

Economics

Collection Of Data

- Q1.** The correlation between sale of woolen garments and day temperature is: **1 Mark**
A Positive. B Negative. C Zero. D None of these.
- Q2.** If $b_{xy} = 0.25$ and $b_{yx} = 0.64$, correlation coefficient is _____. **1 Mark**
A 0.16 B 0.40 C 0.89 D 0.30
- Q3.** When two variables change in a constant proportion, it is called: **1 Mark**
A Linear correlation. B Non-linear correlation. C Partial correlation. D None of these.
- Q4.** When $r = 1$, all the points in a scatter diagram would lie: **1 Mark**
A On a straight line directed from lower left to upper right. B On a straight line.
C On a straight line directed from upper left to lower right. D Both (a) and (b).
- Q5.** The coefficient of correlation is independent of: **1 Mark**
A Origin but not scale. B Scale but not origin. C Both origin and scale.
D Neither origin nor scale.
- Q6.** Regression is _____. **1 Mark**
A Independent of origin and scale B Independent of origin and not of scale C Independent of origin
D Independent of scale
- Q7.** The coefficient of correlation is independent of: **1 Mark**
A Change of scale only. B Change of origin only. C Both change of scale and origin.
D None of the above.
- Q8.** When coefficient of correlation lies between +0.25 and +0.75, it is called: **1 Mark**
A Perfect degree of correlation. B High degree of correlation. C Moderate degree of correlation.
D Low degree of correlation.
- Q9.** Correlation measures _____. **1 Mark**
A The degree of variability between the two variables.
B The nature of the relationship between the two variables.
C Functional relationship between two variables. D All of the above.
- Q10.** _____ gives a precise numerical value of the degree of linear relationship between two variables X and Y. **1 Mark**
A Scatter diagram B Spearmans coefficient of correlation
C Karl Pearsons Coefficient of Correlation D None
- Q11.** For finding the degree of agreement about beauty between two judges in a beauty contest, we use: **1 Mark**
A Coefficient of correlation. B Coefficient of concurrent deviation. C Scatter diagram.
D Coefficient of rank correlation.
- Q12.** Coefficient of correlation lies always between: **1 Mark**
A 0 and +1 B -1 and 0 C -1 and +1 D None of these.
- Q13.** Rank correlation method was developed by: **1 Mark**

- A Charles Edward Spearman. B Karl Pearson's. C JB Say.
D None of the above.

Q14. Karl Pearson's coefficient of correlation ranges from: **1 Mark**

- A + 1 to -1 B -1 to 0 C 0 to 1 D -2 to + 2.

Q15. Rank correlation depends on _____. **1 Mark**

- A A specific distribution B The ranks of observations C The ranks of unknown value
D The ranks of known value

Q16. The correlation coefficient will be -1 if the slope of the straight line in a scatter diagram is: **1 Mark**

- A Positive. B Negative. C Zero. D None of these.

Q17. If all the plotted points in a scatter diagram lie on a single line, then the correlation is: **1 Mark**

- A Perfect positive. B Perfect negative. C Both (a) and (b). D Either (a) or (b).

Q18. Which of the following is an example of spurious correlation? **1 Mark**

- A Positive correlation between height and weight.
B Positive correlation between time spent on computer and number of spectacles used.
C Positive correlation between rainfall and birth rate.
D Negative correlation between price and quantity demanded.

Q19. In a 'negative relationship: **1 Mark**

- A As x increases, y increases. B As x decreases, y decreases. C As x increases, y decreases.
D Both (a) and (b).

Q20. Which of the following techniques deals with the association between two or more variables? **1 Mark**

- A Index number. B Correlation. C Dispersion. D None of the above.

Q21. If decrease in value of one variable is accompanied by the proportional increase in second variable, then correlation between two variables is: **1 Mark**

- A Perfect positive B Perfect negative C Imperfect positive D Imperfect negative

Q22. The angle between the two lines will be wider when the correlation between two variable is _____. **1 Mark**

- A Less B More C Equal D Very high

Q23. If r is positive, then the two variables move in the _____ direction: **1 Mark**

- A Opposite. B Same. C Upward. D None of these.

