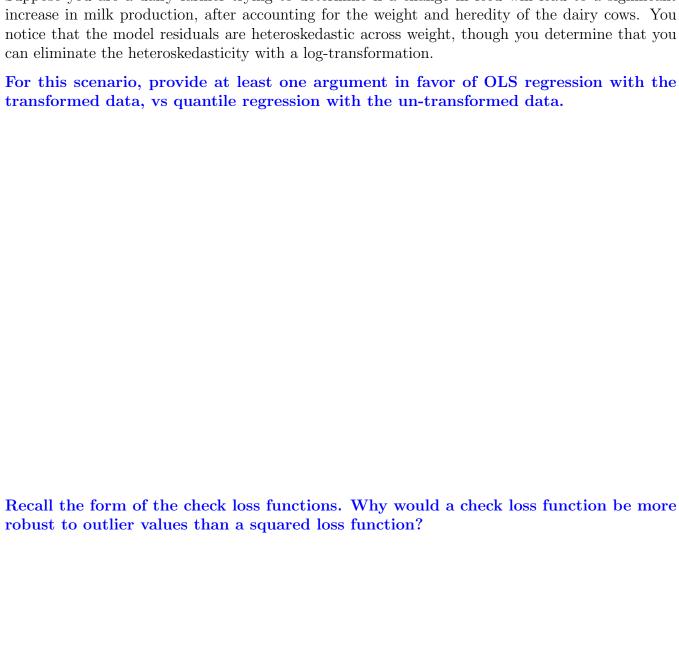
## 7.2: Principal Components and Quantile Regression

Dr. Bean - Stat 5100

Suppose you are a dairy farmer trying to determine if a change in feed will lead to a significant



What would have to be true of the model residuals if the mean predictions (OLS) were significantly different from the median predictions of quantile regression?

What would be the issue with trying to estimate the quantile regression model associated with the 95th percentile with a small sample size? Would you have the same problem trying to estimate the model associated with the median?