Faculty of Health, Natural Resources and Applied Sciences

School of Natural and Applied Sciences

Department of Mathematics, Statistics and Actuarial Science

QUALIFICATION : BACHELOR OF ECONOMICS	
QUALIFICATION CODE: 07BECO	LEVEL: 6
COURSE: STATISTICS FOR ECONOMISTS 2B	COURSE CODE: SFE612S
DATE: NOVEMBER 2023	SESSION: 1
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY: QUESTION PAPER

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MODERATOR:	MR ETUHOLE MWAHI

INSTRUCTIONS:

1. Answer all questions on the separate answer sheet.
2. Please write neatly and legibly.
3. Do not use the left side margin of the exam paper. This must be allowed for the examiner.
4. No books, notes and other additional aids are allowed.
5. Mark all answers clearly with their respective question numbers.
6. Decimal answers must be rounded to 4 decimals places.

PERMISSIBLE MATERIALS:

1. Non-Programmable Calculator

ATTACHEMENTS

1. t-Table
2. F-Table
3. Chi-square table

This paper consists of 5 pages including this front page.

QUESTION 1 [20 MARKS]

ANSWER THE FOLLOWING QUESTIONS BY WRITING DOWN THE LETTER OF THE CORRECT ANSWER IN THE ANSWER SHEET PROVIDED.

1.1 Analysis of variance (ANOVA) it the test for equality of: [2]
A) Variances
B) Means
C) Proportion
D) None of the above

1.2 In ANOVA with 4 groups and a total sample size of 65, the computed F statistics is 2.35. In this case, p-value is value: [2]
A) Exactly 0.05
B) Much less than 0.05
C) Much greater than 0.05
D) None of the above

1.3 When all members of every block are randomly assigned to all treatments, the design is called? [2]
A) Repeated measure design
B) Two-Way Analysis of Variance
C) Random block design
D) One-Way Analysis of Variance

1.4 Which one of variables is not categorical data? [2]
A) Age of a person
B) Gender of a person: male and female
C) Choice of a test item: true and false
D) Car registration number

1.5 Which of the does not affect the expected counts for a Chi-square test? [2]
A) Number of variables
B) Observed counts of each variable.
C) Table total
D) Whether or not the data come from one sample or independent sample.

1.6 Which of the following techniques is an analysis of the relationship between two variables to help provide the prediction mechanism? [2]
A) Standard error
B) Correlation
C) Regression
D) Coefficient of determination

1.7 Which of the following is true for the coefficient of correlation? [2]
  A) The coefficient of correlation is not dependent on the change of scale.
  B) The coefficient of correlation is not dependent on the change of origin.
  C) The coefficient of correlation is not dependent on both the change of scale and change of origin.
  D) None of the above

1.8 The relationship between number of beers consumed (x) and blood alcohol content (y) was studied in 16 male college students by using least squares regression. The following regression equation from this study:

$$\hat{y} = -0.0127 + 0.0180x_i$$

The above model/equation implies that: [2]
  A) each beer consumed increase blood alcohol by 1.27%
  B) on average it takes 1.8 beers to increase blood alcohol content by 1%
  C) each beer consumed increase blood alcohol by an average of amount of 1.8%
  D) each beer consumed increase blood alcohol by exactly 0.018

1.9 Larger values of $r^2 (R^2)$ imply that the observations are more closely grouped about the [2]
  A) average value of the independent variables
  B) average value of the dependent variable
  C) least square line
  D) origin

1.10   In a regression analysis if $SSE = 200$ and $SSR = 300$, then the coefficient of determination is [2]
  A) 0.6667
  B) 0.6000
  C) 0.4000
  D) 1.5000

QUESTION 2 [20 MARKS]
Returning the compilation time in milliseconds, for each of the five programs run on four compilers. Test, at 5% significance level, the hypothesis that there is no difference between the performance of the four compilers and programs. [20]

Programs	Compiler			
	1	2	3	4
Program A	26.1	25.14	25.26	25.46
Program B	25.14	25.26	25.20	25.02
Program C	30.91	30.18	30.52	30.09
Program D	29.21	28.25	28.20	28.62
Program E	26.18	26.02	26.22	25.56

QUESTION 3 [10 MARKS]

A gambler is testing an octahedral die to determine if it is fair or not. She rolls it 80 times and observes the following results.

