Problem Set 8

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Question 5:

Estimated beta is very close to the true one.

Question 7:

No,they are still very similar.

Question 9:

Table 1:

	Dependent variable:
	y
x1	1.501***
	(0.002)
x2	−0.991***
	(0.003)
x3	−0.247***
	(0.003)
x4	0.744***
	(0.003)
x5	3.504***
	(0.003)
x6	−1.999***
	(0.003)
x7	0.502***
	(0.003)
x8	0.997***
	(0.003)
x9	1.256***
	(0.003)
x10	1.999***
	(0.003)
Observations	100,000
R^2	0.971
Adjusted R^2	0.971
Residual Std. Error	0.500 (df = 99990)
F Statistic	338,240.000*** (df = 10; 99990)

Note: *p<0.1; **p<0.05; ***p<0.01