MTH 210: Lab 12

P 1. Find the MLE of (μ, σ^2) for the $\mathcal{N}(\mu, \sigma^2)$ distribution using Gradient Ascent algorithm. Compare with the MLEs.

P 2. A study was performed to investigate new automobile purchases. A sample of 20 families was selected. Each family was surveyed to determine the age of their oldest vehicle and their total family income. A follow - up survey was conducted 6 months later to determine if they had actually purchased a new vehicle during that time period ($y = 1$ indicates yes and $y = 0$ indicates no). The data from this study are shown in the following table.

Table 1: Data

Income, x_1	Age, x_2	y	Income, x_1	Age, x_2	y
45,000	2	0	37,000	5	1
40,000	4	0	31,000	7	1
60,000	3	1	40,000	4	1
50,000	2	1	75,000	2	0
55,000	2	0	43,000	9	1
50,000	5	1	49,000	2	0
35,000	7	1	37,500	4	1
65,000	2	1	71,000	1	0
53,000	2	0	34,000	5	0
48,000	1	0	27,000	6	0

Fit a logistic regression model for the above data and find the MLEs of coefficients of x_1 and x_2 using Gradient Ascent Algorithm.