Q24. Which of the following pair is correctly matched? Method Direct Method: **1 Mark**

S. N o.	Method	Formula
(i)	Direct Method	$r = \frac{\Sigma dx dy \cdot n - (\Sigma dx) (\Sigma dy)}{\sqrt{\Sigma dx^2 \cdot n (\Sigma dx)^2} \sqrt{\Sigma dy^2 - (\Sigma dy)^2}}$
(ii)	Short-Cut Method	$r = \frac{\Sigma xy}{n \cdot \sigma_x \cdot \sigma_y}$
(iii)	Step Deviation Method	$r = \frac{dx' dy' \cdot n - (\Sigma dx') (\Sigma dy')}{\sqrt{\Sigma dx'^2 \cdot n (\Sigma dx')^2} \sqrt{\Sigma dy'^2 - (\Sigma dy')^2}}$

- A Only (i) B Only (ii) C Only (iii) D Both (ii) and (iii).

Q25. The formula to calculate Rank correlation coefficient is: **1 Mark**

- A $1 - \frac{\Sigma D^2}{N^2 - 1}$ B $1 - \frac{6 \Sigma D^2}{N^2 - 1}$ C $1 - \frac{\Sigma d^2}{N(N^2 - 1)}$ D $1 - \frac{6 \Sigma D^2}{N^3 - N}$

Q26. When area of rectangle is constant the correlation between its length and breadth is: **1 Mark**

- A Perfect positive B Perfect negative C Imperfect positive D Imperfect negative

- Q27.** There is high direct association between measures of 'poor diet' and 'occurrence of TB'. The correlation coefficient consistent with the above statement is: **1 Mark**
- A 0.30 B 0.80 C -0.80 D - 0.30
- Q28.** The range of simple correlation coefficient is: **1 Mark**
- A 0 to infinity. B Minus one to plus one. C Minus infinity to infinity.
D 0 to plus one.
- Q29.** Which one of the following is false statement? **1 Mark**
- A The sign of the regression coefficients are always the same.
B Correlation coefficient is the geometric mean of the regression coefficients.
C
The co-variance between two variables divided by the product of their standard deviations produces the value of coefficient of correlation.
D Coefficient of correlation is independent of origin but not of scale.
- Q30.** If the two variables X and Y are independent then the value of r is: **1 Mark**
- A 0 B 1 C -1 D None of the above.
- Q31.** The relationship among three or more than three variables is studied under; **1 Mark**
- A Linear correlation B Simple correlation C Nonlinear correlation D Multiple correlations.
- Q32.** The correlation between shoe-size and intelligence is: **1 Mark**
- A Zero. B Negative. C Positive. D None of these.
- Q33.** If all the points lie on the same downward sloping line, the correlation is said to be: **1 Mark**
- A Perfect correlation. B Perfect positive correlation. C Perfect negative correlation.
D Negative correlation.
- Q34.** Mr. Sharma has ranked the students in his class on the basis of their science scores. He wants to compare the ranks of the same students in Ms. Oberoi's English class. Which measure of correlation is appropriate for Mr. Sharma to use? **1 Mark**
- A Karl Pearson's method of correlation coefficient. B Spearman's method. C Scatter diagram.
D None of the above.
- Q35.** _____ is the situation when two variables change in different directions. **1 Mark**
- A Positive correlation B Negative correlation C Correlation D Dispersion
- Q36.** Correlation coefficient is dependent on the choice of both origin and the scale of observations. **1 Mark**
- A True. B False. C Both (a) and (b). D None of these.
- Q37.** When the mean of series is a decimal number, then which method should be used for computing Karl Pearson's coefficient of correlation? **1 Mark**
- A Direct Method. B Short-cut Method. C Step Deviation Method.
D None of the above.
- Q38.** Maximum value of rank correlation coefficient is: **1 Mark**
- A 0 B +1 C -1 D None of these.
- Q39.** Rank correlation is a superior method of analysis in case of _____ distribution. **1 Mark**
- A Qualitative. B Quantitative. C Frequency. D None of these.
- Q40.** To construct a scatter diagram, independent variable is taken on _____. **1 Mark**
- A X-axis. B Y-axis. C Either X-axis or Y-axis. D None of the above.
- Q41.** Correlation is said to be simple when _____. **1 Mark**

