Economic order quantities	
Determines the volume and frequency of orders that minimise the logistic costs within a specific time window.	
Q: Order Volume S: Ordering Costs C: Unit Cost D: Demand	h: Holding Cost I: Handling Cost
Total Ordering Costs = # of orders * costs per order	O = DS/Q
Total Holding costs = Average holding costs * order volume	$H= \square \square h/2$, where $h=IC$
Total costs of ordering and holding cargo that satisfies demand D is:	$T=O+H$ = DS/Q + Qh/2
Determines the volume and frequency of orders that minimise the logistic costs within a specific time window. 1. Optimal order Q* is achieved when Holding and Order costs are balanced. 2.Inventory costs have a small impact due to Q*. 3.Cycle time = Q*/D, and number of orders per year = D/Q*	Q* = sqrt(2-SD/h) SD/Q* = hQ*/2