STAT 2008 / 6038 14/5/2014 Indicator Variables Y=B0+B,X,+B2X2+B3X,X2+E; E = N(0,62) where Y = (cavil X, = (psa X2 = Svi = \ 1 ' + SVI = 'Yes' \ 0 + SVI = 'No" When Svi in No, & X=0 Y = Bo + B, X, base model for reference group When sui is Yes, ie X2 = 1 Y= Bo + B, X, + B2. 1 + B3 X, .1 = (Bo + B2) + (B, + B3) X, modified intercept modified Slope

Residual 56.496 93 0.607