

## Quiz #8

## Econometría 06216

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INSTRUCCIONES:

- Escoja la opción más adecuada.
  - Usted cuenta con 5 minutos para resolver este quiz
1. If your dataset has serial correlation, but you completely ignore the problem and use a plain OLS command, you will:
    - a. you get OLS estimators that are still BLUE.
    - b. get t-test statistics that make you reject the null hypothesis about the overall significance of the model.
    - c. you get t-statistics that are higher than the R squared
    - d. None of the above.

Answer (d)

2. One possible way to check for evidence of serial correlation informally is:
  - a. by plotting the residuals of a multiple regression model against the dependent variable and all the regressors.
  - b. by plotting the squared residuals of a multiple regression model against all the regressors.
  - c. by plotting the residuals of a multiple regression model against the lagged residuals of the same model.
  - d. None of the above.

Answer (c)

3. If your dataset has serial correlation, but you completely ignore the problem and use the OLS estimator, you will:
  - a. get t-test statistics that make you overly optimistic about your parameters being statistically different from zero.
  - b. get biased slope-parameter estimates.
  - c. you get OLS estimators that are no longer BLUE.
  - d. you get F-statistics that are correct.

Answer (c)

4. Fill in the blanks with the most appropriate choice of words. 'If you find that your Durbin-Watson has a value \_\_\_\_\_ 2 , you would be inclined to believe your equation has a problem of serial correlation and might then look to see if this is caused by \_\_\_\_\_.'
  - a. equal to, omitted variables.
  - b. greater than, wrong choice of functional form.
  - c. significantly different from, wrong choice of functional form.
  - d. less than, wrongly including an intercept term.

Answer c)

5. Which of the following are true:
- a. The Durbin-Watson test is the only test that is ever used for serial correlation.
  - b. There can be serial correlation of any order not just first order.
  - c. Serial correlation can not be negative.
  - d. If there is strong positive serial correlation the Durbin-Watson test will tend towards 4.

Answer (b)