# 1. Problem

Consider the following regression results:

#### Call:

lm(formula = y ~ x, data = d)

### Residuals:

Min 1Q Median 3Q Max -2.14867 -0.82868 -0.07472 0.66596 2.54119

### Coefficients:

Estimate Std. Error t value Pr(>|t|)
(Intercept) 0.0001676 0.1254992 0.001 0.999
x 1.2492437 0.1241613 10.061 2.04e-14

Residual standard error: 0.9786 on 59 degrees of freedom
Multiple R-squared: 0.6318, Adjusted R-squared: 0.6255

F-statistic: 101.2 on 1 and 59 DF, p-value: 2.043e-14

Describe how the response y depends on the regressor x.

# Solution

The presented results describe a linear regression.

The mean of the response y increases with increasing x.

If x increases by 1 unit then a change of y by about 1.25 units can be expected.

Also, the effect of x is significant at the 5 percent level.