Score	1	2	3	4	5	6	7	8
Frequency	7	10	11	9	12	10	14	7

Test, at a 5% level of significance, whether the die is fair for a gambling game.   [10]

QUESTION 4 [20 MARKS]

A researcher is interested in predicting the value of variable y given the value of the variable x. Suppose that she has observed the data given in the table below.

x	4	5	6	7	8	9
y	540	330	200	130	85	52

One best-fitting regression model for these data is a simple nonlinear model of the form $y = ab^x$ where a and b are constants.

4.1 Transform the given simple nonlinear model into a simple linear model.   [4]

4.2 Use the ordinary least square {OLS} method to fit a simple linear model obtained in 1.1.
   [All transformed data must be rounded to 2 decimal places]   [12]

4.3 Use the fitted model in 1.2 to predict the value of y when $x = 6.4$ correct to 1 decimal place.   [4]

QUESTION 5 [10 MARKS]

The table below shows the quantities and prices of some fruits for 2010 and 2015.

Fruit	2010		2015	
	Price/kg (NAD)	Quantity (tons)	Price/kg (NAD)	Quantity (tons)
Orange	12	450	16	354
Banana	10	265	14	362
Strawberry	14	371	17	527
Mango	7	285	13	412
Apple	9	431	15	384

5.1 Use Laspeyres' approach to calculate composite price index for these fruits for 2015 with 2010 as the base year and interpret it.   [5]

5.2 Use Paasche's approach to calculate composite quantity index for these fruits for 2015 with 2010 as the base year and interpret it.   [5]

QUESTION 6 [20 MARKS]

Consider the following time series data.

Week	Day	Sales (N$ 1000.00)
1	Mon	2
	Tue	4
	Wed	7
	Thu	5
	Fri	4
2	Mon	7
	Tue	11
	Wed	12
	Thu	10
	Fri	8
3	Mon	12
	Tue	14
	Wed	15
	Thu	18
	Fri	11

6.1 Calculate the 5-period moving average sales for these data. [5]

6.2 Calculate the exponentially smoothed sales for these data using $w = 0.25$ [7]

6.3 Predict the sales on Thursday of the 4th week using OLS linear trend with zero-sum coded time [Use REG MODE only to find the sums and means]. [8]

--END OF QUESTION PAPER--

t-Distribution Table
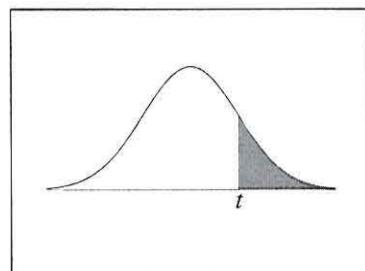
The shaded area is equal to α for $t = t_\alpha$.

| df	$t_{.100}$	$t_{.050}$	$t_{.025}$	$t_{.010}$	$t_{.005}$
1	3.078	6.314	12.706	31.821	63.657
2	1.886	2.920	4.303	6.965	9.925
3	1.638	2.353	3.182	4.541	5.841
4	1.533	2.132	2.776	3.747	4.604
5	1.476	2.015	2.571	3.365	4.032
6	1.440	1.943	2.447	3.143	3.707
7	1.415	1.895	2.365	2.998	3.499
8	1.397	1.860	2.306	2.896	3.355
9	1.383	1.833	2.262	2.821	3.250
10	1.372	1.812	2.228	2.764	3.169
11	1.363	1.796	2.201	2.718	3.106
12	1.356	1.782	2.179	2.681	3.055
13	1.350	1.771	2.160	2.650	3.012
14	1.345	1.761	2.145	2.624	2.977
15	1.341	1.753	2.131	2.602	2.947
16	1.337	1.746	2.120	2.583	2.921
17	1.333	1.740	2.110	2.567	2.898
18	1.330	1.734	2.101	2.552	2.878
19	1.328	1.729	2.093	2.539	2.861
20	1.325	1.725	2.086	2.528	2.845
21	1.323	1.721	2.080	2.518	2.831
22	1.321	1.717	2.074	2.508	2.819
23	1.319	1.714	2.069	2.500	2.807
24	1.318	1.711	2.064	2.492	2.797
25	1.316	1.708	2.060	2.485	2.787
26	1.315	1.706	2.056	2.479	2.779
27	1.314	1.703	2.052	2.473	2.771
28	1.313	1.701	2.048	2.467	2.763
29	1.311	1.699	2.045	2.462	2.756
30	1.310	1.697	2.042	2.457	2.750
32	1.309	1.694	2.037	2.449	2.738
34	1.307	1.691	2.032	2.441	2.728
36	1.306	1.688	2.028	2.434	2.719
38	1.304	1.686	2.024	2.429	2.712
∞	1.282	1.645	1.960	2.326	2.576

