

1. A coin is thrown independently 10 times to test the hypothesis that the probability of heads is $\frac{1}{2}$ versus the alternative that the probability is not $\frac{1}{2}$. The test rejects if either 0 or 10 heads are observed.
 - (a) What is the significance level of the test?
 - (b) If in fact the probability of heads is .1, what is the power of the test?
2. Suppose that $X \sim \text{Binomial}(100, p)$. Consider the test that rejects $H_0 : p = 0.5$ versus $H_1 : p \neq 0.5$ whenever $|\bar{X} - 0.5| > 0.1$. Use the normal approximation to the binomial distribution to answer the following:
 - (a) What is α ?
 - (b) Graph the power as a function of p