Daily Question - Statistics - Day 6

Topic: Coding

Day 6 Question 1

A meteorologist records the daily mean pressures, p hPa, at Heathrow on the first 10 days of May 2015.

The data is coded using $x = \frac{p - 1000}{2}$. The summary statistics are:

$$\sum x = 43.5$$

$$\sum x^2 = 365.25$$

Find:

a the mean of the daily mean pressures

(2 marks)

b the variance of the daily mean pressures.

(2 marks)

Day 6 Question 2

Yvonne is investigating the salaries of top executives in the banking industry.

a Given that a typical salary is in excess of £100 000, explain why it might be sensible for
 Yvonne to code her raw data.

(1 mark)

She records the salaries of 8 people and uses the coding y = ax + b where x is the original data and y is the coded data. Her coded summary statistics are:

$$\sum y = 104 \qquad \qquad \sum y^2 = 1634$$

b Given that the mean salary in the sample is £165000 and the variance is 881250000, find the values of a and b. (3 marks)