

SIMON FRASER UNIVERSITY  
Department of Economics

Econ 435  
Quantitative Methods in Economics

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Fall 2001

PROBLEM SET 1 - Simple Bivariate Regression  
(Due September 17)

1. Suppose you are developing a model to explain savings behavior as a function of the level of interest rates. Would you rather sample during a period of fluctuating interest rates or during a period of stable interest rates? Explain.
2. Do Problem 2.3 in Wooldridge (pg. 61). (Note, do not enter the data into a file and use the computer. Use a calculator or a sharp pencil.)
3. Do Computer Exercise 2.11 in Wooldridge (pg. 64). This uses the data set CEOSAL2.WF1.
4. Do Computer Exercise 2.13 in Wooldridge (pg. 64). This uses the data set WAGE2.WF1.