

# Solution Manual for Essentials of Business Analytics 1st Edition by Camm Cochran Fry Ohlmann Anderson ISBN 9781285187273

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Descriptive Statistics

## Chapter 2 Descriptive Statistics

### Solutions:

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1. a. Quantitative
- b. Categorical
- c. Categorical
- d. Quantitative
- e. Categorical

2. a. The top 10 countries according to GDP are listed below.

<u>Country</u>	<u>Continent</u>	<u>GDP (millions of US\$)</u>
United States	North America	15,094,025
China	Asia	7,298,147
Japan	Asia	5,869,471
Germany	Europe	3,577,031
France	Europe	2,776,324
Brazil	South America	2,492,908
United Kingdom	Europe	2,417,570
Italy	Europe	2,198,730
Russia	Asia	1,850,401
Canada	North America	1,736,869

- b. The top 5 countries by GDP located in Africa are listed below.

<u>Country</u>	<u>Continent</u>	<u>GDP (millions of US\$)</u>
South Africa	Africa	408,074
Nigeria	Africa	238,920
Egypt	Africa	235,719
Algeria	Africa	190,709
Angola	Africa	100,948

3. a. The sorted list of carriers appears below.

<b>Carrier</b>	<b>Previous Year On-time Percentage</b>	<b>Current Year On-time Percentage</b>
Blue Box Shipping	88.4%	94.8%
Cheetah LLC	89.3%	91.8%
Smith Logistics	84.3%	88.7%
Granite State Carriers	81.8%	87.6%

Super Freight	92.1%	86.8%
Minuteman Company	91.0%	84.2%
Jones Brothers	68.9%	82.8%
Honsin Limited	74.2%	80.1%
Rapid Response	78.8%	70.9%

Blue Box Shipping is providing the best on-time service in the current year. Rapid Response is providing the worst on-time service in the current year.

b. The output from Excel with conditional formatting appears below.

	A	B	C	D
		Previous Year	Current Year	
		On-time	On-time	Change in On-
1	Carrier	Percentage	Percentage	time Percentage
2	Blue Box Shipping	88.4%	94.8%	6.4%
3	Cheetah LLC	89.3%	91.8%	2.5%
4	Smith Logistics	84.3%	88.7%	4.4%
5	Granite State Carriers	81.8%	87.6%	5.8%
6	Super Freight	92.1%	86.8%	-5.3%
7	Minuteman Company	91.0%	84.2%	-6.8%
8	Jones Brothers	68.9%	82.8%	13.9%
9	Honsin Limited	74.2%	80.1%	5.9%
10	Rapid Response	78.8%	70.9%	-7.9%

c. The output from Excel containing data bars appears below.

	A	B	C	D
		Previous Year	Current Year	
		On-time	On-time	Change in On-
1	Carrier	Percentage	Percentage	time Percentage
2	Blue Box Shipping	88.4%	94.8%	6.4%
3	Cheetah LLC	89.3%	91.8%	2.5%
4	Smith Logistics	84.3%	88.7%	4.4%
5	Granite State Carriers	81.8%	87.6%	5.8%
6	Super Freight	92.1%	86.8%	-5.3%
7	Minuteman Company	91.0%	84.2%	-6.8%
8	Jones Brothers	68.9%	82.8%	13.9%
9	Honsin Limited	74.2%	80.1%	5.9%
10	Rapid Response	78.8%	70.9%	-7.9%

d. The top 4 shippers based on current year on-time percentage (Blue Box Shipping, Cheetah LLC, Smith Logistics, and Granite State Carriers) all have positive increases from the previous year and high on-time percentages. These are good candidates for carriers to use in the future.

4. a. The relative frequency of D is  $1.0 - 0.22 - 0.18 - 0.40 = 0.20$ .

b. If the total sample size is 200 the frequency of D is  $0.20 * 200 = 40$ .

c. and d.

Class	Relative Frequency	Frequency	% Frequency
A	0.22	44	22

B	0.18	36	18
C	0.40	80	40
D	0.20	40	20
Total	1.0	200	100

5. a. These data are categorical.

b.

Show	Frequency	% Frequency
Jep	9	18
JJ	8	16
BBT	14	28
THM	6	12
WoF	<u>13</u>	<u>26</u>
Total	50	100

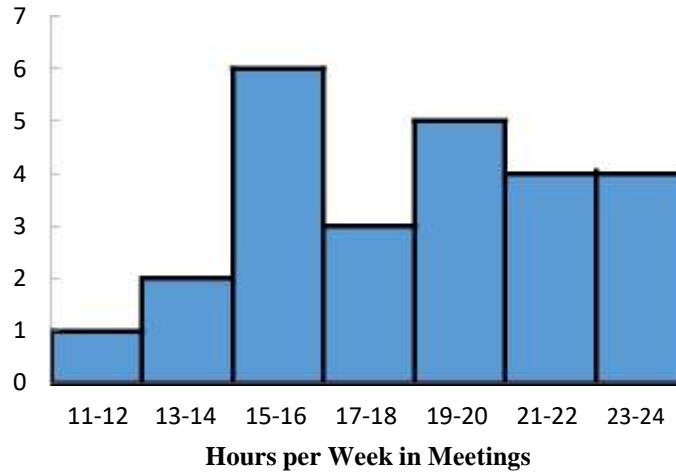
c. The largest viewing audience is for *The Big Bang Theory* and the second largest is for *Wheel of Fortune*.

