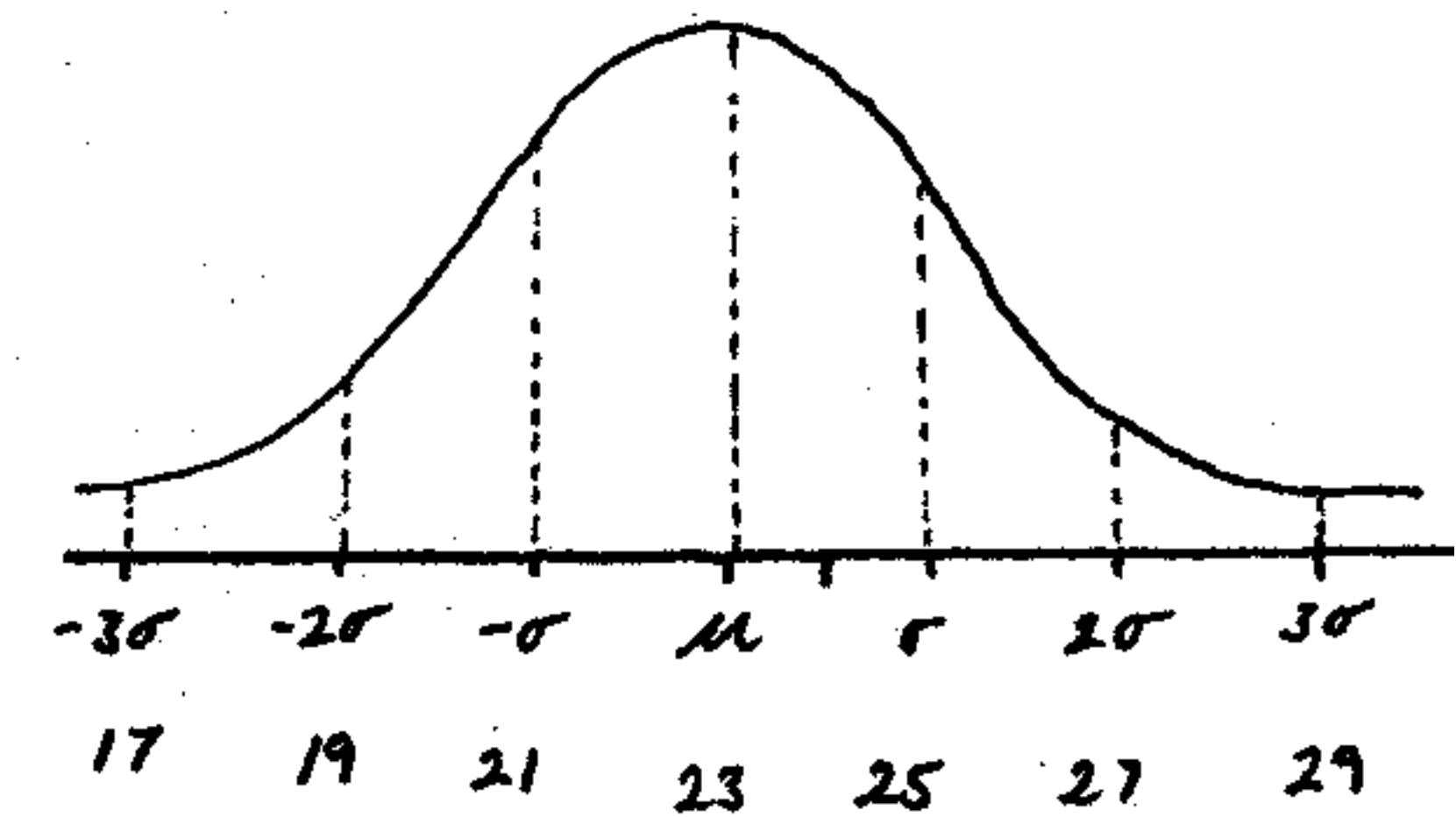


- The following table of probabilities was obtained from Excel.

| x  | P(X ≤ x) | x  | P(X ≤ x) | x  | P(X ≤ x) |
|----|----------|----|----------|----|----------|
| 15 | 0.0000   | 20 | 0.0668   | 25 | 0.8413   |
| 16 | 0.0002   | 21 | 0.1587   | 26 | 0.9332   |
| 17 | 0.0013   | 22 | 0.3085   | 27 | 0.9772   |
| 18 | 0.0062   | 23 | 0.5000   | 28 | 0.9938   |
| 19 | 0.0228   | 24 | 0.6915   | 29 | 0.9987   |