Chi-Square Distribution Table
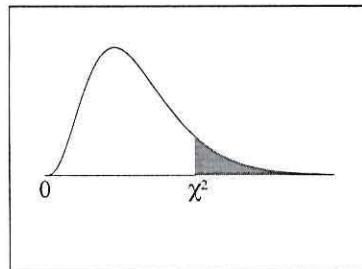
The shaded area is equal to α for $\chi^2 = \chi^2_\alpha$.

df	$\chi^2_{.995}$	$\chi^2_{.990}$	$\chi^2_{.975}$	$\chi^2_{.950}$	$\chi^2_{.900}$	$\chi^2_{.100}$	$\chi^2_{.050}$	$\chi^2_{.025}$	$\chi^2_{.010}$	$\chi^2_{.005}$
1	0.000	0.000	0.001	0.004	0.016	2.706	3.841	5.024	6.635	7.879
2	0.010	0.020	0.051	0.103	0.211	4.605	5.991	7.378	9.210	10.597
3	0.072	0.115	0.216	0.352	0.584	6.251	7.815	9.348	11.345	12.838
4	0.207	0.297	0.484	0.711	1.064	7.779	9.488	11.143	13.277	14.860
5	0.412	0.554	0.831	1.145	1.610	9.236	11.070	12.833	15.086	16.750
6	0.676	0.872	1.237	1.635	2.204	10.645	12.592	14.449	16.812	18.548
7	0.989	1.239	1.690	2.167	2.833	12.017	14.067	16.013	18.475	20.278
8	1.344	1.646	2.180	2.733	3.490	13.362	15.507	17.535	20.090	21.955
9	1.735	2.088	2.700	3.325	4.168	14.684	16.919	19.023	21.666	23.589
10	2.156	2.558	3.247	3.940	4.865	15.987	18.307	20.483	23.209	25.188
11	2.603	3.053	3.816	4.575	5.578	17.275	19.675	21.920	24.725	26.757
12	3.074	3.571	4.404	5.226	6.304	18.549	21.026	23.337	26.217	28.300
13	3.565	4.107	5.009	5.892	7.042	19.812	22.362	24.736	27.688	29.819
14	4.075	4.660	5.629	6.571	7.790	21.064	23.685	26.119	29.141	31.319
15	4.601	5.229	6.262	7.261	8.547	22.307	24.996	27.488	30.578	32.801
16	5.142	5.812	6.908	7.962	9.312	23.542	26.296	28.845	32.000	34.267
17	5.697	6.408	7.564	8.672	10.085	24.769	27.587	30.191	33.409	35.718
18	6.265	7.015	8.231	9.390	10.865	25.989	28.869	31.526	34.805	37.156
19	6.844	7.633	8.907	10.117	11.651	27.204	30.144	32.852	36.191	38.582
20	7.434	8.260	9.591	10.851	12.443	28.412	31.410	34.170	37.566	39.997
21	8.034	8.897	10.283	11.591	13.240	29.615	32.671	35.479	38.932	41.401
22	8.643	9.542	10.982	12.338	14.041	30.813	33.924	36.781	40.289	42.796
23	9.260	10.196	11.689	13.091	14.848	32.007	35.172	38.076	41.638	44.181
24	9.886	10.856	12.401	13.848	15.659	33.196	36.415	39.364	42.980	45.559
25	10.520	11.524	13.120	14.611	16.473	34.382	37.652	40.646	44.314	46.928
26	11.160	12.198	13.844	15.379	17.292	35.563	38.885	41.923	45.642	48.290
27	11.808	12.879	14.573	16.151	18.114	36.741	40.113	43.195	46.963	49.645
28	12.461	13.565	15.308	16.928	18.939	37.916	41.337	44.461	48.278	50.993
29	13.121	14.256	16.047	17.708	19.768	39.087	42.557	45.722	49.588	52.336
30	13.787	14.953	16.791	18.493	20.599	40.256	43.773	46.979	50.892	53.672
40	20.707	22.164	24.433	26.509	29.051	51.805	55.758	59.342	63.691	66.766
50	27.991	29.707	32.357	34.764	37.689	63.167	67.505	71.420	76.154	79.490
60	35.534	37.485	40.482	43.188	46.459	74.397	79.082	83.298	88.379	91.952
70	43.275	45.442	48.758	51.739	55.329	85.527	90.531	95.023	100.425	104.215
80	51.172	53.540	57.153	60.391	64.278	96.578	101.879	106.629	112.329	116.321
90	59.196	61.754	65.647	69.126	73.291	107.565	113.145	118.136	124.116	128.299
100	67.328	70.065	74.222	77.929	82.358	118.498	124.342	129.561	135.807	140.169

