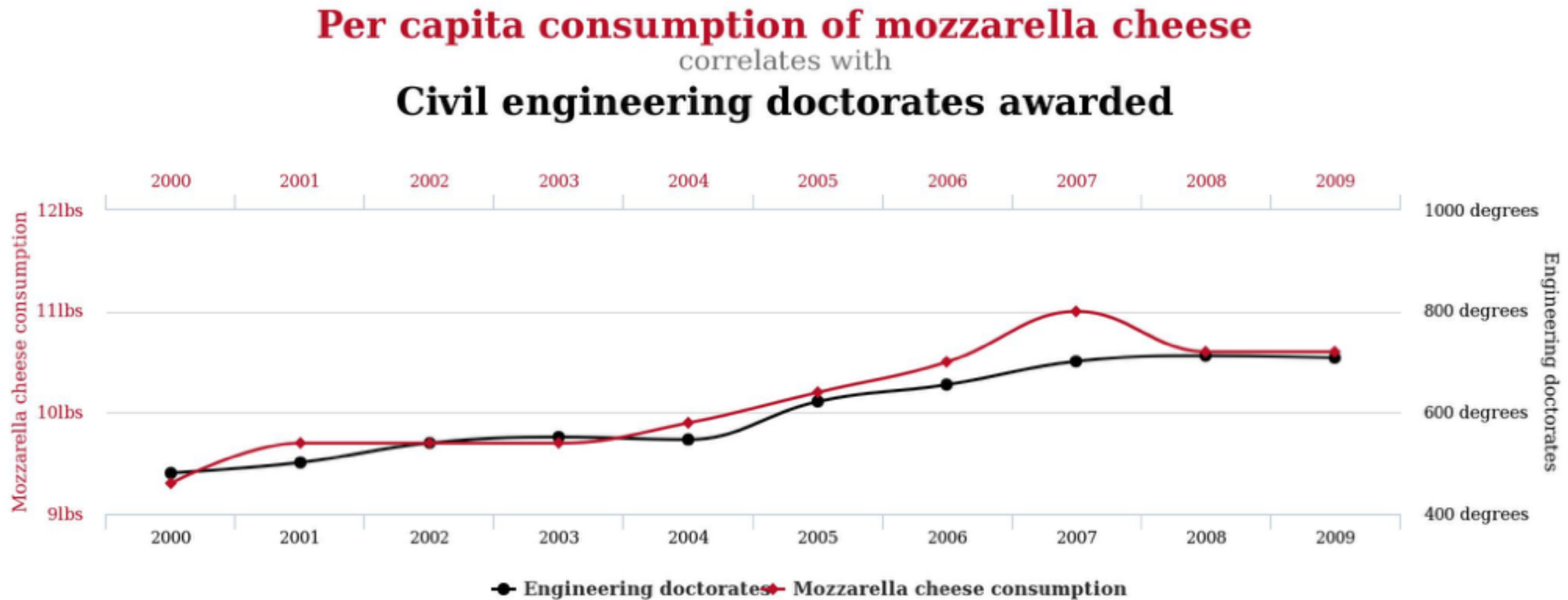


Correlation is *not* Causation



R squared – How much variance in one variable can be explained by the other?

- Simply square Pearson's r to get r squared.
- If we multiple this value by 100, that will be the % of variance explained in one variable by the other.
- For our example on time spent studying and exam score, r squared = 0.4761 as $r = 0.69$
- This means that about 48% of the variance in exam score is explained by time spent studying. It may not be statistically significant, but you might think it is still meaningful.