**Activity 1: Rolling averages**

Link to interactive: <https://www.technicaleducationnetworks.org.uk/interactive/rolling-average>

1. Look at the rolling 7-, 14- and 21-day averages in the interactive. What happens to the range of the rolling average as the number of averaging points increases?

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2. The last value in each case is given below.

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| **Days to average** | **Most recent average value** |
| 7 | 2.00 |
| 14 | 2.14 |
| 21 | 1.95 |
| 28 | 2.00 |

The most recent average values are 2. Does this mean that a 7-day average is the same as a 28-day average?

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3. The organisation will use a 28-day rolling average value to predict the demand for the next 28 days. In this case, the demand will be taken as two per day for 28 days, giving a total of 56 items.

* Is taking the average in this way sensible?
* What factors could lead to problems with the approach?
* How could you correct for these issues?

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