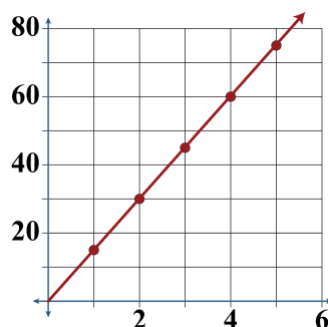


CORRELATION COEFFICIENTS AND TRENDS (MODEL NOTES)

Directions

- 1) Sketch one single straight line that you think best fits each set of data.
- 2) Highlight the values for a , b , and r (not r^2).

Tickets	Cost
1	\$15
2	\$30
3	\$45
4	\$60
5	\$75



LinReg

$$y = ax + b$$

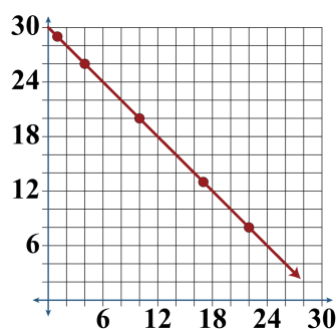
$$a = 15$$

$$b = 0$$

$$r^2 = 1$$

$$r = 1$$

Candy Eaten	Candy Left
1	29
4	26
10	20
17	13
22	8



LinReg

$$y = ax + b$$

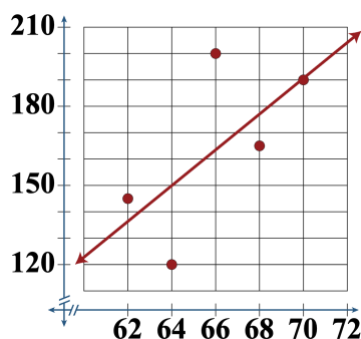
$$a = -1$$

$$b = 30$$

$$r^2 = 1$$

$$r = -1$$

Height (in.)	Weight (lbs.)
62	145
64	120
66	200
68	165
70	190



LinReg

$$y = ax + b$$

$$a = 6.75$$

$$b = -281.5$$

$$r^2 = 0.4268149883$$

$$r = 0.65331079$$

Observations

How do you see a and b represented on the line you sketched?

a is the slope of the line, and b is the y-intercept.

Compare the r -values of each data set. What do you think r represents?

r represents how well the data fits the line.

Linear Regression (Formalize Your Findings)

Your calculator uses **linear regression** to find a line of best fit, which is also known as a **linear regression model**.

- a represents the slope of the line.
- b represents the y-intercept of the line.
- r is the **correlation coefficient**. This r -value shows how well the linear regression model fits the data.
- The closer the r -value is to -1 or 1, the better the line fits the data.

Linear or Exponential

- If a scatter plot **can** be represented with a straight line, then we say that the trend is linear.
- If a scatter plot **cannot** be represented with a straight line, then we say that the trend is nonlinear.
- When a data set is **linear**, the y -values change by adding the same number.
- When a data set is **exponential**, the y -values change by multiplying by the same number.

Week	Account Balance
1	\$4.00
2	\$8.00
3	\$12.00
4	\$16.00
5	\$20.00

Example

You are saving money to buy a video game. The table shows your account balance at the end of each week. Is the data linear or not linear? How can you tell from the table?

The data is linear because \$4 is added to the account balance every week.

Find the linear regression model for your account balance and write it in the form $y = mx + b$.

$$y = 4x + 0 \text{ or } y = 4x$$

Give the correlation coefficient and explain its meaning.

$r = 1$. This means that the linear regression model perfectly fits the given data.

Predict the amount of money in your account after 10 weeks.

$$y = 4(10) + 0 = 40 + 0 = 40$$

After 10 weeks, I should have \$40.