

Quiz # 8
Econometrics 06216

Name _____

- Choose the **MOST CORRECT** answer
- You have 5 minutes to solve out this quiz

1. In presence of serial correlation, hypothesis testing results:
 - a. Ambiguous.
 - b. Truthful
 - c. Non parametric.
 - d. **Not truthful**
 - e. None of the above.

2. About the Durbin Watson test, we **cannot** denied that:
 - a. Always give a conclusive result.
 - b. Not always give a conclusive result.
 - c. Just conclude about first order serial correlation.
 - d. **b and c.**
 - e. a and c.

3. Assume you have a time series regression model and you know that the regressors are growing over time. You find out that the p-value of the global significance test is 0.003. In presence of serial correlation, you can affirm that:
 - a. At least one of the coefficients associated with the slopes is statistically significant.
 - b. There is evidence to reject the null hypothesis.
 - c. **The p-value is a misleading indicator.**
 - d. All of the above.
 - e. None of the above.

4. $\varepsilon_t = \rho\varepsilon_{t-3} + v_t$ indicates:
 - a. First-order autoregressive process
 - b. That the disturbances are adjacent.
 - c. That the disturbances are not perfect correlated
 - d. **Third-order autoregressive process.**
 - e. None of the above.

5. About the negative serial correlation, we can affirm the:
 - a. It's the most common correlation for cross-section data.
 - b. It means that $\text{cov}(\varepsilon_t, \varepsilon_{t'}) > 0$.
 - c. It indicates the presence of heteroskedasticity.
 - d. **None of the above.**
 - e. All of the above.