

Econometrics

Lecture 11: Multiple Linear Regression: Problem of Estimation and Inference

Quiz

1. Which variable is said to be if it is expressed in terms of deviation from its mean and divided by its standard deviation?
 - a) Standardized
 - b) normal
 - c.) Continuous
 - d) qualitative

2. If a regression model is not correctly specified, it is called _____ error.

3. R^2 is a non-decreasing function of the number of explanatory variables. True / False
4. In order to compare, two R^2 values, the size of n and the dependent variable need not be the same. True / False
5. Mention any two forms of hypothesis testing.

6. **To Test the overall significance of a multiple regression, which of the following test is use?**
 - a. Z test
 - b) The F-Test
 - c) t test
 - d) Chi square test

7. Mention any two applications of the F test in hypotheses testing.