

[STAT242] Homework 1

- The consumer price index (CPI) measures changes (compared to a reference year) in the price level of market basket of consumer goods and services purchased by households. The CPI at the reference year is set to be 100.
- `CPI.txt` is a set of data that contains CPI in 2006 (compared to 2005) for 5 major categories by regions in Korea:
 - Food
 - Housing
 - Transportation
 - Education
 - Recreation
- You may want to use the following code to import the data to R:

```
rm(list = ls()) # clean up memory
setwd("path/of/your/working/directory") # change the path accordingly
cpi <- read.table("CPI.txt", header = T) # first line contains variable names
str(cpi) # check the structure
head(cpi) # first few lines
```
- Please write a short article to describe anything you can find from the data.
- All statements, which are not trivial, MUST be supported by numerical or graphical summaries, and they are all presented in the manuscript.
- You MUST include the entire code used, at the end of the manuscript (Appendix).
- The article must NOT be longer than 3 pages (12pt and double space) except the code attached.
- Due date is before the class on March 20th (Wednesday).