Quiz #3

Group 7

Chapter 3, 4 and 5

Econometrics 06169

Suggested Answers

Name: _____

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

1. Select the ***Correct*** statement:
   a) If an estimator is BLUE means that is more efficient than any other estimator.
   b) Error and estimated error are the same things.
   c) One of the assumptions of the Gauss Markov theorem is that the perturbances are heteroskedastic
   d) None of the above.
   e) All of the above.

2. A low R^2 implies:
   a) The estimator is unbiased
   b) The estimator is biased
   c) The Estimator is BLUE
   d) All of the above
   e) None of the above

3. A good representation for R^2 is:

   a) $R^2 = 1 - \dfrac{\sum e_i}{\sum y_i}$

   b) $R^2 = 1 - \dfrac{\sum e_i^2}{\sum y_i^2}$ Correcta

   c) $R^2 = 1 - \dfrac{\sum e_i^2}{\sum y_i}$

   d) $R^2 = 1 - \dfrac{\sum e_i}{\sum y_i^2}$

   e) None of the above

4. In a multiple regression model *without* intercept, we can affirm that:
   a) The OLS residuals always sum to zero.
   b) The OLS estimators are unbiased.
   c) The OLS estimators are efficient.

   d) The R^2 is useless.
   e) All of the above

5. It is desirable to have estimators that are BLUE, because:
   a) Linear estimators are always better than non-linear ones.
   b) For hypothesis testing it is desirable the presence of heteroskedasticity
   c) If estimators are BLUE the R^2 cannot be improved upon.
   d) All of the above.
   e) None of the above.