

If  $z_i = a + bx_i$ , for  $i=1, 2, \dots, n$

then  $\bar{z} = \frac{1}{n} \sum_{i=1}^n z_i = \frac{1}{n} \sum_{i=1}^n (a + bx_i)$

$$= \frac{1}{n} \left[ \sum_{i=1}^n (a) + \sum_{i=1}^n (bx_i) \right]$$

$$= \frac{1}{n} \left[ na + b \sum_{i=1}^n x_i \right]$$

$$= a + b \frac{1}{n} \sum_{i=1}^n x_i = a + b\bar{x}$$

also

$$\sigma_z^2 = \frac{1}{n} \sum_{i=1}^n (z_i - \bar{z})^2$$

$$= \frac{1}{n} \sum_{i=1}^n [(a + bx_i) - (a + b\bar{x})]^2$$

$$= \frac{1}{n} b^2 \sum_{i=1}^n (x_i - \bar{x})^2 = b^2 \sigma_x^2$$

$$\frac{1}{2} \sum_{i=1}^2 (x_i - \bar{x})^2$$

"pop. var. of samp."

$$\frac{1}{1} \sum_{i=1}^2 (x_i - \bar{x})^2$$

"samp var of samp"

$$\frac{1}{2} \sum_{i=1}^2 (x_i - \mu)^2$$