

Quiz # 3
Chapter 3, 4 and 5
Suggested Answers
Group 3
Econometrics 06216

Name _____

- Choose the most correct answer
 - You have 5 minutes to solve out this quiz
1. A prediction interval is:
 - a. Interval guesses for the coefficient estimates.
 - b. Interval guesses for forecasts.**
 - c. An interval for variance measurement.
 - d. None of the above.
 2. A low R^2 implies that:
 - a. The estimator is inefficient.
 - b. The estimator is consistent.
 - c. The estimator is BLUE
 - d. None of the above**
 3. Select the Correct statement:
 - a. A parameter is not observable.**
 - b. Error and deviation are the same things.
 - c. A BLUE estimator estimates the same value from the real parameter.
 - d. All of the above
 4. In a regression model with no intercept:
 - a. The OLS residuals always sum to zero.
 - b. The OLS estimators are unbiased.
 - c. The OLS estimators are inefficient.
 - d. None of the above**
 5. One of the following properties is not an assumption of the Gauss-Markov Theorem:
 - a. $E(b) = \beta$**
 - b. $E(\varepsilon_i) = 0$
 - c. $Cov(\varepsilon_i, \varepsilon_j) = 0$
 - d. $Var(\varepsilon_i) = \sigma^2 I$