Quiz #3

Chapter 3, 4 and 5

Econometrics 06169

Suggested Answers

Name: ______________________________

- Choose the **MOST CORRECT** answer
- You have 5 minutes to solve out this quiz

1. Select the ***false*** statement:
   a) An Error from the linear model is observable.
   b) Error and deviation are different things.
   c) A BLUE estimator could estimate a pretty different value from the real one.
   d) None of the above

2. Which of the following assumptions regarding the error term is not part of the so called "classical assumptions or Gauss Markov assumptions”:
   a) it has a zero mean
   b) it has a constant variance
   c) it follows a normal distribution
   d) its value for any observation is uncorrelated of its value for any other observation

3. Select the true statement about the R^2:
   a) Always indicate the fraction of the variation in the sample Y´s that can be explained by variation in the X´s.
   b) A low R^2 implies that our estimators are inefficient or biased
   c) Sometimes we have to ignore the interpretation of R^2
   d) None of the above.

4. In a multiple regression model with intercept, we can affirm that:
   a) The R^2 is larger number than 1.
   b) The OLS residuals always sum to zero.
   c) The OLS estimators are biased.
   d) The OLS estimators are efficient.

5. A prediction interval is:
   a) Interval guesses for the coefficient estimates
   b) Interval guesses for forecasts
   c) Interval guesses for variance formulation
   d) An Interval for variance measurement