- A** More than two variables are studied. **B** Only two variables are studied. **C** Only one variable is studied.
D The value of two variables move in the opposite direction.

- Q42.** When X increases, Y decreases but their ratio is not constant. What kind of correlation exist between X and Y? **1 Mark**
A Positive. **B** Negative. **C** Positive Linear. **D** Negative Linear.
- Q43.** Which of the following would not allow you to calculate correlation? **1 Mark**
A A negative relationship between X and Y. **B** A positive relationship between X and Y.
C A curvilinear relationship between X and Y. **D** A linear relationship between X and Y.
- Q44.** Which out of the following is not confined to linear relations? **1 Mark**
A Spearman's rank correlation. **B** Karl Pearson's Co-efficient of correlation. **C** Scatter Diagram.
D None of the above.
- Q45.** The correlation between supply and price is: **1 Mark**
A Perfect positive **B** Perfect negative **C** Imperfect positive **D** Imperfect negative
- Q46.** Karl Pearson's method is popularly known as _____. **1 Mark**
A Concurrent deviation method **B** Correlation co-efficient **C** Technical co-efficient
D Rank correlation
- Q47.** Karl Pearson's co-efficient of correlation between two variables is _____. **1 Mark**
A The product of their standard deviations
B The square root of the product of their regression co-efficient **C** The co-variance between the variables
D None of the above
- Q48.** Read the following statement given below and choose the correct alternative: **1 Mark**
1. Statement - Scatter diagram does not measure the precise extent of correlation.
2. Statement - Scatter diagram is only an approximate idea of the relationship.
A Both are correct **B** Both are incorrect
C Statement 1 is correct and statement 2 is incorrect.
D Statement 1 is incorrect and statement 2 is correct.
- Q49.** Correlation is _____. **1 Mark**
A Independent of change of origin **B** Independent of change of scale
C Independent of origin and not of scale **D** Both (A) and (B)
- Q50.** The lowest strength of association is reflected by which of the following correlation coefficients? **1 Mark**
A 0.95 **B** -0.60 **C** -0.35 **D** 0.29
- Q51.** Read the following statement given below and choose the correct alternative **1 Mark**
1. Statement- when the correlation of two series is close to 1 it is called moderate degree of correlation.
2. Statement - when the correlation of two series is close to one it is called a high degree of correlation.
A Both are correct. **B** Both are incorrect.
C Statement 1 is correct and statement 2 is incorrect.
D Statement 1 is incorrect and statement 2 is correct.
- Q52.** When the variable cannot be measured precisely: **1 Mark**
A Rank Correlation can be used. **B** Karl Pearson's Co-efficient of correlation can be used.
C Scatter diagram can be used. **D** None of the above.
- Q53.** What are the limits of the correlation coefficient? **1 Mark**
A -1 and 1 **B** No limit **C** 0 and 1, including the limits.
D -1 and 1, including the limits.

