

Quiz #6
Variables Dummy
Econometría 06216

Nombre: _____

Profesor: Julio César Alonso

INSTRUCCIONES:

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

1. Dummy variables are:
- a. Variables that can take values of 1 and -1.
 - b. Variables that can take values of 0 and -1.
 - c. (a) and (b) are correct.
 - d. None of the above.

Answer d).

2. The Chow test is used in order to:
- a. Determine if dummy variables must be used.
 - b. Determine if a structural shift exists.
 - c. (a) and (b) are correct.
 - d. None of the above.

Answer c).

3. Which of the following models represent a shift in slope and intercept.
- a. $y_i = b_0 + b_1x_{1i} + b_2D_t$
 - b. $y_i = b_0 + b_1x_{1i} + b_2W_t x_{1i}$
 - c. $y_i = b_0 + b_1x_{1i} + b_2x_{2i}$
 - d. $y_i = b_0 + b_1x_{1i} + b_2D_t + b_3W_t x_{1i}$

Answer d)

4. A group of dummy variables that correspond to each time period in a panel data is called.
- a. Fixed effects.
 - b. Time effects.
 - c. State level relationships.
 - d. None of the above.

Answer b)

5. A regression equation is fully interacted with a dummy variable if:
- a. it permits the respective changes in the intercept.
 - b. it permits the respective changes in the slopes.
 - c. it permits both the changes in intercept and slopes.
 - d. None of the above.

Answer c).