FORECASTING OF CEMENT PRICE IN SABAH: MOVING AVERAGE AND EXPONENTIAL SMOOTHING MODEL

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ABSTRACT

The cement industry is one of the important industry since the increasing of population and human activities cause the trade of this industry is profitable and positively increase. There are many type of forecasting techniques that has been a great deal of discussion on applications of perfomance in business activities. This paper discussed few of univariate time series forecasting models and their application for forecasting cement price in Sabah. Applying annual data from 1980 until 2011 on cement price per metric tonnes, the best forecasting technique is Holt-Winter with multiplicative exponential smoothing based on the lowest Root Mean Square Error (RMSE).

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