- Q54.** _____ is the situation when two variables move in the same direction. **1 Mark**
- A** Positive correlation **B** Negative correlation **C** Correlation **D** Dispersion
- Q55.** The coefficient of rank correlation of marks obtained by 10 students in English and Economics was to be found 0.5. It was later discovered that the difference in ranks in the two subjects obtained by one of the students was wrongly taken as 3 instead of 7. Find correct coefficient of rank correlation. **1 Mark**
- A** 122.5 **B** 132.7 **C** 142.3 **D** 145.6
- Q56.** The correlation between number of shoe a person uses and day temperature is: **1 Mark**
- A** Positive. **B** Zero. **C** Negative. **D** None of these.
- Q57.** If increase in value of one variable is not accompanied by the proportional increase in second variable, then correlation between two variables is **1 Mark**
- A** Perfect positive **B** Perfect negative **C** Imperfect positive **D** Imperfect negative
- Q58.** Which of the following measures of correlation is a useful technique for visually examining the form of relationship between two variables, without calculating any numeric value? **1 Mark**
- A** Scatter diagram. **B** Karl Pearson's coefficient. **C** Spearman's rank coefficient.
D Both (a) and (c).
- Q59.** Scatter diagram helps us to: **1 Mark**
- A** Find the nature of correlation between two variables.
B Obtain the mathematical relationship between two variables.
C Compute the extent of correlation between two variables. **D** Both (a) and (c).
- Q60.** When $r = 1$, all the points in a scatter diagram would lie: **1 Mark**
- A** On a straight line directed from lower left to upper right. **B** On a straight line.
C On a straight line directed from upper left to lower right. **D** Both (a) and (b).
- Q61.** Scatter diagram helps us to: **1 Mark**
- A** Find the nature of correlation between two variables.
B Obtain the mathematical relationship between two variables.
C Compute the extent of correlation between two variables. **D** Both (a) and (b).
- Q62.** Read the following statement given below and choose the correct alternative **1 Mark**
1. Statement - The graphic expression of the direction and the degree of correlation is offered by Karl Pearson method.
 2. Statement - Scatter diagram method is simple and indicates whether the relation is positive or negative.
- A** Both are correct. **B** Both are incorrect.
C Statement 1 is correct and statement 2 is incorrect.
D Statement 1 is incorrect and statement 2 is correct.
- Q63.** If r is the correlation coefficients between the two variables, then: **1 Mark**
- A** $-1 \leq r \leq 0$ **B** $1 \leq r \leq 2$ **C** $-1 \leq r \leq 1$ **D** $0 \leq r \leq 1$
- Q64.** Which of the following represents cyclic causation? **1 Mark**
- ```

graph TD
 L[L Causes] --> M[M]
 L --> N[N]
 M -- causes --> L
 N -- causes --> L

```
1.  $M \xrightarrow{\text{causes}} L \xrightarrow{\text{causes}} N$
  2.  $M \rightarrow N \rightarrow M$
- A** Only (i)    **B** Only (ii)    **C** Only (iii)    **D** None of these.
- Q65.** **1 Mark**

According to \_\_\_\_\_, when the relationship is of a quantitative nature the appropriate statistical tool for discovering and measuring the relationship and expressing it in a brief formula is known as correlation.

- A** Boddington                      **B** Croxton and Cowden      **C** Bowley                                      **D** Spiegel

**Q66.** If there is a perfect disagreement between the marks in geography and hair statistics, then what would be the value of rank correlation coefficient? **1 Mark**

- A** 1                                      **B** Any value.                                      **C** -1                                      **D** (a) or (c).

**Q67.** Correlation coefficient is dependent on the: **1 Mark**

1. Choice of origin and
2. The scale of observations.

- A** Both are true.                                      **B** (i) is true and (ii) is false.                                      **C** Both are false.  
**D** (i) is false and (ii) is true.

**Q68.** Maximum value of rank correlation coefficient is: **1 Mark**

- A** 0                                      **B** +1                                      **C** -1                                      **D** None of these.

**Q69.** Rank correlation is useful where \_\_\_\_\_. **1 Mark**

- A** We place things in an order of merit.                                      **B** The number of variables is more than 30.  
**C** There is a need to calculate the co-efficient of frequency distribution.                                      **D** None of the above.

**Q70.** The correlation between sale of cold drinks and day temperature is: **1 Mark**

- A** Positive.                                      **B** Negative.                                      **C** Zero.                                      **D** None of these.

