**Chapter 4.3 Excel Instructions**

Open the **MortgageDefaultData.xlsx** File from Chapter 4 folder in the Student Data Files

1. Click Insert Tab on the Ribbon
2. Click PivotTable in the Tables Group
3. When the Create PivotTable dialog box appears
   1. Choose **Select a table or range**
   2. Enter A1:H301 in the Table/Range: box
   3. Select **New Worksheet** as the location for the PivotTable Report
   4. Click Ok

When the PivotTable Fields appear in the new sheet:

1. In the PivotTable Fields Task pane, go to Drag fields between areas below:
   1. Drag the Marital Status field to the ROWS area
   2. Drag the Default on Mortgage? field to the COLUMNS area
   3. Drag the Customer Number field to the VALUES area
2. Click on Sum of Customer Number in the VALUES area
3. Select Value Field Settings from the list of options
4. When the Value Field Setting s dialog box appears
   1. Under Summarize value field by, select Count
   2. Click Ok
5. In a cell on the page type: “Probability that a customer defaults
6. Next to that cell type: =120/300
7. Below the cell in step 8 type “Probability that a customer does not default
8. In the cell next to that cell type “=1-0.4

**Calculate Conditional Probabilities**

1. Right click on any numerical value in the body of the PivotTable
2. Select **Show Values As**
3. Choose **% of Row Total**