6. a. Least = 12, Highest = 23

b.

Hours in Meetings per Week	Frequency	Percent Frequency
11-12	1	4%
13-14	2	8%
15-16	6	24%
17-18	3	12%
19-20	5	20%
21-22	4	16%
23-24	4	16%
	<hr/> 25	100%

c.



The distribution is slightly skewed to the left.

7. a.

Industry	Frequency	% Frequency
Bank	26	13%
Cable	44	22%
Car	42	21%
Cell	60	30%
Collection	28	14%
<b>Total</b>	<b>200</b>	<b>100%</b>

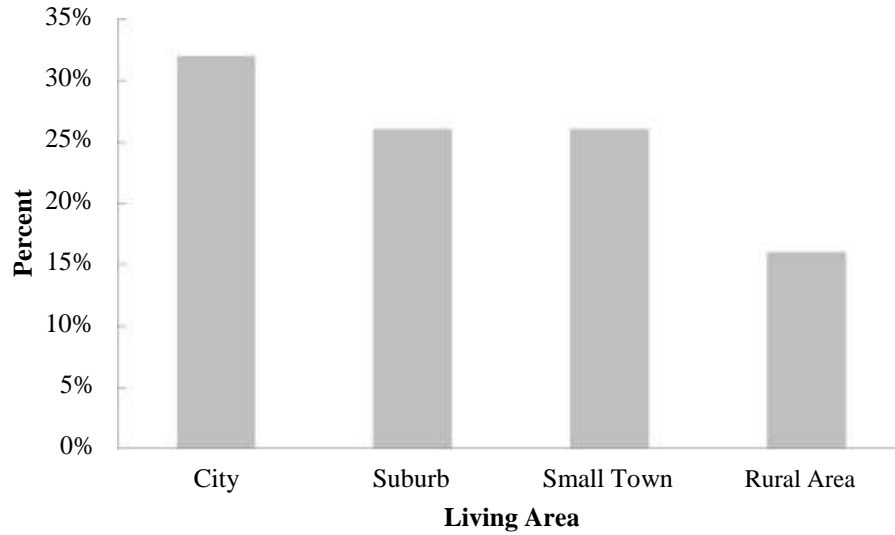
b. The cellular phone providers had the highest number of complaints.

c. The percentage frequency distribution shows that the two financial industries (banks and collection agencies) had about the same number of complaints. Also, new car dealers and cable and satellite television companies also had about the same number of complaints.

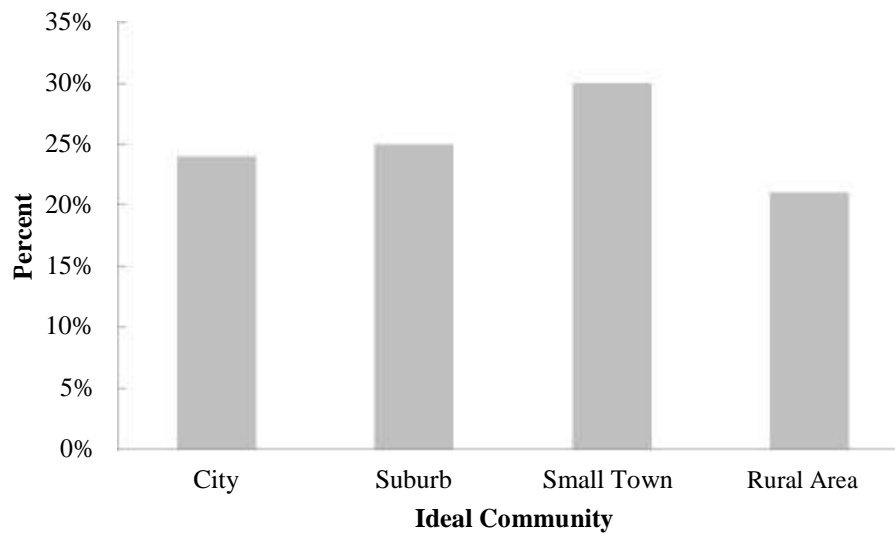
8. a.

Living Area	Live Now	Ideal Community
City	32/100=32%	24/100=24%
Suburb	26/100=26%	25/100=25%
Small Town	26/100=26%	30/100=30%
Rural Area	16/100=16%	21/100=21%
<b>Total</b>	<b>100%</b>	<b>100%</b>

Where do you live now?