(i) 0.0228

(ii) 0.0228

(iii)  $1 - 0.1587 = 0.8413$

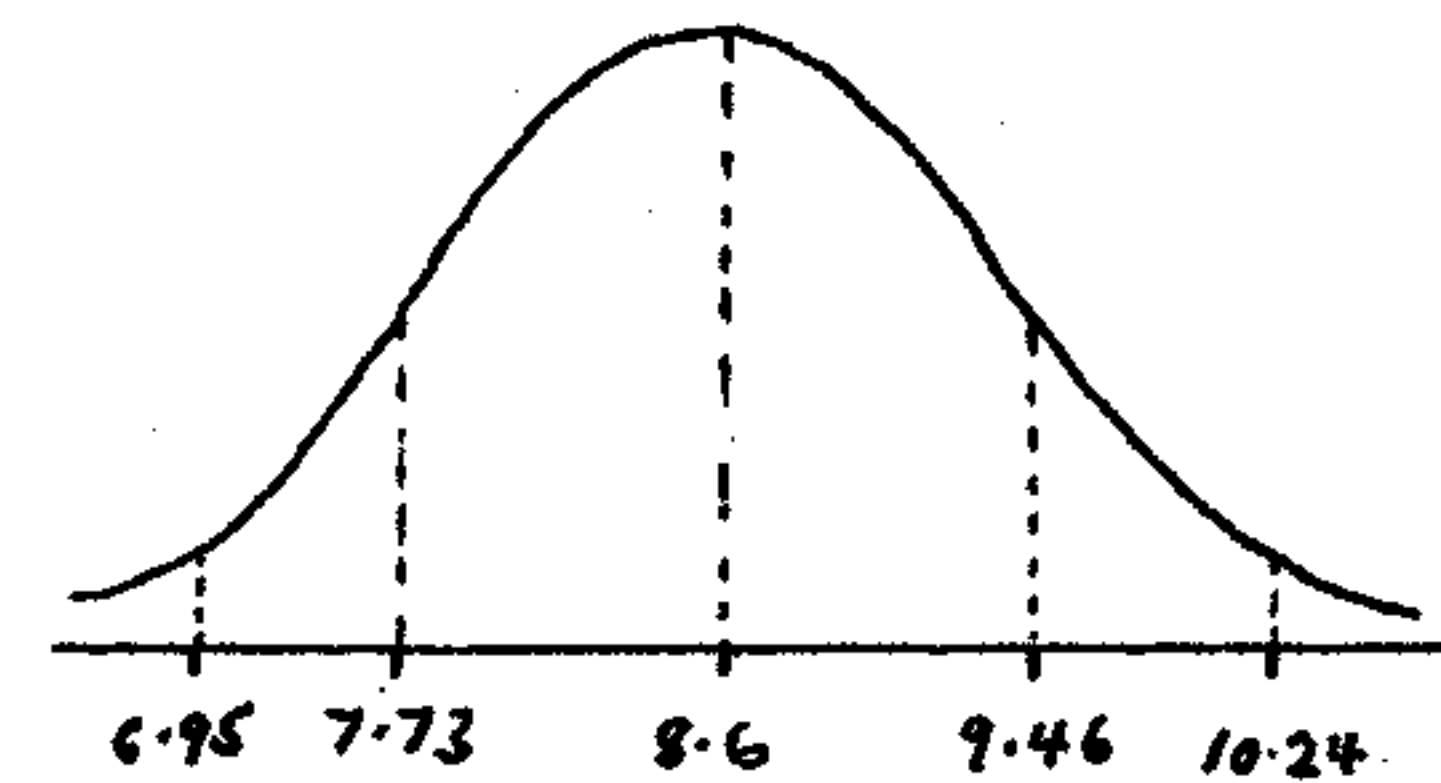
(iv)  $0.9772 - 0.6915$   
 $= 0.2857$

Use the table to find the following when  $X \sim \text{Normal}(\mu = 23, \sigma = 2)$ :

- (i)  $\text{pr}(X \leq 19)$ ; (ii)  $\text{pr}(X < 19)$ ; (iii)  $\text{pr}(X > 21)$ ;  
 (iv)  $\text{pr}(24 \leq X \leq 27)$

- The following table of probabilities was obtained from STATA: Normal with mean = 8.6 and standard deviation = 1.28.

| $P(X \leq x)$ | $x$     |
|---------------|---------|
| 0.1000        | 6.9596  |
| 0.2500        | 7.7367  |
| 0.7500        | 9.4633  |
| 0.9000        | 10.2404 |



The number of liters of soft serve ice cream sold by an ice cream van driver in an afternoon is found to be Normally distributed with a mean of 8.6 litres and a standard deviation of 1.28 liters.