**Q71.** Francis Galton used the regression analysis to study the relationship between the heights of about \_\_\_\_\_. **1 Mark**

- A** 100 fathers and sons      **B** 500 fathers and sons      **C** 200 fathers and sons      **D** 1000 fathers and sons

**Q72.** Karl Pearsons Coefficient of Correlation is also known as \_\_\_\_\_. **1 Mark**

- A** Simple correlation coefficient      **B** Product moment correlation      **C** Both A and B  
**D** None of the above

**Q73.** Degree of correlation is also known as; **1 Mark**

- A** Linear correlation                                      **B** Simple correlation                                      **C** Nonlinear correlation  
**D** Coefficient of correlation

**Q74.** Relation between price and demand is: **1 Mark**

- A** Positive.                                      **B** Negative.                                      **C** One to one.                                      **D** No relationship.

**Q75.** A scatter diagram: **1 Mark**

- A** Is a statistical test.                                      **B** Must be linear.                                      **C** Must be curvilinear.  
**D** Is a graph of x and y values.

**Q76.** Correlation between different variables is \_\_\_\_\_. **1 Mark**

- A** Positive                                      **B** Negative                                      **C** Both (a) & (b)                                      **D** Neutral

**Q77.** The highest strength of association is reflected by which of the following correlation coefficients? **1 Mark**

- A** -1.0                                      **B** -0.95                                      **C** 0.1                                      **D** 0.85

**Q78.** When the two variables do not change in a constant proportion it is known as; **1 Mark**

- A** Positive correlation      **B** Negative correlation      **C** Linear correlation      **D** Nonlinear correlation

**Q79.** Correlation coefficient is \_\_\_\_\_ of the units of measurement. **1 Mark**

- A** Independent.                                      **B** Dependent.                                      **C** Both (a) and (b).                                      **D** None of these.

**Q80.** **1 Mark**

There is a high direct association between measures of 'cigarette smoking' and 'lung damage'. The correlation coefficient consistent with the above statement is:

- A** 1                      **B** Any value                      **C** -1                      **D** (b) or (c)

**Q81.** The correlation between standard of living and income is: **1 Mark**

- A** Perfect positive                      **B** Perfect negative                      **C** Imperfect positive                      **D** Imperfect negative

**Q82.** In a 'negative' relationship: **1 Mark**

- A** As x increases, y increases.                      **B** As x decreases, y decreases.                      **C** As x increases, y decreases.  
**D** Both (a) and (b).

**Q83.** Correlation coefficient is \_\_\_\_\_ of the units of measurement. **1 Mark**

- A** Independent.                      **B** Dependent.                      **C** Both (a) and (b).                      **D** None of these.

**Q84.** If all the plotted points in a scatter diagram lie on a single line, then the correlation is: **1 Mark**

- A** Perfect positive.                      **B** Perfect negative.                      **C** Either (a) or (b).                      **D** Both (a) and (b).

**Q85.** Read the following statement given below and choose the correct alternative: **1 Mark**

1. Statement- perfect correlation happens when two variables change in the same proportion.
2. Statement- when there is no relationship between two series or variables then it is known as the absence of correlation.

- A** Both are correct                      **B** Both are incorrect                      **C** Statement 1 is correct and statement 2 is incorrect  
**D** Statement 1 is incorrect and statement 2 is correct

**Q86.** Choose the example of negative correlation. **1 Mark**

- A** Increase in traffic correlation leads to increase in air pollution.  
**B** As sound pollution is growing, problems related to brain is also increasing.  
**C** As Sedentary lifestyle is increasing, home delivering business are growing.                      **D** None of the above.

**Q87.** When X increases, Y increases and their ratio is 1 : 2 throughout. What kind of correlation exist between X and Y? **1 Mark**

- A** Positive.                      **B** Negative.                      **C** Positive Linear.                      **D** Negative Linear.