What do you consider the ideal community?



- b. Most adults are now living in a city (32%).
- c. Most adults consider the ideal community a small town (30%).
- d. Changes in percentages by living area: City -8%, Suburb -1%, Small Town +4%, and Rural Area +5%.  
Suburb living is steady, but the trend would be that living in the city would decline while living in small towns and rural areas would increase.

9.a.

<u>Class</u>	<u>Frequency</u>
12-14	2
15-17	8
18-20	11
21-23	10
<u>24-26</u>	<u>9</u>
Total:	40

b.

<u>Class</u>	<u>Relative Frequency</u>	<u>Percent Frequency</u>
12-14	0.050	5.0%
15-17	0.200	20.0%
18-20	0.275	27.5%
21-23	0.250	25.0%
<u>24-26</u>	<u>0.225</u>	<u>22.5%</u>
Total:	1.000	100.0%

10.

<u>Class</u>	<u>Frequency</u>	<u>Cumulative Frequency</u>
10-19	10	10
20-29	14	24
30-39	17	41
40-49	7	48
50-59	2	50

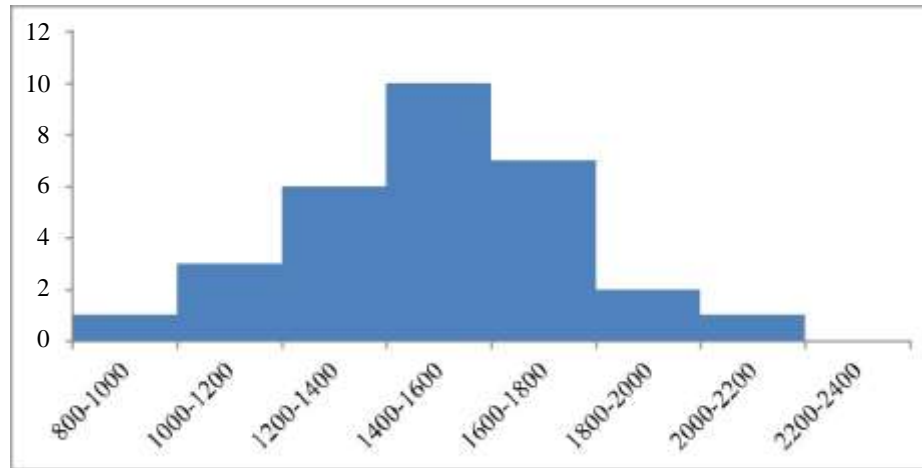
11. a – d.

<u>Class</u>	<u>Frequency</u>	<u>Relative Frequency</u>	<u>Cumulative Frequency</u>	<u>Cumulative Relative Frequency</u>
0-4	4	0.20	4	0.20
5-9	8	0.40	12	0.60
10-14	5	0.25	17	0.85
15-19	2	0.10	19	0.95
<u>20-24</u>	<u>1</u>	<u>0.05</u>	<u>20</u>	<u>1.00</u>
Total:	20	1.00		

e. From the cumulative relative frequency distribution, 60% of customers wait 9 minutes or less.

12. a.

Class	Frequency
800-1000	1
1000-1200	3
1200-1400	6
1400-1600	10
1600-1800	7
1800-2000	2
2000-2200	1
2200-2400	0



- b. The distribution is slightly skewed to the right.
- c. The most common score for students is between 1400 and 1600. No student scored above 2200, and only 3 students scored above 1800. Only 4 students scored below 1200.

13. a.  $\text{Mean} = \frac{10+20+12+17+16}{5} = 15$  or use the Excel function AVERAGE.

To calculate the median, we arrange the data in ascending order:

10 12 16 17 20

Because we have  $n = 5$  values which is an odd number, the median is the middle value which is 16 or use the Excel function MEDIAN.

- b. Because the additional data point, 12, is lower than the mean and median computed in part a, we expect the mean and median to decrease. Calculating the new mean and median gives us mean = 14.5 and median = 14.

14. Without Excel, to calculate the 20th percentile, we first arrange the data in ascending order:

15 20 25 25 27 28 30 34

Next we calculate  $k = (n + 1) * p = (8 + 1) * 0.2 = 1.8$

We divide 1.8 into  $i = 1$  and  $d = 0.8$ .

Because  $d > 0$ , the 20th percentile is between the values in positions  $i = 1$  and  $i + 1 = 2$  of our sorted data (between 15 and 20), and we must interpolate between these two values. The difference between the 1st and 2nd values is  $m = 20 - 15 = 5$ .

So,  $t = m * d = 5 * 0.8 = 4$ .

Finally, we add  $t$  to the first value of our sorted data set (because  $i = 1$ ) to get  $15 + 4 = 19$ . Therefore, the 20th percentile of our data is 19.



