

Quiz # 2
Chapter 1 and 2
Suggested Answers
Group 3
Econometrics 06216

Name _____

- Choose the most correct answer
 - You have 5 minutes to solve out this quiz
1. A random variable is:
 - a. A non stochastic variable.
 - b. **A variable that takes a value according to some probability.**
 - c. A number for which you do not know the value with certainty.
 - d. All of the above.
 2. Cross sectional data refers to:
 - a. **Data drawn from a population observed at a moment in time.**
 - b. Data drawn from a population observed across several moments in time
 - c. Data drawn from a section of population collected over time.
 - d. None of the above
 3. If the disturbances are homoskedastic, it can be said that:
 - a. Necessarily, the observations have the same variance
 - b. Necessarily, the estimator is unbiased
 - c. **The errors have the same variance**
 - d. The errors have the same mean absolute error.
 4. Under frequently met conditions, the Law of Large Numbers assures that,
 - a. With a very large number of randomly drawn samples, means calculated across observed samples are exactly the same as the means in the population.
 - b. The distribution of Y follows a normal distribution in large samples even when the disturbances are not normally distributed
 - c. **With a very large number of randomly drawn samples, means calculated across observed samples are likely to be close to the means in the population**
 - d. b and c
 5. If the estimated value is not similar to the real value of a parameter, we can say that:
 - a. Necessarily, the estimator is biased.
 - b. It is a sufficient condition to say that the estimator is biased.
 - c. Necessarily, the estimator doesn't have the minimum variance
 - d. **Not necessarily, the estimator is biased.**