

SIMON FRASER UNIVERSITY
Department of Economics

Econ 835
Quantitative Methods

Prof. Kasa
Spring 2002

PROBLEM SET 1 - Simple Bivariate Regression
(Due January 16)

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.