

Eco 420Z. Applied Econometrics  
Homework 1

1. Regression analysis with cross-sectional data
  - a) Solve question 3.1 in pp.105-106 of your textbook. Comment on the estimated  $R^2$ .
  - b) Solve question 3.9 in p. 108 of your textbook.
  - c) Solve question 3.12 in p. 109 of your textbook.
2. Computer exercises\*

*Along with the answer to both questions, please also submit a stata log file print out showing your work. Use your surname to save your log file (You should start your work by typing "log using yoursurname" and finish your work by typing "log close").*

- a) Solve question C3.4 in p. 111 of your textbook.
- b) Solve question C3.8 in p. 112 of your textbook.

\*Data for computer exercises are available at [www.albany.edu/~by872279/teaching.htm](http://www.albany.edu/~by872279/teaching.htm)