



1 . drop X Y

2 . summarize gdp savingy

| Variable | Obs | Mean     | Std. Dev. | Min      | Max      |
|----------|-----|----------|-----------|----------|----------|
| gdp      | 46  | 17117.53 | 12855.37  | 4751.89  | 52475.3  |
| savingy  | 46  | 4904.137 | 5005.327  | 661.1791 | 17789.18 |

3 . generate X=( gdp-17117.53)/12855.37

4 . generate Y=( savingy -4904.137)/5005.327

5 . reg Y X

| Source   | SS         | df | MS         | Number of obs = 46     |  |  |
|----------|------------|----|------------|------------------------|--|--|
| Model    | 44.1588298 | 1  | 44.1588298 | F( 1, 44) = 2309.87    |  |  |
| Residual | .841166777 | 44 | .019117427 | Prob > F = 0.0000      |  |  |
| Total    | 44.9999966 | 45 | .999999925 | R-squared = 0.9813     |  |  |
|          |            |    |            | Adj R-squared = 0.9809 |  |  |
|          |            |    |            | Root MSE = .13827      |  |  |

  

| Y     | Coef.    | Std. Err. | t     | P> t  | [95% Conf. Interval] |          |
|-------|----------|-----------|-------|-------|----------------------|----------|
| X     | .9906099 | .0206115  | 48.06 | 0.000 | .9490702             | 1.03215  |
| _cons | 3.55e-08 | .0203862  | 0.00  | 1.000 | -.0410856            | .0410857 |

6 . regress savingy gdp , beta

| Source   | SS         | df | MS         | Number of obs = 46     |  |  |
|----------|------------|----|------------|------------------------|--|--|
| Model    | 1.1063e+09 | 1  | 1.1063e+09 | F( 1, 44) = 2309.87    |  |  |
| Residual | 21074000.2 | 44 | 478954.55  | Prob > F = 0.0000      |  |  |
| Total    | 1.1274e+09 | 45 | 25053295.7 | R-squared = 0.9813     |  |  |
|          |            |    |            | Adj R-squared = 0.9809 |  |  |
|          |            |    |            | Root MSE = 692.07      |  |  |

  

| savingy | Coef.     | Std. Err. | t     | P> t  | Beta     |
|---------|-----------|-----------|-------|-------|----------|
| gdp     | .3857008  | .0080252  | 48.06 | 0.000 | .9906096 |
| _cons   | -1698.108 | 171.1229  | -9.92 | 0.000 | .        |

7 . regress savingy gdp

| Source   | SS         | df | MS         | Number of obs = 46     |  |  |
|----------|------------|----|------------|------------------------|--|--|
| Model    | 1.1063e+09 | 1  | 1.1063e+09 | F( 1, 44) = 2309.87    |  |  |
| Residual | 21074000.2 | 44 | 478954.55  | Prob > F = 0.0000      |  |  |
| Total    | 1.1274e+09 | 45 | 25053295.7 | R-squared = 0.9813     |  |  |
|          |            |    |            | Adj R-squared = 0.9809 |  |  |
|          |            |    |            | Root MSE = 692.07      |  |  |

  

| savingy | Coef.     | Std. Err. | t     | P> t  | [95% Conf. Interval] |           |
|---------|-----------|-----------|-------|-------|----------------------|-----------|
| gdp     | .3857008  | .0080252  | 48.06 | 0.000 | .369527              | .4018745  |
| _cons   | -1698.108 | 171.1229  | -9.92 | 0.000 | -2042.983            | -1353.232 |

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8 . predict Yhat
   (option xb assumed; fitted values)
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9 . predict Uhat, res
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10 . reg savingy Yhat
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| Source   | SS                | df        | MS                | Number of obs = | 46             |
|----------|-------------------|-----------|-------------------|-----------------|----------------|
| Model    | <b>1.1063e+09</b> | <b>1</b>  | <b>1.1063e+09</b> | F( 1, 44) =     | <b>2309.87</b> |
| Residual | <b>21074000</b>   | <b>44</b> | <b>478954.546</b> | Prob > F =      | <b>0.0000</b>  |
|          |                   |           |                   | R-squared =     | <b>0.9813</b>  |
|          |                   |           |                   | Adj R-squared = | <b>0.9809</b>  |
| Total    | <b>1.1274e+09</b> | <b>45</b> | <b>25053295.7</b> | Root MSE =      | <b>692.07</b>  |

| savingy | Coef.           | Std. Err.       | t            | P> t         | [95% Conf. Interval]     |
|---------|-----------------|-----------------|--------------|--------------|--------------------------|
| Yhat    | <b>1</b>        | <b>.0208068</b> | <b>48.06</b> | <b>0.000</b> | <b>.9580666 1.041933</b> |
| _cons   | <b>.0000821</b> | <b>144.3057</b> | <b>0.00</b>  | <b>1.000</b> | <b>-290.8289 290.829</b> |

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11 . pwcorr gdpX savingy, sig
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|         | gdpX          | savingy       |
|---------|---------------|---------------|
| gdpX    | <b>1.0000</b> |               |
| savingy | <b>0.9906</b> | <b>1.0000</b> |
|         | <b>0.0000</b> |               |

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12 .
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