3.4 Review Questions

	Coefficient	Std. Error	t-statistic	p-value
Intercept	531.00	46.32	11.464	< 0.0001
ethnicity[Asian]	-18.69	65.02	-0.287	0.7740
ethnicity[Caucasian]	-12.50	56.68	-0.221	0.8260

3.4.R1

1/1 point (graded)

According to the balance vs ethnicity model, what is the predicted balance for an Asian in the data set? (within 0.01 accuracy)

512.31		✔ **Answer:** 512.31

512.31

Explanation

For an Asian, the predicted balance is the intercept plus the Asian ethnicity effect.

3.4.R2

1/1 point (graded)

What is the predicted balance for an African American? (within .01 accuracy)

531		✔ **Answer:** 531

531

Explanation

For an African American, the predicted balance is just the intercept.
Note that despite the differing predictions, this difference is not statistically significant.