We can repeat the steps above to calculate the 25th, 65th and 75th percentiles. Or using Excel, we can use the function PERCENTILE.EXC to get:

25th percentile = 21.25

65th percentile = 27.85

75th percentile = 29.5

15. Mean =  $\frac{53+55+70+58+64+57+53+69+57+68+53}{11} = 59.727$  or use the Excel function AVERAGE.

To calculate the median arrange the values in ascending

order 53 53 53 55 57 57 58 64 68 69 70

Because we have  $n = 11$ , an odd number of values, the median is the middle value which is 57 or use the Excel function MEDIAN.

The mode is the most often occurring value which is 53 because 53 appears three times in the data set, or use the Excel function MODE.SNGL because there is only a single mode in this data set.

16. To find the mean annual growth rate, we must use the geometric mean. First we note that

$$3500 = 5000 \cdot x_1 \cdot x_2 \cdot \dots \cdot x_9, \text{ so } \sqrt[9]{\frac{3500}{5000}} = 0.700$$

where  $x_1, x_2, \dots$  are the growth factors for years, 1, 2, etc. through year 9.

So the mean annual growth rate is  $(0.961144 - 1)100\% = -0.38856\%$

17. For the Stivers mutual fund,

$$18000 = 10000 \cdot x_1 \cdot x_2 \cdot \dots \cdot x_8, \text{ so } \sqrt[8]{\frac{18000}{10000}} = 1.8$$

where  $x_1, x_2, \dots$  are the growth factors for years, 1, 2, etc. through year 8.

Next, we calculate  $\sqrt[8]{1.8} = 1.07624$

So the mean annual return for the Stivers mutual fund is  $(1.07624 - 1)100 = 7.624\%$ .

For the Trippi mutual fund we have:

$$\frac{10600}{5000} = \sqrt[8]{x_1 \cdot x_2 \cdot \dots \cdot x_8}, \text{ so } \sqrt[8]{\frac{10600}{5000}} = 2.12 \text{ and } \sqrt[8]{2.12} = 1.09848$$

So the mean annual return for the Trippi mutual fund is  $(1.09848 - 1)100 = 9.848\%$ .

While the Stivers mutual fund has generated a nice annual return of 7.6%, the annual return of 9.8% earned by the Trippi mutual fund is far superior.

Alternatively, we can use Excel and the function GEOMEAN as shown below:

	Stivers		Trippi	
Year	End of Year Value	Growth Factor	End of Year Value	Growth Factor
0	\$10,000		\$5,000	
1	\$11,000	1.100	\$5,600	1.120
2	\$12,000	1.091	\$6,100	1.125
3	\$13,000	1.083	\$6,900	1.095
4	\$14,000	1.077	\$7,600	1.101
5	\$15,000	1.071	\$8,500	1.118
6	\$16,000	1.067	\$9,200	1.082
7	\$17,000	1.063	\$9,900	1.076
8	\$18,000	1.059	\$10,600	1.071
Stivers Geometric Mean: 1.07621984				
Trippi Geometric Mean: 1.09347957				

	Stivers		Trippi	
Year	End of Year Value	Growth Factor	End of Year Value	Growth Factor
0	10000		5000	
1	11000	=B4/B3	5600	=D4/D3
2	12000	=B5/B4	6300	=D5/D4
3	13000	=B6/B5	6900	=D6/D5
4	14000	=B7/B6	7600	=D7/D6
5	15000	=B8/B7	8500	=D8/D7
6	16000	=B9/B8	9200	=D9/D8
7	17000	=B10/B9	9900	=D10/D9
8	18000	=B11/B10	10600	=D11/D10
		Geometric Mean: =GEOMEAN(C3:C11)		
		Geometric Mean: =GEOMEAN(E4:E11)		

18. a. Mean =  $\frac{\sum_{i=1}^n X_i}{n} = \frac{12915}{48} = 26.906$

b. To calculate the median, we first sort all 48 commute times in ascending order. Because there are an even number of values (48), the median is between the 24th and 25th largest values. The 24th largest value is 25.8 and the 25th largest value is 26.1.  
 $(25.8 + 26.1)/2 = 25.95$   
 Or we can use the Excel function MEDIAN.

