



Descriptive Statistics

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A set of numbers that 'describe' a data

Measures of Central Tendency (the various averages)

Measures of Dispersion

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Some 'central' aspect of the data

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Measures of Dispersion

How 'spread-out' or 'dispersed' the data is



Measures of Central Tendency

Mean (the Arithmetic mean)

Median

Mode

Mean

The mean of the following set of observations,

5, 0.9, 0.2, 2, 1

is $\frac{5+0.9+0.2+2+1}{5} = 1.82$



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Mean versus Median

When is a Median a better summary description of data as compared to the Mean?

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Mean = 86,000\$

Median = 34,000\$



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Income and Price data generally follow this pattern