

4.1 Review Questions

 Bookmark this page

4.1 R1

1/1 point (graded)

Which of the following is the best example of a Qualitative Variable?

- ☐ Height
- ☐ Age
- ☐ Speed
- ☒ Color 


Explanation

Colors are discrete values with no clear ordering. Height, Age, and Speed are all continuous.

4.1 R2

1/1 point (graded)

Judging from the plots on page 2 of the notes, which should be the better predictor of Default: Income or Balance?

- ☐ Income.
- ☒ Balance. 
- ☐ Both are equally good.
- ☐ Not enough information is given to decide.

Explanation

Default is clearly associated with higher balances. On the other hand, the rate of default seems fairly constant across income levels.