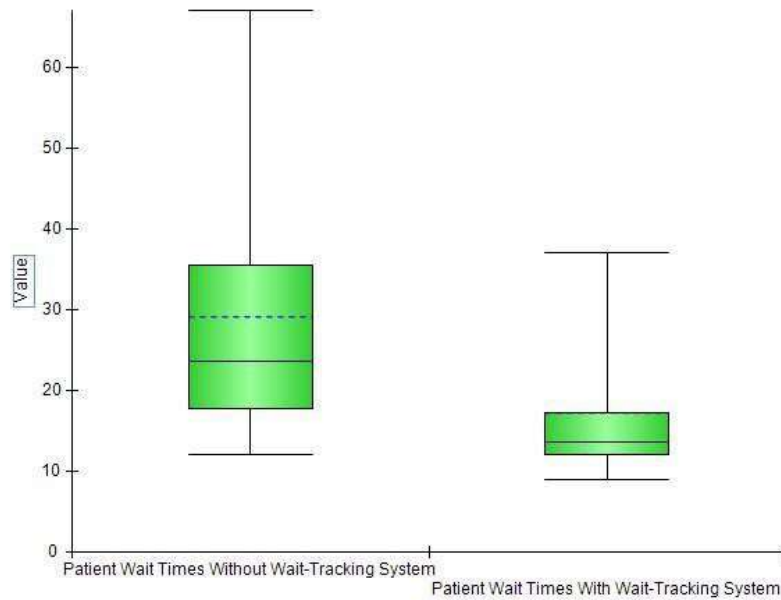
c. The values 23.4 and 24.8 both appear three times in the data set, so these two values are the modes of the commute times. To find this using Excel, we must use the MODE.MULT function.

d. Standard deviation = 4.6152. In Excel, we can find this value using the function STDEV.S.  
 Variance =  $4.6152^2 = 21.2998$ . In Excel, we can find this value using the function VAR.S.

e. The third quartile is the 75th percentile of the data. To find the 75th percentile without Excel, we first arrange the data in ascending order. Next we calculate  $k = (n + 1) * p = (48 + 1) * 0.75 = 36.75$ .  
 We divide 36.75 into  $i = 36$  and  $d = 0.75$ .  
 Because  $d > 0$ , the 75th percentile is between the values in positions  $i = 36$  and  $i + 1 = 37$  of our sorted data. However, in the sorted data, these two values are both 28.5. Therefore, the 75th percentile is 28.5. Or using Excel, we can use the function PERCENTILE.EXC.

19. a. The mean waiting time for patients with the wait-tracking system is 17.2 minutes and the median waiting time is 13.5 minutes. The mean waiting time for patients without the wait-tracking system is 29.1 minutes and the median is 23.5 minutes.

b. The standard deviation of waiting time for patients with the wait-tracking system is 9.28 and the variance is 86.18. The standard deviation of waiting time for patients without the wait-tracking system is 16.60 and the variance is 275.66.



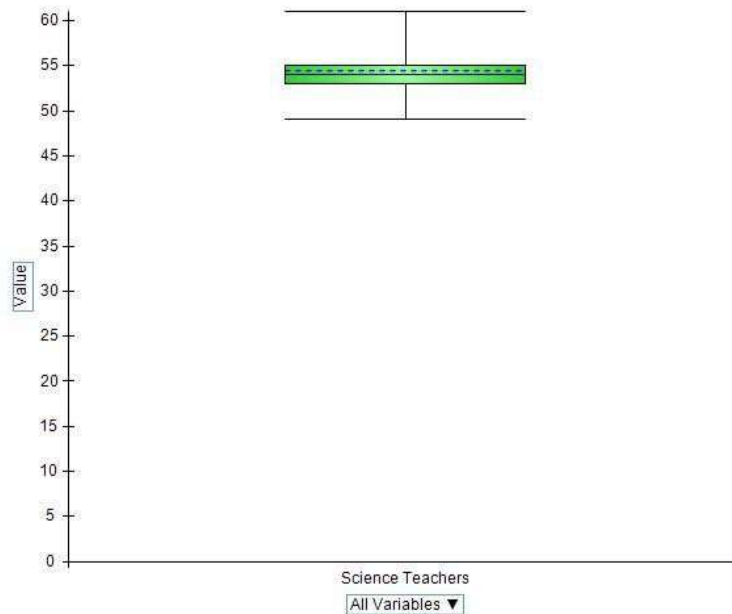
c and d.

e. Wait times for patients with the wait-tracking system are substantially shorter than those for patients without the wait-tracking system. However, some patients with the wait-tracking system still experience long waits.

