

Quiz #4

Econometría 06216

Nombre: _____

Profesor: Julio César Alonso

INSTRUCCIONES:

- Escoja la opción más adecuada.
- Usted cuenta con 5 minutos para resolver este quiz

1. The probability of a type II error is the probability:
 - a. Of rejecting a true hypothesis.
 - b. Of not rejecting a false hypothesis.
 - c. Of rejecting a false hypothesis.
 - d. None of the above.

Answer (b)

2. The P-value associated with a hypothesis test is:
 - a. The probability that the null hypothesis is false.
 - b. The probability that the null hypothesis is true.
 - c. The largest level of significance at which the null would be rejected.
 - d. The smallest level of significance at which the null would be rejected.

Answer (c)

3. If a hypothesis is not rejected at the 5% level of significance:
 - a. We can be 95% sure the null hypothesis is true.
 - b. It would not have been rejected at the 10% level of significance.
 - c. a and b are true.
 - d. None of the above.

Answer (d)

4. In comparing linear models with log-log models, we take logarithms of all non- negative continuous variables, but we do not use the logs of dummy variables. This is because:
 - a. Log of 1 is zero and log of 0 is undefined.
 - b. Log of -1 is zero and log of 0 is undefined.
 - c. Only dummies attempt to log dummy variables.
 - d. None of the above.

Answer (a)

5. Consider the following model:

$$Y_i = \alpha_0 + \alpha_1 X_{1i} + \alpha_2 D_i X_{1i} + \varepsilon_i$$

Where D equals 1 for females and D equals zero for males. The effect of X_1 on Y will be:

- a. Different for males and females if α_2 is significantly different from zero.

- b. α_1 for males and $\alpha_1 + \alpha_2$ for females if α_2 is significantly different from zero.
- c. Unaffected by the dummy variable which only shifts the intercept.
- d. Both a). and b). are correct.

Answer (d)