

III. Answer the following questions using this data that was gathered to determine whether research and development expenditures affect profit.

R & D Expenditures Millions	Profits in Millions
5	30
3	40
7	60
6	60
10	80
4	40

A. The coefficient of correlation

B. The coefficient of determination and the coefficient of nondetermination

C. Could rho be zero at the .05 level of significance?

IV. Interpret your answers to question III.

V. Draw a scatter diagram of the above data and use the eyeball method to estimate the regression curve.