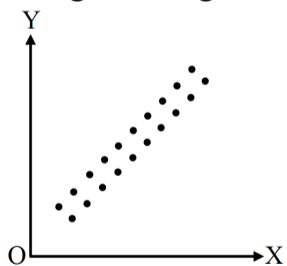
**Q88.** The correlation between ages of husbands and wives is expected to be: **1 Mark**

- A** Positive.                      **B** Negative.                      **C** Zero.                      **D** None of these.

**Q89.** If the relationship between x and y is positive, as variable y decreases, variable x: **1 Mark**

- A** Increases.                      **B** Decreases.                      **C** Remains same.                      **D** Changes linearly.

**Q90.** The given diagram represents: **1 Mark**



- A** Perfect positive correlation.                      **B** High degree of positive correlation.  
**C** Moderate degree of positive correlation.                      **D** Low degree of positive correlation.

**Q91.** The correlation implies the study of the relationship between two variables is called; **1 Mark**

- A** Linear correlation                      **B** Simple correlation                      **C** Nonlinear correlation                      **D** Multiple correlations.

**Q92.** \_\_\_\_\_ is the statistical tool that studies the degree of all the relationships. **1 Mark**

- A** Index numbers                      **B** Dispersion                      **C** Correlation                      **D** Range

**Q93.** Simple correlation is called: **1 Mark**

- A** Linear correlation.                      **B** Non linear correlation.                      **C** Both (a) and (b).                      **D** None of these.

**Q94.** There is a high degree of negative correlation between 'overweight' and 'life expectancy'. A correlation coefficient consistent with the above statement is: **1 Mark**

- A**  $r = 0.80$                       **B**  $r = 0.20$                       **C**  $r = -0.20$                       **D**  $r = -0.80$

**Q95.** When the number of items is small, the correlation co-efficient can be found out by \_\_\_\_\_. **1 Mark**

- A** Karl pearson's method                      **B** Spearman's method                      **C** Product moment correlation  
**D** Concurrent deviation method

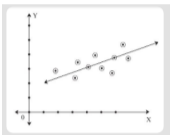
**Q96.** If the relationship between x and y is positive, as variable y decreases, variable x: **1 Mark**

- A** Increases.                      **B** Decreases.                      **C** Remains same.                      **D** Changes linearly.

**Q97.** Simple correlation is called: **1 Mark**

- A** Linear correlation.                      **B** Nonlinear correlation.                      **C** Both (a) and (b).                      **D** None of these.

**Q98.** What is the correlation of this scatter diagram: **1 Mark**



- A** Perfect positive correlation                      **B** Positive correlation with high degree  
**C** Positive correlation with low degree                      **D** Zero correlation

**Q99.** Karl Pearson's method helps to \_\_\_\_\_. **1 Mark**

- A** Give direction and degree of relationship between the two variables.  
**B** Calculate the unknown value from a known value.                      **C** Both (A) and (B).  
**D** Calculate the known value from an unknown value.

**Q100.** When the relation of three or more variables is studied simultaneously, it is called: **1 Mark**

- A** Simple correlation.                      **B** Partial correlation.                      **C** Multiple correlation.                      **D** None of these.

**Q101.** The correlation coefficient will be -1 if the slope of the straight line in a scatter diagram is: **1 Mark**

- A** Zero.                      **B** Negative.                      **C** Positive.                      **D** None of these.

**Q102.** What does correlation measure? **1 Mark**

- A** Direction and intensity of relationship among variables.                      **B** It measures covariation, not causation.  
**C** Both A and B                      **D** None of the above

**Q103.** When two variables change in the same direction, then such a correlation is called: **1 Mark**

- A** Negative.                      **B** Positive.                      **C** No correlation.                      **D** All of these.

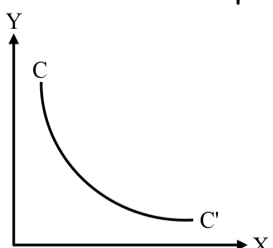
**Q104.** Which of the following is NOT true with respect to Correlation? **1 Mark**

- A** Correlation can be expressed graphically.                      **B** Correlation cannot be obtained using all type of series.  
**C** Correlation can be obtained through ranks.  
**D** Correlation can be positive, negative and zero, but never be less than one.

