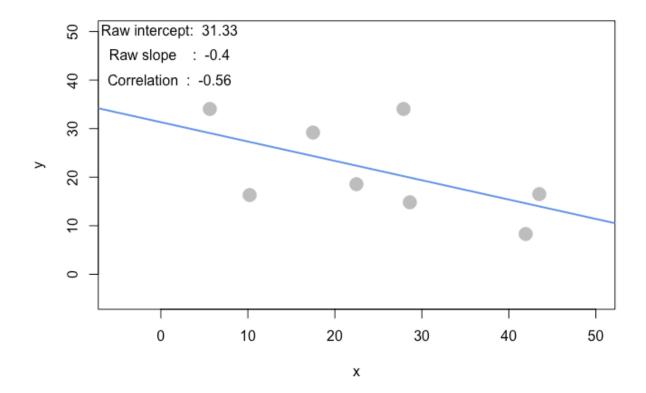
BACS-hw09-107070004

- (e) Apart from any of the above scenarios, find another pattern of data points with no correlation ($r \sim 0$). (can create a pattern that visually suggests a strong relationship but produces $r \sim 0$?)
- (f) Apart from any of the above scenarios, find another pattern of data points with perfect correlation ($r \sim 1$). (can you find a scenario where the pattern visually suggests a different relationship?)
- (g) Let's see how correlation relates to simple regression, by simulating any linear relationship you wish:
- (i) Run the simulation and record the points you create: pts <- interactive_regression() (simulate either a positive or negative relationship)

```
source("demo_simple_regression.R")
pts <- interactive_regression()
pts</pre>
```



```
x y
1 5.625473 34.049378
2 27.889029 34.049378
3 22.479193 18.563136
4 28.617276 14.831511
5 41.933796 8.301168
6 43.494325 16.510743
7 17.485498 29.198266
8 10.203026 16.324161
```

(ii) Use the lm() function to estimate the regression intercept and slope of pts to ensure they are the same as the values reported in the simulation plot: summary(lm(ptsy ptsx))

```
summary( lm( pts$y ~ pts$x ))
```

```
Call:
```

lm(formula = pts\$y ~ pts\$x)

Residuals:

Min 1Q Median 3Q Max -10.9373 -5.3984 -0.6459 4.8700 13.8353

Coefficients:

Estimate Std. Error t value Pr(>|t|)
(Intercept) 31.3271 6.6344 4.722 0.00325 **
pts\$x -0.3985 0.2384 -1.671 0.14572

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' '1

Residual standard error: 8.619 on 6 degrees of freedom

Multiple R-squared: 0.3176, Adjusted R-squared: 0.2039

F-statistic: 2.793 on 1 and 6 DF, p-value: 0.1457

(iii) Estimate the correlation of x and y to see it is the same as reported in the plot: cor(pts)

cor(pts)

x y x 1.0000000 -0.5635847 y -0.5635847 1.0000000

(iv) Now, standardize the values of both x and y from pts and re-estimate the regression slope

```
x <- scale(pts$x,center=TRUE,scale=TRUE)
y <- scale(pts$y,center=TRUE,scale=TRUE)
summary( lm( y ~ x ))</pre>
```

Call:

 $lm(formula = y \sim x)$

Residuals:

Min 1Q Median 3Q Max -1.13222 -0.55884 -0.06686 0.50414 1.43221

Coefficients:

Estimate Std. Error t value Pr(>|t|)
(Intercept) -1.128e-16 3.155e-01 0.000 1.000
x -5.636e-01 3.372e-01 -1.671 0.146

Residual standard error: 0.8922 on 6 degrees of freedom

Multiple R-squared: 0.3176, Adjusted R-squared: 0.2039

F-statistic: 2.793 on 1 and 6 DF, p-value: 0.1457

(v) What is the relationship between correlation and the standardized simple-regression estimates?

Between the stadardized and non-stadardized data, they have same R-squared and f-statistic. However, the stadard error is different.