

Simple Linear Regression and Correlation Class | Group Project

PROVIDE A WRITTEN PAPER EXPLAINING THE PROJECT USING APA STYLE (double-spaced, Times New Roman, & 12-font).

Show Work

NAME Simone Bryant
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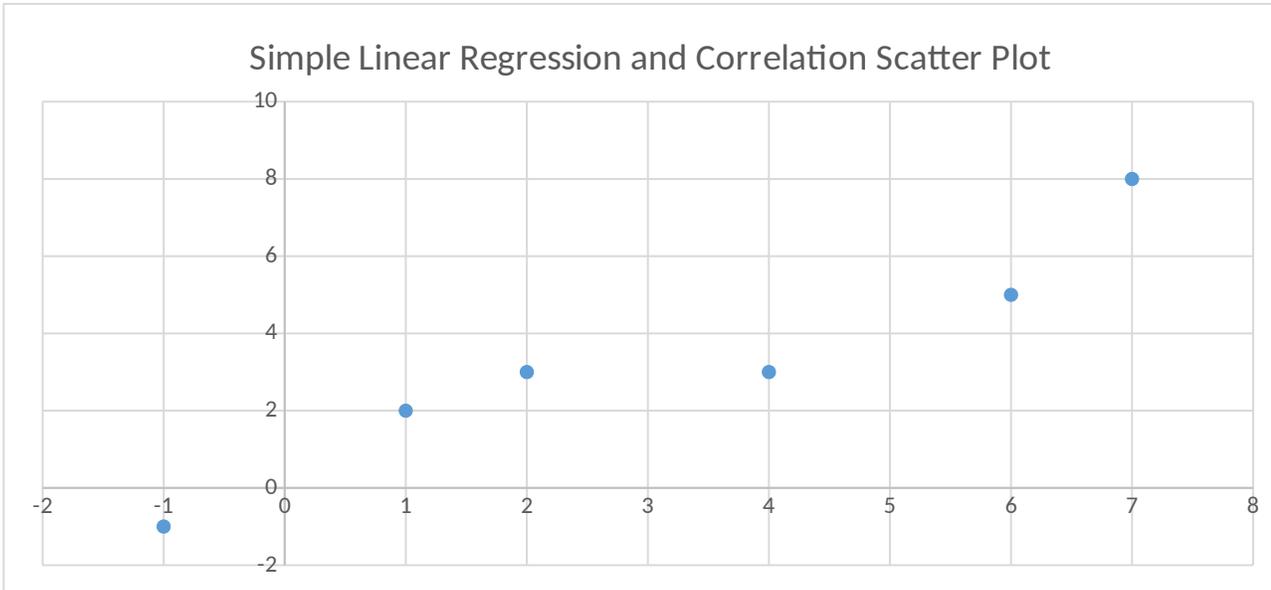
Some groups maybe given different data!

Given the sample of data from stocks (x) and (y) listed below.

X	-1	1	2	4	6	7	0.9476843
Y	-1	2	3	3	5	8	

- a) Create a scatter plot from the data and explain the results.
What are the null and alternative hypotheses?
- b) Determine the correlation coefficient.
- c) Find the regression straight line $y=ax+b$
- d) If the stock earn an x of 5, what is their predicted stock? Find y for x=5.

A) Scatter Plot, Explanation, Null Hypothesis & Alternative Hypothesis



As the x coordinates increase the y coordinates also increase therefore the linear correlation is positive.

Ho: $\rho \leq 0$

Ha: $\rho > 0$

B) Correlation Coefficient

X	-1	1	2	4	6	7	r =
Y	-1	2	3	3	5	8	0.947684

C)

$$y = 0.932x + 0.381$$

D)

$$y = 5.041$$

ALL WORK SHOWN BELOW

$y = ax + b \rightarrow y = 0.932x + 0.381$

X	-1	1	2	4	6	7	Σx_i : 19
y	-1	2	3	3	5	8	Σy_i : 20
xy	1	2	6	12	30	56	Σxy_i : 107
x^2	1	1	4	16	36	49	Σx^2_i : 107

$$a = \frac{n(\Sigma xy) - (\Sigma x)(\Sigma y)}{n(\Sigma x^2) - (\Sigma x)^2}$$

$$a = \frac{6(107) - (19)(20)}{6(107) - (19)^2}$$

$$a = \frac{642 - 380}{642 - 361}$$

$$a = \frac{262}{281} \approx 0.932$$

y^2 | 1 | 4 | 9 | 9 | 25 | 64 | $\Sigma y^2: 112$

$$\frac{642 - 380}{642 - 361} = \frac{262}{281}$$

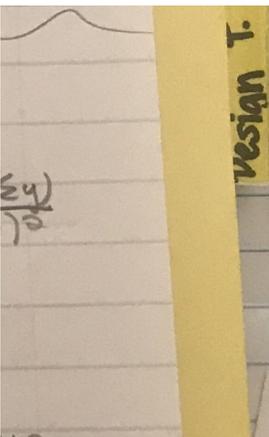
0.9

$$b = \frac{(\Sigma y)(\Sigma x^2) - (\Sigma x)(\Sigma xy)}{n(\Sigma x^2) - (\Sigma x)^2} \rightarrow \frac{(20)(107) - (19)(107)}{6(107) - (19)^2} \rightarrow \frac{2140 - 2033}{642 - 361} \rightarrow \frac{107}{281} \rightarrow$$

$$y = 0.932(5) + 0.381 = 5.041$$

Classmates

1. Simone Bryant
2. Mecca Austin
3. Angela Lalwani



$\frac{64}{81} =$
32
0.381