F distribution critical value landmarks

Table entries are critical values for F* with probably p in right tail of the distribution.

Figure of F distribution (like in Moore, 2004, p. 656) here.

			Degrees of freedom in numerator (df1)										
		p	1	2	3	4	5	6	7	8	12	24	1000
	1	0.100	39.86	49.50	53.59	55.83	57.24	58.20	58.91	59.44	60.71	62.00	63.30
		0.050	161.4	199.5	215.7	224.6	230.2	234.0	236.8	238.9	243.9	249.1	254.2
		0.025	647.8	799.5	864.2	899.6	921.8	937.1	948.2	956.6	976.7	997.3	1017.8
		0.010	4052	4999	5404	5624	5764	5859	5928	5981	6107	6234	6363
		0.001	405312	499725	540257	562668	576496	586033	593185	597954	610352	623703	636101
	2	0.100	8.53	9.00	9.16	9.24	9.29	9.33	9.35	9.37	9.41	9.45	9.49
		0.050	18.51	19.00	19.16	19.25	19.30	19.33	19.35	19.37	19.41	19.45	19.49
		0.025	38.51	39.00	39.17	39.25	39.30	39.33	39.36	39.37	39.41	39.46	39.50
		0.010	98.50	99.00	99.16	99.25	99.30	99.33	99.36	99.38	99.42	99.46	99.50
		0.001	998.38	998.84	999.31	999.31	999.31	999.31	999.31	999.31	999.31	999.31	999.31
	3	0.100	5.54	5.46	5.39	5.34	5.31	5.28	5.27	5.25	5.22	5.18	5.13
		0.050	10.13	9.55	9.28	9.12	9.01	8.94	8.89	8.85	8.74	8.64	8.53
		0.025	17.44	16.04	15.44	15.10	14.88	14.73	14.62	14.54	14.34	14.12	13.91
		0.010	34.12	30.82	29.46	28.71	28.24	27.91	27.67	27.49	27.05	26.60	26.14
		0.001	167.06	148.49	141.10	137.08	134.58	132.83	131.61	130.62	128.32	125.93	123.52
	4	0.100	4.54	4.32	4.19	4.11	4.05	4.01	3.98	3.95	3.90	3.83	3.76
		0.050	7.71	6.94	6.59	6.39	6.26	6.16	6.09	6.04	5.91	5.77	5.63
		0.025	12.22	10.65	9.98	9.60	9.36	9.20	9.07	8.98	8.75	8.51	8.26
		0.010	21.20	18.00	16.69	15.98	15.52	15.21	14.98	14.80	14.37	13.93	13.47
		0.001	74.13	61.25	56.17	53.43	51.72	50.52	49.65	49.00	47.41	45.77	44.09
	5	0.100	4.06	3.78	3.62	3.52	3.45	3.40	3.37	3.34	3.27	3.19	3.11
		0.050	6.61	5.79	5.41	5.19	5.05	4.95	4.88	4.82	4.68	4.53	4.37
		0.025	10.01	8.43	7.76	7.39	7.15	6.98	6.85	6.76	6.52	6.28	6.02
		0.010	16.26	13.27	12.06	11.39	10.97	10.67	10.46	10.29	9.89	9.47	9.03
		0.001	47.18	37.12	33.20	31.08	29.75	28.83	28.17	27.65	26.42	25.13	23.82
	6	0.100	3.78	3.46	3.29	3.18	3.11	3.05	3.01	2.98	2.90	2.82	2.72
		0.050	5.99	5.14	4.76	4.53	4.39	4.28	4.21	4.15	4.00	3.84	3.67
		0.025	8.81	7.26	6.60	6.23	5.99	5.82	5.70	5.60	5.37	5.12	4.86
		0.010	13.75	10.92	9.78	9.15	8.75	8.47	8.26	8.10	7.72	7.31	6.89
		0.001	35.51	27.00	23.71	21.92	20.80	20.03	19.46	19.03	17.99	16.90	15.77
	7	0.100	3.59	3.26	3.07	2.96	2.88	2.83	2.78	2.75	2.67	2.58	2.47
		0.050	5.59	4.74	4.35	4.12	3.97	3.87	3.79	3.73	3.57	3.41	3.23
		0.025	8.07	6.54	5.89	5.52	5.29	5.12	4.99	4.90	4.67	4.41	4.15
		0.010	12.25	9.55	8.45	7.85	7.46	7.19	6.99	6.84	6.47	6.07	5.66
		0.001	29.25	21.69	18.77	17.20	16.21	15.52	15.02	14.63	13.71	12.73	11.72
	8	0.100	3.46	3.11	2.92	2.81	2.73	2.67	2.62	2.59	2.50	2.40	2.30
		0.050	5.32	4.46	4.07	3.84	3.69	3.58	3.50	3.44	3.28	3.12	2.93
		0.025	7.57	6.06	5.42	5.05	4.82	4.65	4.53	4.43	4.20	3.95	3.68
		0.010	11.26	8.65	7.59	7.01	6.63	6.37	6.18	6.03	5.67	5.28	4.87
		0.001	25.41	18.49	15.83	14.39	13.48	12.86	12.40	12.05	11.19	10.30	9.36
	9	0.100	3.36	3.01	2.81	2.69	2.61	2.55	2.51	2.47	2.38	2.28	2.16
		0.050	5.12	4.26	3.86	3.63	3.48	3.37	3.29	3.23	3.07	2.90	2.71
		0.025	7.21	5.71	5.08	4.72	4.48	4.32	4.20	4.10	3.87	3.61	3.34
		0.010	10.56	8.02	6.99	6.42	6.06	5.80	5.61	5.47	5.11	4.73	4.32
		0.001	22.86	16.39	13.90	12.56	11.71	11.13	10.70	10.37	9.57	8.72	7.84

