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17.3/

a.

> summary(fit.lm)

Call:

lm(formula = Revenue.in.million... ~ ., data = df.training[,

!(names(df.training) %in% c("QuarterYear", "Quarter"))])

Residuals:

Min 1Q Median 3Q Max

-335.90 -54.29 18.50 63.80 319.24

Coefficients:

Estimate Std. Error t value Pr(>|t|)

(Intercept) 906.75 115.35 7.861 2.55e-05 \*\*\*

Index 47.11 11.26 4.185 0.00236 \*\*

Q2 -15.11 119.66 -0.126 0.90231

Q3 89.17 128.67 0.693 0.50582

Q4 2101.73 129.17 16.272 5.55e-08 \*\*\*

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Signif. codes: 0 ‘\*\*\*’ 0.001 ‘\*\*’ 0.01 ‘\*’ 0.05 ‘.’ 0.1 ‘ ’ 1

Residual standard error: 168.5 on 9 degrees of freedom

Multiple R-squared: 0.9774, Adjusted R-squared: 0.9673

F-statistic: 97.18 on 4 and 9 DF, p-value: 2.129e-07

b.

i.

These are the trend and season4, because they both have low “Pr(> |t| value”.

ii.

iii.

The difference between Q3 and Q1 after adjusting for trend is 22.29167, with Q3 sales being higher than Q1 sales.

iv.

The quarter with the highest average sale after adjusting for seasonality is Q2.