The University of Texas at Austin
PRACTICE FOR IN-TERM 1

Predictive Analytics

February 26, 2026

DEFINITIONS

Problem 1.1. (5 points) Provide the definition of *bias*.

Problem 1.2. (5 points) Provide the definition of the *mean-squared error* in the context of parameter estimation.

CONCEPTUAL QUESTIONS

Problem 1.3. (10 points) Is cross-validation useful for unsupervised learning?

FREE RESPONSE PROBLEMS

Please, explain carefully all your statements and assumptions. Numerical results or single-word answers without an explanation (even if they're correct) will be worth 0 points.

Problem 1.4. (10 points) Consider a simple linear regression fitted on 20 observations. In our usual notation, you are given the following:

- $\bar{x} = 5$
- $\sum x_i^2 = 500$
- $\bar{y} = 4$
- $\sum y_i^2 = 1024$
- $\sum x_i y_i = 500$.
- $RSS = 256$

Find the coefficient of determination.

Problem 1.5. (15 points) Consider the following multiple linear regression:

$$y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \varepsilon$$

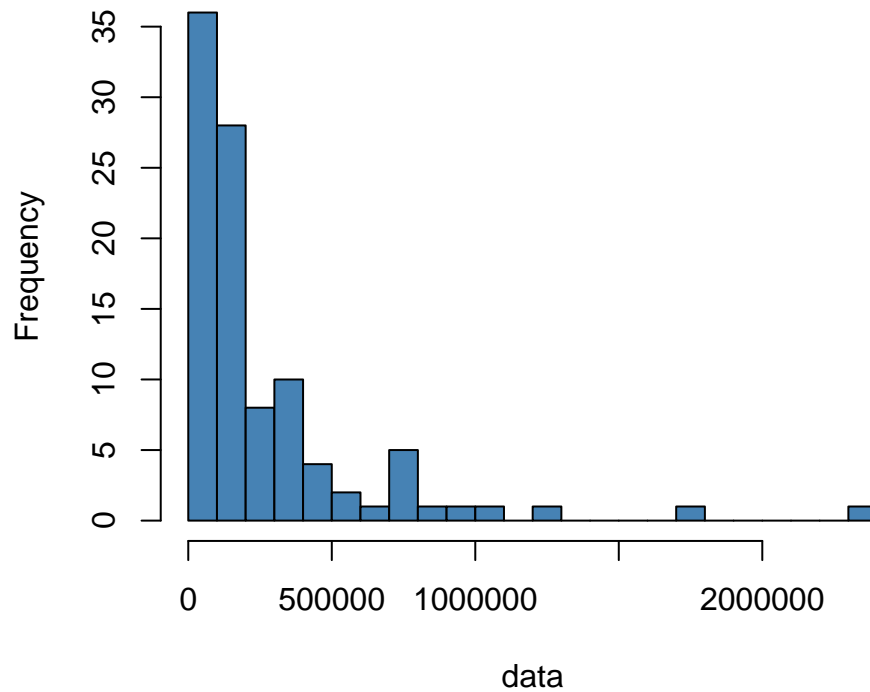You fit the above regression on 25 data points. In our usual notation, you are given that:

- $\sum (y_i - \hat{y}_i)^2 = 40$
- $\sum (y_i - \bar{y})^2 = 60$

Find the value of the F statistic.

