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2. In a random sample of 64 cars registered in a certain state, 11 of them were found to have emission levels that exceed the state standard. Let p denote the actual (unknown) proportion of all cars registered in that state whose emission levels exceed the state standards.
- (a) (1.5 pts) Obtain a lower-bound confidence interval for p at 95% confidence level (use three decimal places). Justify the procedure that you apply.
- (b) (0.5 pts) Based on the interval above, can you reasonably conclude that p is larger than 0.1? Briefly explain.
3. (1 pt) Let $X \sim \text{Bin}(16, p)$ where p is unknown. Consider the estimator $\hat{\theta} = \frac{X+2}{20}$ for p . Determine $\text{Bias}(\hat{\theta}) = p - E[\hat{\theta}]$, $\text{Var}(\hat{\theta})$ and $\text{MSE}(\hat{\theta})$ in terms of the values of p .