is
   A) Tracking signal
   B) Mean Absolute Percentage Error (MAPE)
   C) Mean Squared Error (MSE)
   D) Mean Absolute Deviation (MAD)

8. Measures any bias in the forecast
   A) Mean Squared Error (MSE)
   B) Mean Absolute Error (MAE)
   C) Mean Absolute Deviation (MAD)
   D) Mean Absolute Percentage Error (MAPE)

9. Which of these aspects of forecasting is incorrectly specified?
   A) Random component of forecast is the part of forecast that deviates from systematic part
   B) Observational demand = Systematic component + Random component
   C) Trend is expressed as growth or decline in demand
   D) All of these