**Q105.** Choose the negative correlation between two variables. **1 Mark**

- A** Increase in temperature leads to increase in sales of air conditioners.  
**B** As chicken gets older, they lay fewer eggs.  
**C** As sedentary lifestyle is growing , home delivery business is making huge business.  
**D** None of the above.

**Q106.** The curve cc' depicts: **1 Mark**



- A** Linear positive correlation.                      **B** Non-linear positive correlation.                      **C** Linear negative positive correlation.

**D** Non-linear negative correlation.

- Q107.** If the two regression coefficients are 0.8 and 0.2, then the value of coefficient of correlation is \_\_\_\_\_.  
**A** -0.16                      **B** -0.50                      **C** +0.40                      **D** -0.40                      **1 Mark**
- Q108.** Choose the positively correlated variables.                      **1 Mark**  
**A** Increase in temperature leads to increase in sales of air conditioners.  
**B** As people get older , they become more stronger.  
**C** Increase in alcohol consumption leads to increase in savings                      **D** None of these
- Q109.** If the scatter points are widely dispersed around the line, the correlation is:                      **1 Mark**  
**A** High.                      **B** Low.                      **C** Moderate.                      **D** None of the above.
- Q110.** Kari Pearson's coefficient is defined from:                      **1 Mark**  
**A** Ungrouped data.                      **B** Grouped data.                      **C** Both (a) and (b).                      **D** None of these.
- Q111.** Of the following measures, which can measure Qualitative variable?                      **1 Mark**  
**A** Karl Pearson's coefficient of correlation.                      **B** Scatter diagram.                      **C** Spearman's rank correlation.  
**D** All of the above.
- Q112.** The correlation between marks of history and maths has:                      **1 Mark**  
**A** Positive relation                      **B** Negative                      **C** Imperfect                      **D** No relation
- Q113.** If increase in value of one variable is accompanied by the proprtional increase in second variable, then correlation between two variables is:                      **1 Mark**  
**A** Perfect positive                      **B** Perfect negative                      **C** Imperfect positive                      **D** Imperfect negative
- Q114.** For finding the degree of agreement about beauty between two judges in a beauty contest, we use:                      **1 Mark**  
**A** Coefficient of correlation.                      **B** Coefficient of rank correlation.                      **C** Scatter diagram.  
**D** Coefficient of concurrent deviation.
- Q115.** The value of correlation coefficient of two variables 'alpha' and 'beta' has been computed as 0.39. What does this value convey?                      **1 Mark**  
**A** High degree of positive correlation.                      **B** Moderate degree of positive correlation.  
**C** Low degree of positive correlation.                      **D** Very low degree of positive correlation Answer.
- Q116.** Coefficient of Correlation is:                      **1 Mark**  
**A** Always positive                      **B** Always negative                      **C** Positive as well as negative  
**D** Always Zero
- Q117.** Calculate the coefficient of correlation from following data:                      **1 Mark**  
Summation of products of deviation from their respective means of X and Y = 4880, SDX = 28.70, SDy = 18.02, N = 10.  
**A** 0.74                      **B** 0.84                      **C** 0.94                      **D** None of the above
- Q118.** The unit of correlation co-efficient between height in feet and weight in kgs is:                      **1 Mark**  
**A** kg/ feet.                      **B** Percentage.                      **C** Non-existent.                      **D** Feet/ kg.
- Q119.** \_\_\_\_\_ is a graphical method of studying correlation:                      **1 Mark**  
**A** Histogram.                      **B** Bar diagram.                      **C** Scatter diagram.                      **D** Circle diagram.
- Q120.** Karl Pearson's coefficient is defined from:                      **1 Mark**  
**A** Ungrouped data.                      **B** Grouped data.                      **C** Both (a) and (b).                      **D** None of these.
- Q121.** Rank correlation is a superior method of analysis in case of \_\_\_\_\_ distributions such as those relating to virtue, wisdom or ignorance:                      **1 Mark**

