

You have been working with mtcats dataset, and we will continue thinking about cars for this quiz. For the purpose of this quiz, we are going to consider a model below.

$$mpg = \beta_0 + \beta_1 wt + \beta_2 hp + \beta_3 disp + \epsilon \text{ where } \epsilon \sim N(0, \sigma_\epsilon)$$

Problem 1. (3 points) Using the R output below, fill in the empty cells of the provided ANOVA table. Hint: $MS = SS/df$.

```
> dim(mtcars)
[1] 32 11
```

Source	df	SS	MS	F	p value
Model		931.06		44.566	≈ 0
Error		194.99		x	x
Total		1126.05	x	x	x

Problem 2. (3 points) State the hypotheses associated with the test addressed by the ANOVA table.

Problem 3. (6 points) We are extending our regression model to include a new indicator variable vsIND. The variable is defined as follows:

- vsIND = 0 if the engine is V shaped.
- vsIND = 1 if the engine is straight.

The new models is:

$$mpg = \beta_0 + \beta_1 wt + \beta_2 hp + \beta_3 disp + \beta_4 vsIND + \epsilon \text{ where } \epsilon \sim N(0, \sigma_\epsilon)$$

- What is the baseline? (Circle one) v-shaped or straight
- Using the following model summary output, write down the least squares regression line for

V shaped:

Straight:

Coefficients:

	Estimate	Std. Error	t value	Pr(> t)	
(Intercept)	37.090733	2.108854	17.588	2.58e-16	***
wt	-4.015633	1.085529	-3.699	0.000975	***
hp	-0.026748	0.012206	-2.191	0.037228	*
disp	0.002989	0.011025	0.271	0.788334	
vsIND	-1.505746	1.467071	-1.026	0.313829	