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Qmbu450 : Advanced Data Analysis in Python

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Football Players' Age and Their Market Values

Hypothesis: There is a strong relationship between age and market values among the best players in the world

To test this hypothesis transfermarkt.com's ranking of best players in the world is used:

https://www.transfermarkt.com/spieler-statistik/wertvollstespieler/marktwertetop

A linear regression function is created from the scratch by using the formulas:

$$\hat{eta} = (X'X)^{-1}X'y,$$

$$\operatorname{Var}(\hat{eta}) = \sigma^2(X'X)^{-1}, \qquad e = y - \hat{y},$$

$$\sigma^2 = \frac{e'e}{n - k - 1}, \qquad y = X\beta + e.$$

The result is:

```
Betas:
[[96.17737473]
  [ 0.84076237]]

Std. Errors:
  [[106.7102344 ]
  [ 4.15482353]]

Confidence Intervals 95 %:
  [[-112.97468469  305.32943416]
  [ -7.30269174  8.98421649]]
```

Result:

Hypthesis is rejected. There is a strong positive relationship between age and market value. Higher the age, higher the market value for this sample.