

Quiz #2
Chapter 3, 4 and 5
Econometrics 06169
Group 1
Suggested Answers

Name: _____

- Choose the **MOST CORRECT** answer
 - You have 5 minutes to solve out this quiz
1. About the variance of the residuals s^2 , we can affirm that:
 - a) It follows a binomial distribution.
 - b) It isn't observable.
 - c) It is unknown.
 - d) **None of the above.**
 2. About a point estimator, we can affirm that:
 - a) It is always right.
 - b) **It is not reliable.**
 - c) It offers a range of guesses.
 - d) None of the above.
 3. If the confidence interval for estimating price elasticity contains only positive values, Economic theory indicates that:
 - a) **The interval is plainly wrong.**
 - b) The interval is correct.
 - c) We have been lucky in our data.
 - d) All of the above.
 4. If the R^2 of the model $Y_i = \beta_1 X_i + \varepsilon_i$ is 0.6, we can affirm that:
 - a) 60% of the variation in Y is attributable to variation in X.
 - b) 0.6% of the variation in Y is attributable to variation in X.
 - c) 60% of the variation in X is attributable to variation in Y.
 - d) **None of the above.**
 5. The fact that an estimator is unbiased guarantees, in most cases, that the estimator is also:
 - a) BLUE
 - b) efficient
 - c) a and b
 - d) **None of the above**