

ECON-C4100 - Capstone: Econometrics I

Lecture 3: Review questions

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Lecture 3

- 1 What is the value of the coefficient of age in the regression of income on age?
- 2 What can you say about the statistical significance of the age - coefficient, and on what basis?
- 3 What fraction of the variation in income does the univariate model explain (capture)?
- 4 What is the difference between the correlation coefficient - formula and that of the coefficient in a univariate regression?
- 5 Can the coefficient of a variable in a univariate regression have a different sign than the correlation between the variable in question and the dependent variable?
- 6 What value does the univariate model predict for income of people aged 20, 30, 40 and 50 years?