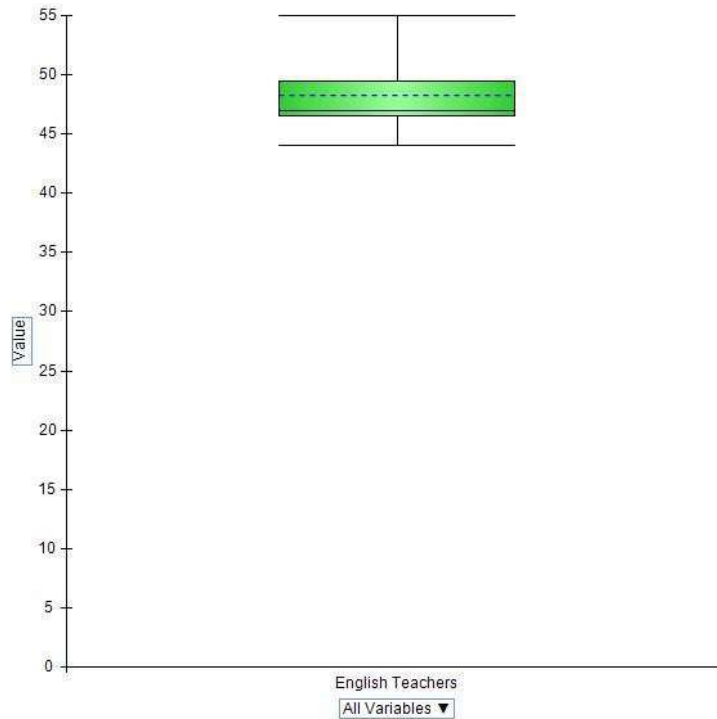
20. a. The median number of hours worked for science teachers is 54.

b. The median number of hours worked for English teachers is 47.

c.



d.



e. The box plots show that science teachers spend more hours working per week than English teachers. The box plot for science teachers also shows that most science teachers work about the same amount of hours; in other words, there is less variability in the number of hours worked for science teachers.

21. a. Recall that the mean patient wait time without wait-time tracking is 29.1 and the standard deviation of wait times is 16.6. Then the z-score is calculated as,  $= \frac{37-29.1}{16.6} = 0.48$ .  
 b. Recall that the mean patient wait time with wait-time tracking is 17.2 and the standard deviation of wait times is 9.28. Then the z-score is calculated as,  $= \frac{37-17.2}{9.28} = 2.13$ .

As indicated by the positive z-scores, both patients had wait times that exceeded the means of their respective samples. Even though the patients had the same wait time, the z-score for the sixth patient in the sample who visited an office with a wait tracking system is much larger because that patient is part of a sample with a smaller mean and a smaller standard deviation.

- c. To calculate the z-score for each patient waiting time, we can use the formula  $z = \frac{x - \mu}{\sigma}$  or we can use the Excel function STANDARDIZE. The z-scores for all patients follow.

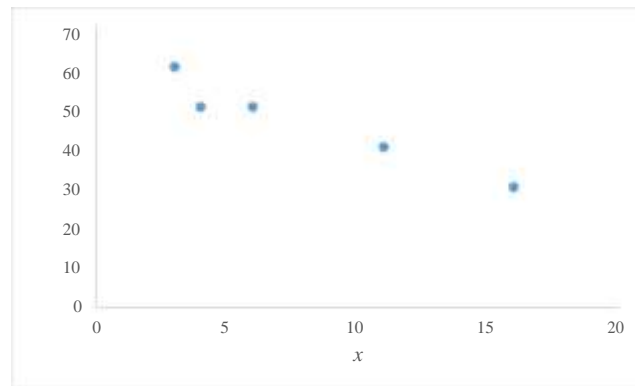
Without Wait-Tracking System		With Wait-Tracking System	
Wait Time	z-Score	Wait Time	z-Score
24	-0.31	31	1.49
67	2.28	11	-0.67
17	-0.73	14	-0.34
20	-0.55	18	0.09
31	0.11	12	-0.56
44	0.90	37	2.13

12	-1.03		9	-0.88
23	-0.37		13	-0.45
16	-0.79		12	-0.56
37	0.48		15	-0.24

No z-score is less than -3.0 or above +3.0; therefore, the z-scores do not indicate the existence of any outliers in either sample.

22. a. According to the empirical rule, approximately 95% of data values will be within two standard deviations of the mean. 4.5 is two standard deviation less than the mean and 9.3 is two standard deviations greater than the mean. Therefore, approximately 95% of individuals sleep between 4.5 and 9.3 hours per night.
- b.  $= \frac{8-6.9}{1.1} = 0.9167$
- c.  $= \frac{6-6.9}{1.1} = -0.75$
23. a. 615 is one standard deviation above the mean. The empirical rule states that 68% of data values will be within one standard deviation of the mean. Because a bell-shaped distribution is symmetric half of the remaining values will be greater than the (mean + 1 standard deviation) and half will be below (mean - 1 standard deviation). In other words, we expect that  $0.5*(1 - 68%) = 16%$  of the data values will be greater than (mean + 1 standard deviation) = 615.
- b. 715 is two standard deviations above the mean. The empirical rule states that 95% of data values will be within two standard deviations of the mean, and we expect that  $0.5*(1 - 95%) = 2.5%$  of data values will be above two standard deviations above the mean.
- c. 415 is one standard deviation below the mean. The empirical rule states that 68% of data values will be within one standard deviation of the mean, and we expect that  $0.5*(1 - 68%) = 16%$  of data values will be below one standard deviation below the mean. 515 is the mean, so we expect that 50% of the data values will be below the mean. Therefore, we expect  $50% - 16% = 36%$  of the data values will be between the mean and one standard deviation below the mean (between 414 and 515).
- d.  $= \frac{620-515}{100} = 1.05$
- e.  $= \frac{405-515}{100} = -1.10$

24. a.



