

Quiz # 5
Chapter 9
Suggested Answers
Econometrics 06216

Name: _____

- Choose the **MOST CORRECT** answer
 - You have 5 minutes to solve out this quiz
1. When the coefficients of a regression relationship change over time, we call that:
 - a. Time series analysis
 - b. **Regime shift**
 - c. Structural time coefficients
 - d. Time shift
 - e. None of the above
 2. Which one of the following assumptions is needed to to be so the F's statistic works
 - a. Homoskedasticity
 - b. Normality of the disturbances
 - c. A large sample
 - d. a or c
 - e. **b or c**
 3. A linear regression model has been estimated using a very large sample and an Fstatistic for a certain hypothesis has been calculated to be -4.5 (the level of significance is 5%):
 - a. The hypothesis is not rejected because $-4.5 < 0$.
 - b. The hypothesis is rejected because $-4.5 < -1.96$.
 - c. **The F-statistic has not been calculated correctly.**
 - d. There is insufficient information to determine the outcome of the test.
 - e. None of the above
 4. If we need to test for model stability when one subperiod is too short to allow separate estimation of the model in that subperiod, you can use:
 - a. F-test
 - b. T-test
 - c. Chow-Test
 - d. Inclusion of a dummy
 - e. **c and d**
 5. Assume you have a multiple regression model with 10 variables, if each t-test is conducted at 5%, you can affirm that:
 - a. **The true significance level could be anything between 5% and 50%.**
 - b. The true significance level is more than the acceptable
 - c. The level combined of significance is 5%.
 - d. The level combined of significance is 50%.
 - e. None of the above.