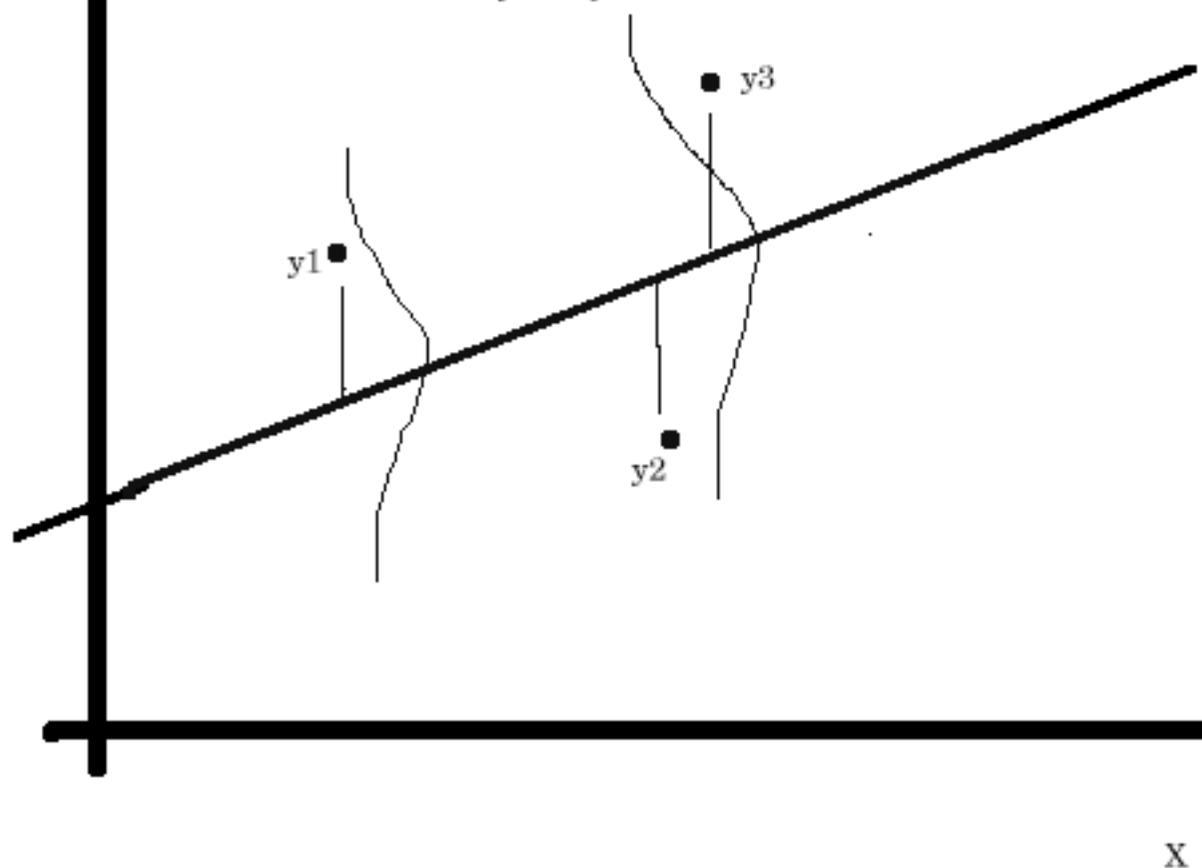


Y

The addition of random draws from the error distribution causes the observed values of y to "spread" above and below the true value



X