CED 6040

Homework #2

Part 1 (4 Points):

* Choose 4 of the 5 questions to answer.
* I will grade the first five questions you answer. For example: if you answer #1-7, I will grade #1-5 (the first five). If you answer #2-7, I will grade #2-6 (the first five).
* Each question is worth 2 points. Zero points will be assigned for questions without answer

Questions:

4.2A, 4.2B, 4.5, 4.6, 4.9

Part 2 (6 Points):

All Calculations must be done in R using the excel document “Gas\_Consumption.xlsx”:

1. Plot X=Income and Y=Gas Consumption.
2. Describe plot #1 and what you notice about the plot?
3. Calculate the Regression Line of #1.
4. Is the X-variable statistically significant?
5. What does the intercept mean?
6. Explain the sign of the intercept and coefficients.