MULTIPLE CHOICE QUESTIONS

Problem 1.6. (5 points) You have a sample of size 12 from a distribution that you know from past experience looks like this:
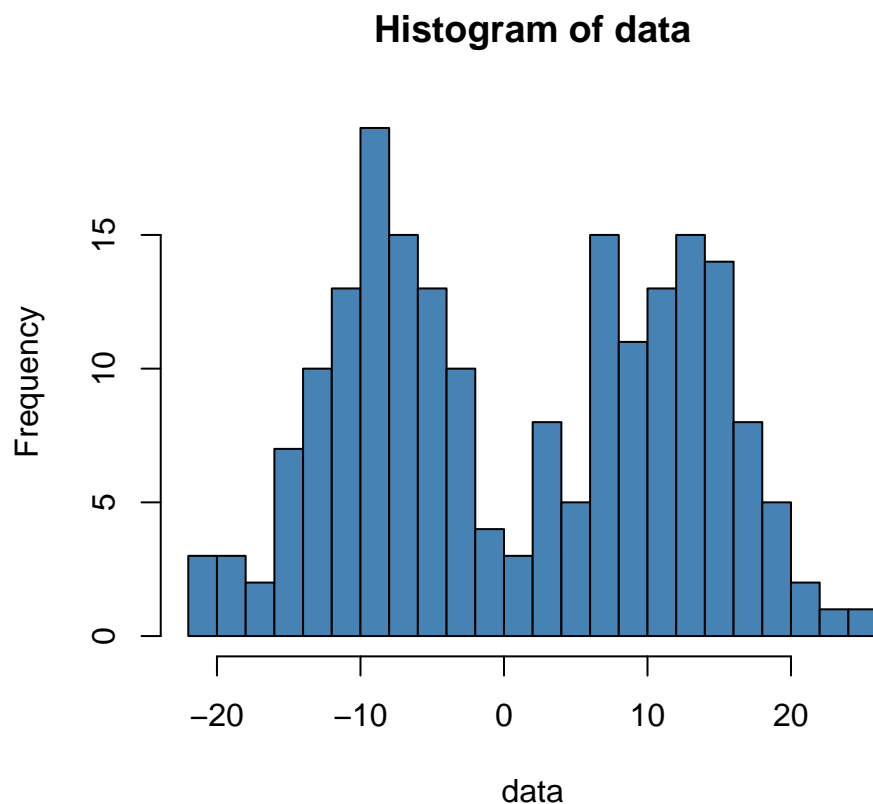
Histogram of data

Your task is to estimate its mean. Of the following, what is the **best** choice of a procedure in this case?

a. A 95% bootstrap confidence interval using quantiles.
b. Using the 't.test' command in **R**.
c. A $2SE$ bootstrap confidence interval with 20 resamplings.
d. The standard $z-$procedure 95%-confidence interval.
e. An arithmetic average of the observations.

Problem 1.7. (5 points) You have a sample of size 20 from a distribution that you know from past experience looks like this:

Histogram of data

Your task is to estimate its mean. Of the following, what is the **best** choice of a procedure in this case?

a. The standard $z-$ procedure for confidence intervals.
b. A bootstrap 95%-confidence interval.
c. Using the 't.test' command in **R**.
d. An arithmetic average of the observations.
e. The median of the observations.

Problem 1.8. (5 points) Here is an example of a problem by the *Advanced Research Group* at UCLA.

People's occupational choices might be influenced by their parents' occupations and their own education level. We can study the relationship of one's occupation choice with education level and the parents' occupations. The occupational choices will be the outcome variable which consists of categories of occupations.

Which of the following procedures is the most applicable in this case?

a. Multiclass logistic regression.
b. Simple linear regression.
c. A natural cubic spline.
d. Multiple linear regression.
e. None of the above techniques apply in this case.

Problem 1.9. (5 points) *Source: Sample SRM problems.*

An analyst is modeling the probability of a certain phenomenon occurring. The analyst has observed that the simple linear model currently in use results in predicted values less than zero and greater than one. Which of the following is the most appropriate to address the issue?

a. Limit the data to observations that are expected to result in predicted values between 0 and 1.
b. Consider predicted values below 0 as 0 and values above 1 as 1.
c. Use a logit function to transform the linear model into only predicting values between 0 and 1.
d. Apply the arctan function to transform the linear model into only predicting values between 0 and 1.
e. None of the above.

SUGGESTED TEXTBOOK PROBLEMS

4.8.6, 4.8.8, 4.8.9, 4.8.12 (p.191), 5.4.1, 5.4.2 (a-g) (p.219), 5.4.4 (p.220), 6.6.1 (p.283), 7.9.3, 7.9.4 (p.323)

Remark. The above problems are **in addition** to your past homework assignments. Do not forget to re-solve those!