

Quiz # 2
Chapter 1 and 2
Suggested Answers
Econometrics 06216

Name _____

- Choose the most correct answer
 - You have 5 minutes to solve out this quiz
1. Homoskedasticity refers to:
 - a. **Disturbances with similar variance.**
 - b. Disturbances with dissimilar variance.
 - c. Disturbances with no relationship between them.
 - d. None of the above.
 2. One of the following options is a desirable property of estimators:
 - a. **Not being biased.**
 - b. Not being robust.
 - c. Having a smaller variance.
 - d. All of the above.
 3. Mean square error is the sum of:
 - a. Bias plus variance
 - b. Bias plus Standard deviation.
 - c. Bias squared plus Standard deviation.
 - d. **None of the above.**
 4. We say that an estimator is efficient if:
 - a. Its variance is smallest than the variance of other estimators, and it's biased.
 - b. It is quick and biased.
 - c. Its variance is small enough to let the estimator be unbiased.
 - d. **None of the above.**
 5. If the estimated value is not similar to the real value of a parameter, we can say that:
 - a. **Not necessarily, the estimator is biased.**
 - b. Necessarily, the estimator is biased.
 - c. It is sufficient condition to say that the estimator is biased.
 - d. B and C.