Quiz #10

Econometría 06216

Nombre: _____

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INSTRUCCIONES:

- Escoja la opción más adecuada.
- Usted cuenta con 5 minutos para resolver este quiz

1. Which of the following statements are true about multinomial logit/probit models:
   a. the results will appear as more than one set of equations each of which have different coefficients.
   b. there is one set of coefficients from which you work out the pairwise coefficients.
   c. you would not be able to produce a contingency table which summarized 'correct' predictions classified against actual outcomes.
   d. None of the above.

Answer (a)

2. There are complicated models in which we combine a 0-1 variable (such as whether to work), with a continuous variable (such as how many hours to work). Which of the following statements apply to such models (n.b. assuming the data is individual and has not been grouped:
   a. it is generally satisfactory to simply run a regression on all the observations with a zero for the non-observed event (i.e. non workers in the example).
   b. you can apply OLS to such models as per answer (i) but you must take logs of all the variables.
   c. All of the above.
   d. None of the above.

Answer (d)

3. Which of the following are situations where we would be inclined to use logit or probit models?:
   a. predicting the likelihood that a house will be burgled using a sample of 480 households over a 12-month period.
   b. analyzing how many Olympic medals have been won by different nations in the last 10 Olympics.
   c. the Greek consumption function using aggregate national data for 1969-2004.
   d. None of the above.

Answer (a)

4. Which of the following statements about probabilistic models with 0-1 dependent variables are true::
   a. they can be used to decide whether an outcome is likely (p is greater than 0.5) or unlikely (p is less than 0.5).

b. they can not be estimated unless there is a fairly even spread of 0-1 values for the dependent variable.
c. they cannot have dummy independent variables.
d. None of the above.

Answer (a)

5. Which of the following remarks about goodness of fit statistics in models with 0-1 dependent variables are true:
   a. there is no generally agreed measure of goodness of fit.
   b. you can use a Chi-squared test on the contingency table constructed from the rounded predictions.
   c. a pseudo R squared statistic has been suggested constructed from log likelihood ratios.
   d. All of the above.

Answer (d)