- b. There appears to be a negative linear relationship between the  $x$  and  $y$  variables.

c. Without Excel, we can use the calculations shown below to calculate the covariance:

$x_i$	$y_i$	$(x_i - \bar{x})$	$(y_i - \bar{y})$	$(x_i - \bar{x})(y_i - \bar{y})$
4	50	-4	4	-16
6	50	-2	4	-8
11	40	3	-6	-18
3	60	-5	14	-70
16	30	8	-16	-128

$$= \frac{\sum (x_i - \bar{x})(y_i - \bar{y})}{n} = \frac{-16 - 8 - 18 - 70 - 128}{8} = -60$$

Or, using Excel, we can use the COVARIANCE.S function.

The negative covariance confirms that there is a negative linear relationship between the x and y variables in this data set.

d. To calculate the correlation coefficient without Excel, we need the standard deviation for x and y:  $s_x = 5.43$ ,  $s_y = 11.40$ . Then the correlation coefficient is calculated as:

$$r = \frac{\text{Cov}(x, y)}{s_x s_y} = \frac{-60}{5.43 \times 11.40} = -0.97$$

Or we can use the Excel function CORREL.

The correlation coefficient indicates a strong negative linear association between the x and y variables in this data set.

25. a. The scatter chart indicates that there may be a positive linear relationship between profits and market capitalization.

b. Without Excel, we can use the calculations below to find the covariance and correlation coefficient:

$x_i$	$y_i$	$(x_i - \bar{x})$	$(y_i - \bar{y})$	$(x_i - \bar{x})^2$	$(y_i - \bar{y})^2$	$(x_i - \bar{x})(y_i - \bar{y})$
313.2	1891.9	-2468.57	-35259.75	6093826.70	1243249856.32	87041077.46
631	81458.6	-2150.77	44306.95	4625801.88	1963105961.23	-95293962.27
706.6	10087.6	-2075.17	-27064.05	4306321.16	732462715.10	56162440.18
-29	1175.8	-2810.77	-35975.85	7900415.30	1294261667.17	101119754.14
4,018.00	55188.8	1236.23	18037.15	1528270.20	325338838.31	22298108.67
959	14115.2	-1822.77	-23036.45	3322482.24	530677954.29	41990095.01
6,490.00	97376.2	3708.23	60224.55	13750986.48	3626996616.98	223326625.02
8,572.00	157130.5	5790.23	119978.85	33526789.60	14394924834.35	694705416.89
12,436.00	95251.9	9654.23	58100.25	93204200.49	3375639237.48	560913323.32
1,462.00	36461.2	-1319.77	-690.45	1741786.89	476718.98	911231.51
3,461.00	53575.7	679.23	16424.05	461356.46	269749471.38	11155745.66
854	7082.1	-1927.77	-30069.55	3716288.47	904177740.20	57967105.40
369.5	3461.4	-2412.27	-33690.25	5819035.66	1135032836.38	81269899.40
399.8	12520.3	-2381.97	-24631.35	5673770.32	606703323.37	58671077.30
278	3547.6	-2503.77	-33604.05	6268852.91	1129232068.00	84136732.35
9,190.00	32382.4	6408.23	-4769.25	41065440.67	22745730.18	-30562451.36
599.1	8925.3	-2182.67	-28226.35	4764038.47	796726743.27	61608740.10
2,465.00	9550.2	-316.77	-27601.45	100341.80	761839953.07	8743248.48

3,527.00	65917.4	745.23	28765.75	555371.12	827468465.86	21437166.03
602	13819.5	-2179.77	-23332.15	4751387.41	544389148.36	50858664.40
2,655.00	26651.1	-126.77	-10500.55	16070.06	110261516.43	1331130.81
1,455.70	21865.9	-1326.07	-15285.75	1758455.66	233654103.75	20269937.85
276	3417.8	-2505.77	-33733.85	6278871.98	1137972527.00	84529189.10
617.5	3681.2	-2164.27	-33470.45	4684054.86	1120270915.23	72439011.75
11,797.00	182109.9	9015.23	144958.25	81274412.67	21012894710.67	1306832306.01
567.6	12522.8	-2214.17	-24628.85	4902538.79	606580172.87	54532401.62
697.8	10514.8	-2083.97	-26636.85	4342921.55	709521692.00	55510332.79
634	8560.5	-2147.77	-28591.15	4612906.27	817453766.09	61407146.21
109	1381.6	-2672.77	-35770.05	7143687.40	1279496361.62	95605031.46
4,979.00	66606.5	2197.23	29454.85	4827829.60	867588283.54	64719150.12
5,142.00	53469.4	2360.23	16317.75	<u>5570696.31</u>	<u>266269017.70</u>	<u>38513683.74</u>
			Total	368589209.4	62647162947	3954149359