Degrees of freedom in denominator (df2)

Critical values computed with Excel 9.0

		Degrees of freedom in numerator (df1)										
	p	1	2	3	4	5	6	7	8	12	24	1000
10	0.100	3.29	2.92	2.73	2.61	2.52	2.46	2.41	2.38	2.28	2.18	2.06
	0.050	4.96	4.10	3.71	3.48	3.33	3.22	3.14	3.07	2.91	2.74	2.54
	0.025	6.94	5.46	4.83	4.47	4.24	4.07	3.95	3.85	3.62	3.37	3.09
	0.010	10.04	7.56	6.55	5.99	5.64	5.39	5.20	5.06	4.71	4.33	3.92
	0.001	21.04	14.90	12.55	11.28	10.48	9.93	9.52	9.20	8.45	7.64	6.78
12	0.100	3.18	2.81	2.61	2.48	2.39	2.33	2.28	2.24	2.15	2.04	1.91
	0.050	4.75	3.89	3.49	3.26	3.11	3.00	2.91	2.85	2.69	2.51	2.30
	0.025	6.55	5.10	4.47	4.12	3.89	3.73	3.61	3.51	3.28	3.02	2.73
	0.010	9.33	6.93	5.95	5.41	5.06	4.82	4.64	4.50	4.16	3.78	3.37
	0.001	18.64	12.97	10.80	9.63	8.89	8.38	8.00	7.71	7.00	6.25	5.44
14	0.100	3.10	2.73	2.52	2.39	2.31	2.24	2.19	2.15	2.05	1.94	1.80
	0.050	4.60	3.74	3.34	3.11	2.96	2.85	2.76	2.70	2.53	2.35	2.14
	0.025	6.30	4.86	4.24	3.89	3.66	3.50	3.38	3.29	3.05	2.79	2.50
	0.010	8.86	6.51	5.56	5.04	4.69	4.46	4.28	4.14	3.80	3.43	3.02
	0.001	17.14	11.78	9.73	8.62	7.92	7.44	7.08	6.80	6.13	5.41	4.62
16	0.100	3.05	2.67	2.46	2.33	2.24	2.18	2.13	2.09	1.99	1.87	1.72
	0.050	4.49	3.63	3.24	3.01	2.85	2.74	2.66	2.59	2.42	2.24	2.02
	0.025	6.12	4.69	4.08	3.73	3.50	3.34	3.22	3.12	2.89	2.63	2.32
	0.010	8.53	6.23	5.29	4.77	4.44	4.20	4.03	3.89	3.55	3.18	2.76
	0.001	16.12	10.97	9.01	7.94	7.27	6.80	6.46	6.20	5.55	4.85	4.08
18	0.100	3.01	2.62	2.42	2.29	2.20	2.13	2.08	2.04	1.93	1.81	1.66
	0.050	4.41	3.55	3.16	2.93	2.77	2.66	2.58	2.51	2.34	2.15	1.92
	0.025	5.98	4.56	3.95	3.61	3.38	3.22	3.10	3.01	2.77	2.50	2.20
	0.010	8.29	6.01	5.09	4.58	4.25	4.01	3.84	3.71	3.37	3.00	2.58
	0.001	15.38	10.39	8.49	7.46	6.81	6.35	6.02	5.76	5.13	4.45	3.69
