risk<-read.csv(file.choose(), header=TRUE)

attach(risk)

model1 = lm(FIRMCOST ~ ASSUME + CAP + SIZELOG + INDCOST + SOPH +CENTRAL)

model4 = lm(lnFIRMCOST ~ lnASSUME + CAP + SIZELOG + INDCOST + SOPH +CENTRAL, subset=-c(67,32,10,34,15))

summary(model1)

rstandard = rstandard(model1)

rstandard[order(rstandard)]

# #Observation and are outliers, since they exceeds the +2 or -2 cutoff

#3(k+1)/n are the cutoff

#obs ,and exceed the cutoff and have high leverage values

par(mfrow=(c(1,2))

hist(rstandard)

hist(leverages)

dim(risk)

CooksD = cooks.distance(model1)

CooksD [order(CooksD)]

cooks.distance(model)[]

qf(.95,2,20)

#No obs are high enough to exceed

library(Rcmdr)

vif(model)

Sum-up

rstandard = rstandard(model11)

leverages = hatvalues(model11)

cooks = cooks.distance(model11)

rstandard[order(rstandard)]

leverages[order(leverages)]

cooks[order(cooks)]

#n=36,k=16

layout(matrix(c(1,2,3,4,5,6,7,8,9,10,11,12),byrow=TRUE,ncol=6))

plot.new()

hist(lnTest1)

hist(lnTest2)

hist(GPA)

hist(CrHrs)

hist(lnJobs)

hist(lnTest3)

text(lnTest1,lnTest3,labels=row.names(test),pos=1)

plot(lnTest1,lnTest3)

text(lnTest2,lnTest3,labels=row.names(test),pos=1)

plot(lnTest2,lnTest3)

text(GPA,lnTest3,labels=row.names(test),pos=1)

plot(GPA,lnTest3)

text(CrHrs,lnTest3,labels=row.names(test),pos=1)

plot(CrHrs,lnTest3)

text(lnJobs,lnTest3,labels=row.names(test),pos=1)

plot(lnJobs,lnTest3)