Stat 134: Section 4

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Note: You may leave your answers in terms of Φ or Φ^{-1} as necessary, where $\Phi(x)=\int_{-\infty}^x \frac{1}{\sqrt{2\pi}}e^{-z^2/2}dz$, and Φ^{-1} is the inverse of Φ .

Conceptual Review

- a. When do we use the Normal approximation to the Binomial distribution?
- b. What is the continuity correction when using this approximation? Why do we use it?

Problem 1

Let H be the number of heads in 400 tosses of a fair coin. Find normal approximations to

- a. $P(190 \le H \le 210)$
- b. $P(H \le 220)$
- c. P(H = 205)

Ex 2.2.1 in Pitman's Probability

Problem 2

An airline knows that over the long run, 90% of passengers who reserve flights show up for their flight. On a particular flight with 300 seats, the airline accepts 324 reservations.

- a. Assuming passengers show up independently of each other, what is the chance the flight will be overbooked?
- b. Suppose people always travel in pairs. Will that increase or decrease the chance above?

Ex 2.2.9 in Pitman's Probability

Problem 3

Suppose that 48% of citizens in a large state support a particular candidate for governor. That candidate is in charge of setting up the election, and wants to maximize his chances of winning the election. Suppose that n citizens at random will be allowed to vote.

- a. Does the candidate want to choose a large n or a small n?
- b. Find the smallest n for which there is a 95% chance that the candidate will lose the election.