20	0.100	2.97	2.59	2.38	2.25	2.16	2.09	2.04	2.00	1.89	1.77	1.61
	0.050	4.35	3.49	3.10	2.87	2.71	2.60	2.51	2.45	2.28	2.08	1.85
	0.025	5.87	4.46	3.86	3.51	3.29	3.13	3.01	2.91	2.68	2.41	2.09
	0.010	8.10	5.85	4.94	4.43	4.10	3.87	3.70	3.56	3.23	2.86	2.43
	0.001	14.82	9.95	8.10	7.10	6.46	6.02	5.69	5.44	4.82	4.15	3.40
30	0.100	2.88	2.49	2.28	2.14	2.05	1.98	1.93	1.88	1.77	1.64	1.46
	0.050	4.17	3.32	2.92	2.69	2.53	2.42	2.33	2.27	2.09	1.89	1.63
	0.025	5.57	4.18	3.59	3.25	3.03	2.87	2.75	2.65	2.41	2.14	1.80
	0.010	7.56	5.39	4.51	4.02	3.70	3.47	3.30	3.17	2.84	2.47	2.02
	0.001	13.29	8.77	7.05	6.12	5.53	5.12	4.82	4.58	4.00	3.36	2.61
50	0.100	2.81	2.41	2.20	2.06	1.97	1.90	1.84	1.80	1.68	1.54	1.33
	0.050	4.03	3.18	2.79	2.56	2.40	2.29	2.20	2.13	1.95	1.74	1.45
	0.025	5.34	3.97	3.39	3.05	2.83	2.67	2.55	2.46	2.22	1.93	1.56
	0.010	7.17	5.06	4.20	3.72	3.41	3.19	3.02	2.89	2.56	2.18	1.70
	0.001	12.22	7.96	6.34	5.46	4.90	4.51	4.22	4.00	3.44	2.82	2.05
100	0.100	2.76	2.36	2.14	2.00	1.91	1.83	1.78	1.73	1.61	1.46	1.22
	0.050	3.94	3.09	2.70	2.46	2.31	2.19	2.10	2.03	1.85	1.63	1.30
	0.025	5.18	3.83	3.25	2.92	2.70	2.54	2.42	2.32	2.08	1.78	1.36
	0.010	6.90	4.82	3.98	3.51	3.21	2.99	2.82	2.69	2.37	1.98	1.45
	0.001	11.50	7.41	5.86	5.02	4.48	4.11	3.83	3.61	3.07	2.46	1.64
1000	0.100	2.71	2.31	2.09	1.95	1.85	1.78	1.72	1.68	1.55	1.39	1.08
	0.050	3.85	3.00	2.61	2.38	2.22	2.11	2.02	1.95	1.76	1.53	1.11
	0.025	5.04	3.70	3.13	2.80	2.58	2.42	2.30	2.20	1.96	1.65	1.13
	0.010	6.66	4.63	3.80	3.34	3.04	2.82	2.66	2.53	2.20	1.81	1.16
	0.001	10.89	6.96	5.46	4.65	4.14	3.78	3.51	3.30	2.77	2.16	1.22

Use StaTable, WinPepi > WhatIs, or other reliable software to determine specific p values

Degrees of freedom in denominator (df2)