

Quiz # 8
Econometrics 06216

Name _____

- Choose the **MOST CORRECT** answer
 - You have 5 minutes to solve out this quiz
1. About the negative serial correlation, we can affirm that:
 - a. It's the most common correlation for cross-section data.
 - b. It means that $\text{cov}(\varepsilon_t, \varepsilon_{t'}) > 0$.
 - c. It indicates the presence of heteroskedasticity.
 - d. **None of the above.**
 2. In presence of serial correlation, the OLS estimator for the variance of coefficients is:
 - a. Unbiased but inefficient.
 - b. Unbiased but inconsistent.
 - c. Biased but consistent.
 - d. **None of the above.**
 3. As the distance between observations t and t' grows larger, we can affirm that:
 - a. The serial correlation becomes stronger.
 - b. The OLS estimators become consistent.
 - c. **The correlation between ε_t and $\varepsilon_{t'}$ becomes smaller.**
 - d. All of the above.
 4. Assume you have a time series regression model and you know that the explanators are growing over time. You find out that the p-value of the global significance test is 0.003. In presence of serial correlation, you can affirm that:
 - a. At least one of the coefficients associated with the slopes is statistically significant.
 - b. There is evidence to reject the null hypothesis.
 - c. **The p-value is a misleading indicator.**
 - d. All of the above.
 - e. None of the above.
 5. You apply the Durbin-Watson Test if you want to prove.
 - a. Any order of serial correlation.
 - b. **First-order serial correlation.**
 - c. That the disturbances are not adjacent.
 - d. All of the above.
 - e. b and c.