

EPPS 6316 : Recitation Session 1

Sep. 7. 2012

Questions?

- You learned :

- Probability

- OLS(Ordinary least squares)

- etc.

Problem 1

According to data from Amazon, the probability which an item is ready for shipment on time is 0.8. The probability for which an item is ready for shipment and delivered on time is 0.72. What is the probability that the item is delivered on time when it is ready on time ?

Problem 2

Assume a simple regression model, $y = \beta_0 + \beta_1 x + u$.

$$E(y - \beta_0 - \beta_1 x) =$$

$$E[x(y - \beta_0 - \beta_1 x)] =$$

Problem 3

$$\text{SRF} : \hat{y} = \hat{\beta}_0 + \hat{\beta}_1 x$$

When $\hat{\beta}_0 = 2, \hat{\beta}_1 = 3$, and $x \in 1, 2, 3$, Can you calculate y for PRF given x ?