

Period	Actual Demand	Forecast
1	42	42 (assumed = $D_1$ )
2	37	$(1 - 0.3) \times 42 + 0.3 \times 42 = 42$
3	34	$(1 - 0.3) \times 42 + 0.3 \times 37 = 40.5$
4	40	$(1 - 0.3) \times 40.5 + 0.3 \times 34 = 38.55$
5		$(1 - 0.3) \times 38.55 + 0.3 \times 40 = 38.985$