

CI

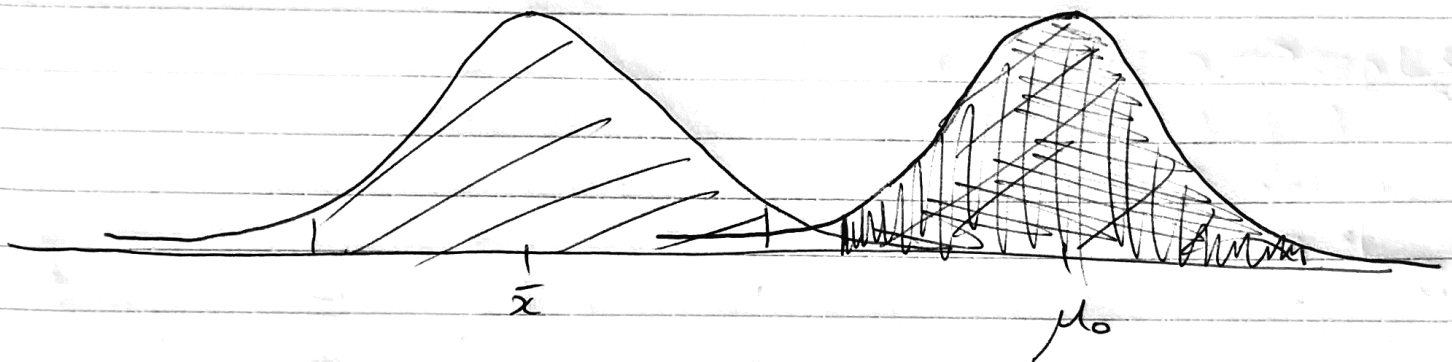
$$\bar{x} \pm c \frac{s}{\sqrt{n}}$$

(reject H_0 when μ_0 is outside the bounds)

Rejection region

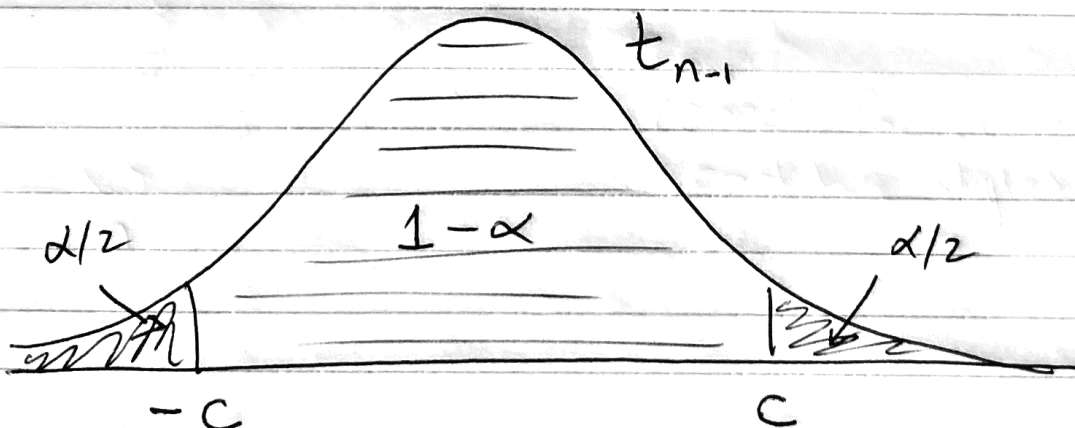
$$\mu_0 \pm c \frac{s}{\sqrt{n}}$$

(reject H_0 when \bar{x} is outside the bounds)



What's c ?

$$c = qt(1 - \alpha/2, df)$$



Actual

| | Innocent H_0 true | Culprit H_1 true |
|----------------------------|--------------------------------|--------------------------------|
| Acquit say H_0 true | ✓ TP | Type I error. β FN |
| Convict say H_0 false | Type I error α FP | ✓ $1 - \beta$ TN |

$P(\text{reject } H_0 \mid H_0 \text{ true})$

$P(\text{reject } H_0 \mid H_1 \text{ true})$