(i) What is the least amount of soft serve ice cream that is needed so that the driver can satisfy demand on 90% of afternoons?  $10.2404$

(ii) What is the interquartile range for the ice cream sales.  $9.4633 - 7.7367 = 1.7266$

$$i) Z = \frac{6 - 5.1}{0.87} = 1.0345$$

$$P(X > 6) = 1 - 0.848 = 0.152$$

Use either STATA or a graphics calculator to solve the following problems where  $X \sim \text{Normal}(m = 5.1, s = 0.87)$ :

(i) What is the probability that X is greater than 6?

(ii) What is the probability that X is between 3.7 and 5.6?

(iii) What value of x gives  $\text{pr}(X \leq x) = 0.6$ ?

$$(ii) Z = \frac{3.7 - 5.1}{0.87} = -1.6092 \quad Z = \frac{5.6 - 5.1}{0.87} = 0.5747$$

$$P(3.7 \leq X \leq 5.6) = 0.716 - 0.054 = 0.662$$

$$(iii) P(Z < 0.25) = 0.599$$

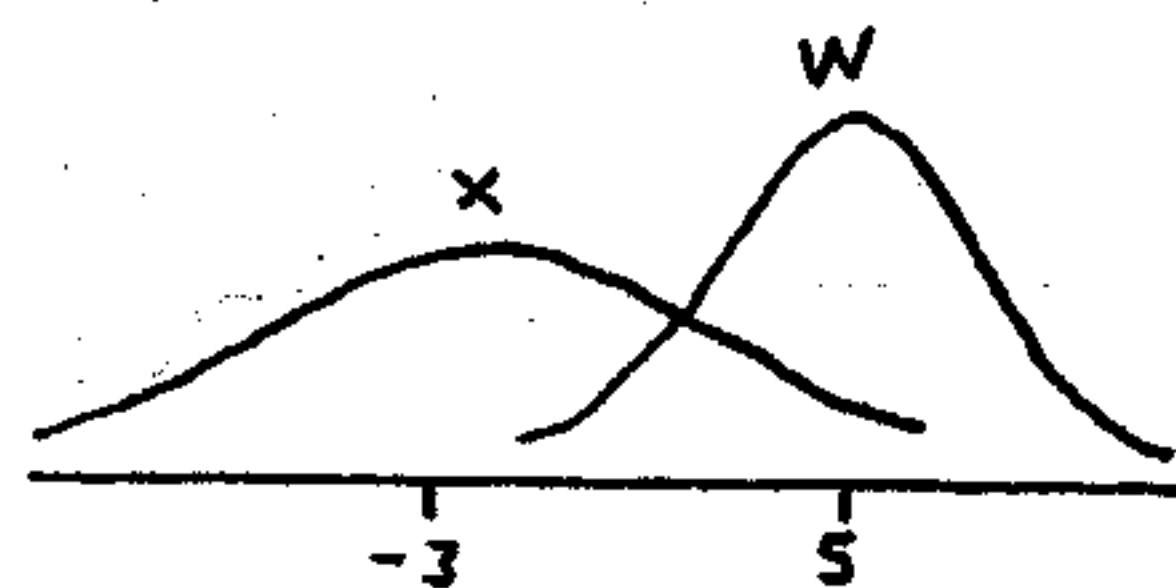
$$X = 0.25 \times 0.87 + 5.1 = 5.318$$

X has a mean of -3 and a standard deviation of 5 and W has a mean of 5 and a standard deviation of 3. Let X and W be independent random variables and let  $Y = 3X - 3W$ .

$$(i) \text{ mean} = 3(-3) - 3(5) = -24$$

$$sd = \sqrt{3^2(5)^2 + (-3)^2(3)^2} = \sqrt{306} = 17.49$$

$$sd(Y) = sd(3X - 3W) = \sqrt{sd(3X)^2 + sd(-3W)^2} = \sqrt{(3 \times 5)^2 + (3 \times 3)^2}$$



(i) What are the mean and standard deviation of Y?

(ii) What can we say about the shape of the distribution of Y?

- centered much lower than both X and W  
- distribution is more spread out than X and W

• (HW\_3\_2) Suppose that  $X \sim \text{Normal}(m=3, sd=4)$  compute the Z-scores for the

$$Z = \frac{x - \mu}{\sigma}$$

following numbers and state how many SD's is each of these numbers away from  $m$ :

- -5      -2      (2 sd's away)
- 11      2      (2 sd's away)
- 5      0.5      (0.5 sd's away)
- 1.4      -0.4      (0.4 sd's away)

$$Z = \frac{-3 - 3}{4} = -1.5 \quad Z = \frac{-1 - 3}{4} = -1$$

$$P(-3 < X < -1) = 0.159 - 0.067 = 0.092$$

■ What is the probability  $P(-3 < X < -1)$ ? Is it different from  $P(-3 \leq X \leq -1)$ ? Why? No - distribution is continuous