$$\begin{aligned} & \Sigma(x - \bar{x})(y - \bar{y}) = 3954149359 \\ & \Sigma(x - \bar{x})^2 = 368589209.4 \\ & \Sigma(y - \bar{y})^2 = 62647162947 \\ & \sqrt{\Sigma(x - \bar{x})^2} = \sqrt{368589209.4} = 191989.29 \\ & \sqrt{\Sigma(y - \bar{y})^2} = \sqrt{62647162947} = 25029417.2 \\ & \frac{3954149359}{191989.29 \times 25029417.2} = \frac{3954149359}{4804978638.6} = 0.8229 \end{aligned}$$

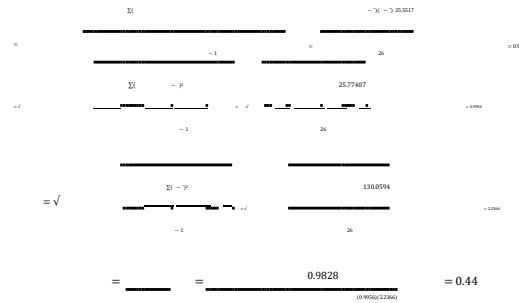
Or using Excel, we use the formula = COVARIANCE.S(B2:B32,C2:C32) to calculate the covariance, which is 131804978.638. This indicates that there is a positive relationship between profits and market capitalization.

- c. In the Excel file, we use the formula =CORREL(B2:B32,C2:C32) to calculate the correlation coefficient, which is 0.8229. This indicates that there is a strong linear relationship between profits and market capitalization.

26. a. Without Excel, we can use the calculations below to find the correlation coefficient:

$x_i$	$y_i$	$(x_i - \bar{x})$	$(y_i - \bar{y})$	$(x_i - \bar{x})^2$	$(y_i - \bar{y})^2$	$(x_i - \bar{x})(y_i - \bar{y})$
7.1	7.02	0.2852	0.6893	0.0813	0.4751	0.1966
5.2	5.31	-1.6148	-1.0207	2.6076	1.0419	1.6483
7.8	5.38	0.9852	-0.9507	0.9706	0.9039	-0.9367
7.8	5.40	0.9852	-0.9307	0.9706	0.8663	-0.9170
5.8	5.00	-1.0148	-1.3307	1.0298	1.7709	1.3505
5.8	4.07	-1.0148	-2.2607	1.0298	5.1109	2.2942
9.3	6.53	2.4852	0.1993	6.1761	0.0397	0.4952
5.7	5.57	-1.1148	-0.7607	1.2428	0.5787	0.8481
7.3	6.99	0.4852	0.6593	0.2354	0.4346	0.3199
7.6	11.12	0.7852	4.7893	0.6165	22.9370	3.7605
8.2	7.56	1.3852	1.2293	1.9187	1.5111	1.7028
7.1	12.11	0.2852	5.7793	0.0813	33.3998	1.6482
6.3	4.39	-0.5148	-1.9407	0.2650	3.7665	0.9991
6.6	4.78	-0.2148	-1.5507	0.0461	2.4048	0.3331
6.2	5.78	-0.6148	-0.5507	0.3780	0.3033	0.3386
6.3	6.08	-0.5148	-0.2507	0.2650	0.0629	0.1291
7.0	10.05	0.1852	3.7193	0.0343	13.8329	0.6888
6.2	4.75	-0.6148	-1.5807	0.3780	2.4987	0.9719

5.5	7.22	-1.3148	0.8893	1.7287	0.7908	-1.1692
6.5	3.79	-0.3148	-2.5407	0.0991	6.4554	0.7999
6.0	3.62	-0.8148	-2.7107	0.6639	7.3481	2.2088
8.3	9.24	1.4852	2.9093	2.2058	8.4638	4.3208
7.5	4.40	0.6852	-1.9307	0.4695	3.7278	-1.3229
7.1	6.91	0.2852	0.5793	0.0813	0.3355	0.1652
6.8	5.57	-0.0148	-0.7607	0.0002	0.5787	0.0113
5.5	3.87	-1.3148	-2.4607	1.7287	6.0552	3.2354
7.5	8.42	0.6852	2.0893	<u>0.4695</u>	<u>4.3650</u>	<u>1.4315</u>
			Total	25.77407	130.0594	25.5517



Or we can use the Excel function CORREL.

The correlation coefficient indicates that there is a moderate positive linear relationship between jobless rate and delinquent loans. If the jobless rate were to increase, it is likely that an increase in the percentage of delinquent housing loans would also occur.

b.

