

MS Module 19: Correlation – homework assignment

(The attached PDF file has better formatting.)

*Homework assignment:*

Solve end of chapter problem 59 (a) and (b) on page 658 (1<sup>st</sup> ed) / page 672 (2<sup>nd</sup> ed), which is Problem 55 on page 754 (3<sup>rd</sup> ed), showing all work. The numerical answers are in the appendix to the textbook; for the homework assignment, show how the answer is derived.

- ! Part (a): Show how to derive the correlation and the test statistics for the null hypothesis  $H_0: \rho = 0$
- ! Part (b): Show how to derive  $R^2$  from the correlation