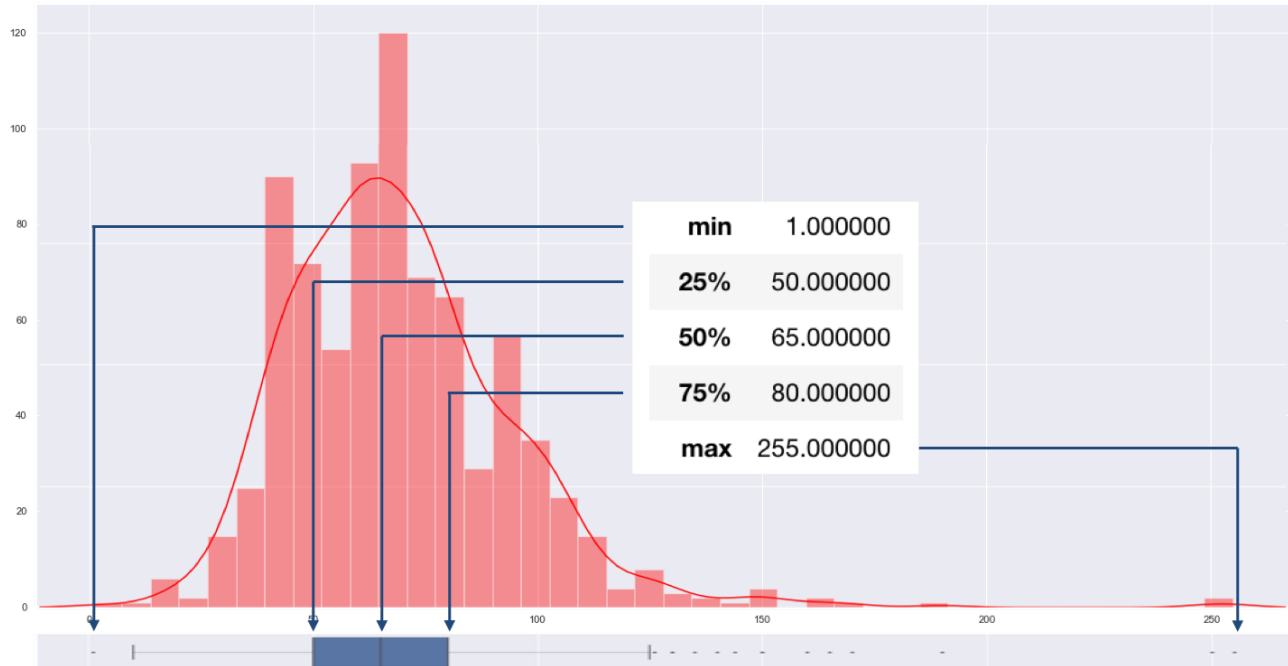


Discussion 2 : Statistics Fundamentals

Background

Uni-Variate Histogram is a natural extension to a Box-Plot. It shows the frequency of the variable within the specific bins. The Kernel Density Estimate (KDE) is a smooth frequency curve. It generalizes the Histogram to smooth out the bins to arbitrarily small width. The KDE (also in a Violin Plot) is a quick depiction of the distribution for a Numeric variable.



Discussion : Question 1

Suppose that your parents (or some close relatives) are planning to buy a Condo in Singapore, and you find the following statistics from the official data sources published by the Government (not detailed statistics of course, just summaries).

Median price for a Condo in Singapore is SGD 800,000

Mean price for a Condo in Singapore is SGD 1.3 Million

Standard Deviation of price for Condos is SGD 200,000

Based on these summary statistics, would you say that SGD 1 Million is more or less decent price for a Condo in Singapore?

Note : Discuss with your friends and present your view. You must consider all assumptions regarding the price distribution of Condos in case of this problem. The price distribution is NOT necessarily balanced, or Normal. Consider that too.