

Quiz # 2
Chapter 1 and 2
Suggested Answers
Group 1
Econometrics 06216

Name _____

- Choose the most correct answer
 - You have 5 minutes to solve out this quiz
1. If the disturbances are homoskedastic, it can be said that:
 - a. The errors have the same mean
 - b. The errors have different variance
 - c. The errors have different mean
 - d. **None of the above**
 2. One of the reasons to use the Sum of Square deviations is that:
 - a. The sum of the deviation is equal to Expected value (Zero).
 - b. It captures the idea to minimize the differences between small and large discrepancies
 - c. **It results in generating only positive values and it tends to give more weight to large discrepancies than to small ones.**
 - d. All the above
 3. An estimator is unbiased if:
 - a. **On average, the difference between the expected value of the estimator and the parameter's value is zero**
 - b. Its guesses are right
 - c. The estimator get closer to the true parameter value as the size of the sample increases
 - d. None of the above
 4. One of the following options is a desirable property of estimators:
 - a. **Being unbiased.**
 - b. Not being robust.
 - c. Having a smaller variance.
 - d. All of the above.
 5. If the estimated value is not similar to the real value of a parameter, we can say that:
 - a. Necessarily, the estimator is biased.
 - b. It is sufficient condition to say that the estimator is biased.
 - c. **Not necessarily, the estimator is biased.**
 - d. A and C.