Quiz # 7
Chapter 10
Group 1
Econometrics 06216

Name: _____

1. The Brush Pagan Test looks at:
    a. The relationship between the OLS residuals and the levels of a pre-specified subset of explanatory variables
    b. The relationship between the OLS residuals and the levels of a pre-specified subset of errors.
    c. The relationship between the squared OLS residuals and the levels of a pres-specified subset of explanatory variables
    d. The relationship between the square root of OLS residuals and the levels of a pre-specified subset of explanatory variables

    Answer: C

2. In essence, The White test pretends to check:
    a. If the expect squared root residuals are constant or vary in the auxiliary equation
    b. If the expect squared residuals are constant and vary in the auxiliary equation
    c. If the expect squared residuals are constant or vary in the auxiliary equation
    d. If the expect squared root residuals are not constant.
    Answer: C

3. The most adequate test for abruptly changing variances is:
    a. Brusch Pagan Test
    b. The White Test
    c. The Goldfeld – Quant Test
    d. All the above
    Answer: C

4. When the OLS are used, the estimators are
    a. Biased and inefficient
    b. Unbiased consistent
    c. Biased and consistent
    d. Efficient and biased.
    Answer: B

5. The WLS method.
    a. Is a special case of OLS.
    b. Assigns a weak influence to the small values of the dependant variable and a strong influence to the greatest values of the dependant variable.
    c. Is a special case of the maximum likelihood method.
    d. None of the above

    Answer: D