Latest Version: 6.0

Question: 1

Refer to the REG procedure output:

Parameter Estimates

Variable	DF	Parameter Estimate	Standard Error	t Value	Pr > |t|	Standardized Estimate
Intercept	1	618.44051	40.03665	15.45	<.0001	0
overhead	1	4.99845	0.00157	3181.24	<.0001	0.99993
scrap	1	2.82667	0.71581	3.95	<.0001	0.00124
training	1	-50.95436	2.82069	-18.06	<.0001	-0.00568

What is the most important predictor of the response variable?
Response:

A. intercept
B. overhead
C. scrap
D. raining

Answer: B

Question: 2

What is the default method in the LOGISTIC procedure to handle observations with missing data?
Response:

A. Missing values are imputed.
B. Parameters are estimated accounting for the missing values.
C. Parameter estimates are made on all available data.
D. Only cases with variables that are fully populated are used.

Answer: D

Question: 3

An analyst builds a logistic regression model which is 75% accurate at predicting the event of interest on the training data set. The analyst presents this accuracy rate to upper management as a measure of model assessment.
What is the problem with presenting this measure of accuracy for model assessment?
Response:

A. This accuracy rate is redundant with the misclassification rate.
B. It is pessimistically biased since it is calculated from the data set used to train the model.
C. This accuracy rate is redundant with the average squared error.
D. It is optimistically biased since it is calculated from the data used to train the model.

Answer: D

Question: 4

A financial analyst wants to know whether assets in portfolio A are more risky (have higher variance) than those in portfolio B. The analyst computes the annual returns (or percent changes) for assets within each of the two groups and obtains the following output from the GLM procedure:

Levene's Test for Homogeneity of Return Variance
ANOVA of Squared Deviations from Group Means

Source	DF	Sum of Squares	Mean Square	F Value	Pr > F
Portfolio	1	217.2	217.2	16.29	0.0005
Error	23	306.7	13.3352		

Which conclusion is supported by the output?
Response:

A. Assets in portfolio A are significantly more risky than assets in portfolio B.
B. Assets in portfolio B are significantly more risky than assets in portfolio A.
C. The portfolios differ significantly with respect to risk.
D. The portfolios do not differ significantly with respect to risk.

Answer: C

Question: 5

An analyst has determined that there exists a significant effect due to region. The analyst needs to make pairwise comparisons of all eight regions and wants to control the experimentwise error rate.
Which GLM procedure statement would provide the correct output?
Response:

A. lsmeans Region / pdiff=all adjust=dunnett;
B. lsmeans Region / pdiff=all adjust=tukey;
C. lsmeans Region / pdiff=all adjust=lsd;
D. lsmeans Region / pdiff=all adjust=none;

Answer: B

Question: 6

The LOGISTIC procedure will be used to perform a regression analysis on a data set with a total of 10,000 records. A single input variable contains 30% missing records.
How many total records will be used by PROC LOGISTIC for the regression analysis?
Note:- You can use calculator for this question
Response:

A. 7000
B. 9000
C. 7009
D. 9007

Answer: A

Question: 7

Within PROC GLM, the interaction between the two categorical predictors, Income and Gender, was shown to be significant. An item store was saved from the GLM analysis.
Which statement from PROC PLM would test the significance of Gender within each level of Income and adjust for multiple tests?
Response:

A. sliceby Gender / adjust=tukey;
B. slice Income*Gender / sliceby=Gender adjust=tukey;
C. slice Income*Gender / sliceby=Income adjust=tukey;
D. sliceby Income / adjust=tukey;

Answer: D

Question: 8

An analyst is screening for irrelevant variables by estimating strength of association between each input and the target variable. The analyst is using Spearman correlation and Hoeffding's D statistics in the CORR procedure.
What would likely cause some inputs to have a large Hoeffding and a near zero Spearman statistic?
Response:

A. nonmonotonic association between the variables
B. linear association between the variables
C. monotonic association between the variables
D. no association between the variables

Answer: A

Question: 9

When selecting variables or effects using SELECTION=BACKWARD in the LOGISTIC procedure, the business analyst's model selection terminated at Step 3.
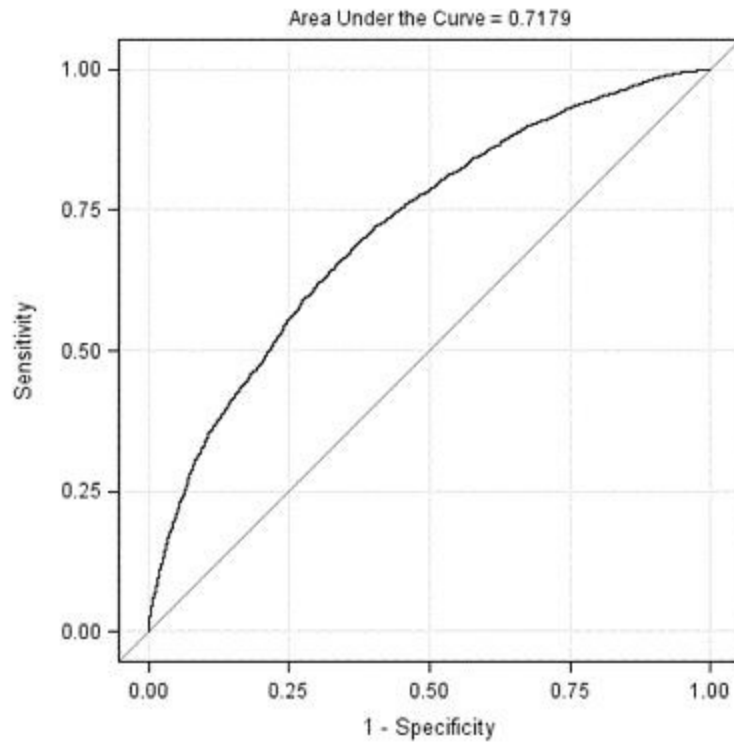What happened between Step 1 and Step 2?
Response:

A. DF increased.
B. AIC increased.
C. Pr>Chisq increased.
D. 2 Log L increased.

Answer: D

Question: 10

Refer to the exhibit:

Area Under the Curve = 0.7179

For the ROC curve shown, what is the meaning of the area under the curve?
Response:

A. percent concordant plus percent tied
B. percent concordant plus (.5 * percent tied)
C. percent concordant plus (.5 * percent discordant)
D. percent discordant plus percent tied

Answer: B