Quiz 11

Due Feb 11, 2019 at 23:59 **Points** 10 **Questions** 10
Available Feb 7, 2019 at 11:00 - Feb 11, 2019 at 23:59 5 days **Time Limit** 30 Minutes

Instructions

Quiz 11 covers the material in lectures 27 - 29 (pages 197 - 225 of the Course Notes)

This quiz is no longer available as the course has been concluded.

Attempt History

	Attempt	Time	Score
LATEST	Attempt 1	11 minutes	4 out of 10

Score for this quiz: **4** out of 10
Submitted Feb 11, 2019 at 19:29
This attempt took 11 minutes.

Question 1

0 / 1 pts

If we look at a plot of daily returns from a stock market, we often see ...

orrect Answer
- periods that appear to have much larger variance
- very little in the way of a pattern

ou Answered
- a stationary time series with zero mean and constant variance
- a trending non-stationary series

Question 2

0 / 1 pts

If we plot the acf of a series of stock market returns, we usually see ...

You Answered

an autocorrelation pattern that seems to be autoregressive

an autocorrelation pattern that seems to be similar to a moving average series

Correct Answer

no autocorrelation pattern

an indistinguishable pattern of significant lags

Question 3

0 / 1 pts

If we plot the autocorrelation pattern of the squared returns, we often see ...

an autocorrelation pattern that always looks autoregressive

Correct Answer

multiple significant lags

no autocorrelation pattern

You Answered

an autocorrelation pattern that always seems to be similar to that of a moving average series

Question 4

0 / 1 pts

If we fit an ARCH(1) model to a series of volatile returns and there are still several significant lags in the acf of the squared returns, we ...

fit a GARCH(q,p) model

fit a GARCH(1,1) model

Correct Answer

try the other options till we find a model with no autocorrelation pattern in the squared residuals

You Answered

- (•) fit an ARCH(p) model

Question 5

1 / 1 pts

If we find volatility in the Residual Series from a Time Series model, we ...

- ( ) give up as the data cannot be modelled successfully
- ( ) try fitting ARCH or GARCH models to the original series

Correct!

- (•) try fitting ARCH or GARCH models to the Residual Series
- ( ) try fitting a Stationary Time Series model to the Residual Series

Question 6

0 / 1 pts

Panel Data ...

You Answered

- (•) All other options are correct
- ( ) must have exactly the same time periods measured for each Cross-sectional unit
- ( ) is a very useful model for forecasting the future

orrect Answer

- ( ) is a combination of Cross-sectional data and Time Series data

Question 7

0 / 1 pts

The pooled model of a Panel Data set ...

orrect Answer

- ( ) is only used as a base case for comparisons

You Answered

All other options are correct

can tell us which Time Periods are different

can tell us which Cross-sectional units are different

Question 8

1 / 1 pts

A Fixed Effects model of a Panel Data set ...

Correct!

is useful if the effects are correlated with the explanatory variables used in the model

is useful if the effects are uncorrelated with the explanatory variables used in the model

always has a common intercept

is useful only if all the effects can be measured

Question 9

1 / 1 pts

A Random Effects model of a Panel Data set ...

Correct!

is useful if the effects are uncorrelated with the explanatory variables used in the model

never has a common intercept

is useful only if all the effects can be measured

is useful if the effects are correlated with the explanatory variables used in the model

Question 10

1 / 1 pts

The Hausman test ...

- is where the null hypothesis is that the effects and the explanatory variables in the model are correlated
- is used to determine whether a Pooled model or a Random Effects model is best
- is used to determine whether a Fixed Effects model or a Pooled model is best

Correct!

- is used to determine whether a Fixed Effects model or a Random Effects model is best

Quiz Score: **4** out of 10