\*\*All work shown (step by step), in simple terms please!!!

No excel, just formulas\*\*.

5) Find the following:

|  |  |  |
| --- | --- | --- |
| **Year** | **y = book value per share** | **x = earning per share** |
| 1985 | 0.81 | 0.35 |
| 1986 | 1.32 | 0.57 |
| 1987 | 1.87 | 0.65 |
| 1988 | 2.48 | 0.70 |
| 1989 | 2.88 | 0.50 |

(a) Compute the sample regression coefficients bo and b1.

(b) Compute the estimated variance of the regression.

(c) Compute the standard error of the regression.

(d) Compute the estimated variance of b1.

(e) Compute the standard error of b1.