- A** Quantitative.      **B** Qualitative.      **C** Data.      **D** None of the above.
- Q122.** Correlation is an analysis of \_\_\_\_\_ between two or more variables: **1 Mark**  
**A** Relationship.      **B** Covariation.      **C** Determination.      **D** Calculation.
- Q123.** Which correlation coefficient indicates strongest relationship? **1 Mark**  
**A**  $r = 0.4$       **B**  $r = 0.8$       **C**  $r = 0.09$       **D**  $r = 0.2$
- Q124.** The lowest strength of association is reflected by which of the following correlation coefficients? **1 Mark**  
**A** 0.95      **B** -0.60      **C** -0.35      **D** 0.29
- Q125.** The original formula that Pearson developed is commonly known as \_\_\_\_\_. **1 Mark**  
**A** Probable error      **B** The product moment method      **C** Concurrent deviation method  
**D** Short-cut method
- Q126.** The slope of the regression line of Y on X is also called the: **1 Mark**  
**A** Correlation coefficient of X on Y    **B** Correlation coefficient of Y on X    **C** Regression coefficient of X on Y  
**D** Regression coefficient of Y on X
- Q127.** A scatter diagram: **1 Mark**  
**A** Is a statistical test.      **B** Must be linear.      **C** Must be curvilinear.  
**D** Is a graph of x and y values.
- Q128.** When two variables move together in the same direction, it is said to be: **1 Mark**  
**A** No correlation.      **B** Negative correlation.    **C** Positive correlation.    **D** Zero correlation.
- Q129.** A modified version of Karl Pearson's formula is: **1 Mark**  
**A**  $r = \frac{\Sigma xy}{\Sigma x^2 \cdot \Sigma y^2}$       **B**  $r = \frac{\Sigma xy}{\sqrt{\Sigma x^2 \times \Sigma y^2}}$       **C**  $r = \frac{\Sigma xy}{n \Sigma x^2 \cdot \Sigma y^2}$       **D**  $r = \frac{\Sigma xy}{n \delta x \cdot \delta y}$
- Q130.** The total expenditure of the company over these items during the year 2000 is? **1 Mark**  
**A** Rs.544.44 lakhs      **B** Rs.501.11 lakhs      **C** Rs.446.46 lakhs      **D** Rs.478.87 lakhs
- Q131.** Movement of points from left to right, in an upward direction indicates: **1 Mark**  
**A** Negative correlation.    **B** Positive correlation.    **C** No correlation.      **D** None of the above.
- Q132.** The defects of rank correlation is/ are \_\_\_\_\_. **1 Mark**  
**A** The original values are taken.      **B** The original values are not taken.  
**C** It becomes tedious to calculate if number exceeds 30.      **D** Both (B) and (C).
- Q133.** Defects of Karl Pearson's method is/ are \_\_\_\_\_. **1 Mark**  
**A** It consumes more time.      **B** The value of correlation is affected by extreme values.  
**C** If the data are not homogeneous, the co-efficient of correlation will give a wrong picture.  
**D** All of the above.
- Q134.** \_\_\_\_\_ is the situation when two variables move in the same direction. **1 Mark**  
**A** Positive correlation    **B** Negative correlation    **C** Correlation      **D** Dispersion
- Q135.** The highest strength of association is reflected by which of the following correlation coefficient? **1 Mark**  
**A** -1.0      **B** -0.95      **C** 0.1      **D** 0.85
- Q136.** Rank correlation co-efficient was developed by \_\_\_\_\_. **1 Mark**  
**A** Karl Pearson      **B** C. Spearman      **C** Francis Cotton      **D** Carly
- Q137.** The correlation between ages of husbands and wives is: **1 Mark**  
**A** Positive.      **B** Negative.      **C** Zero.      **D** None of these.