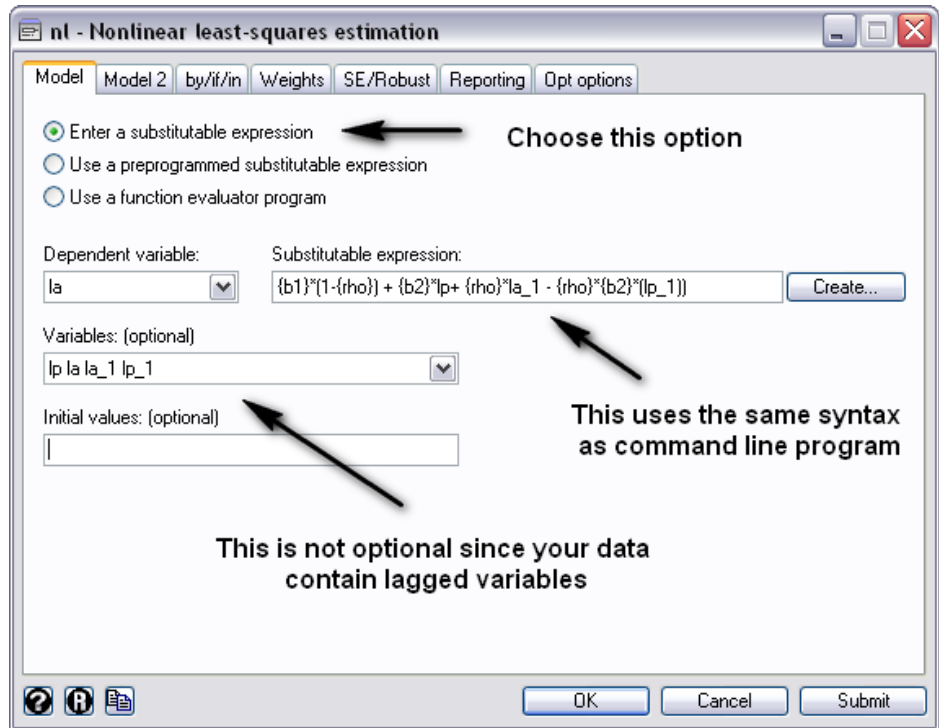


# Errata

## Using Stata for Principles of Econometrics, 3e

### *First and Second Printing*

Page	Date	Correction																																												
218	11-Sept-08	The expression used in the nl command on page 218 includes an incorrect variable. The lagged value of $\ln(p)$ ( <code>lp_1</code> ) was used rather than the log level ( <code>lp</code> ). This caused the results on page 219 to be incorrect. The new results, shown below, match those in POE. The figure at the bottom of page 219 has been changed to include the correct syntax and the do file as been fixed as well.																																												
219	11-Sept-08	<pre>Iteration 6: residual SS = 2.443575 Iteration 7: residual SS = 2.443575</pre> <table border="1"> <thead> <tr> <th>Source</th> <th>SS</th> <th>df</th> <th>MS</th> <th></th> </tr> </thead> <tbody> <tr> <td>Model</td> <td>.939834353</td> <td>2</td> <td>.469917176</td> <td>Number of obs = 33</td> </tr> <tr> <td>Residual</td> <td>2.4435749</td> <td>30</td> <td>.081452497</td> <td>R-squared = 0.2778</td> </tr> <tr> <td>Total</td> <td>3.38340925</td> <td>32</td> <td>.105731539</td> <td>Adj R-squared = 0.2296</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>1a</th> <th>Coef.</th> <th>Std. Err.</th> <th>t</th> <th>P&gt; t </th> <th>[95% Conf. Interval]</th> </tr> </thead> <tbody> <tr> <td>/b1</td> <td>3.898771</td> <td>.0921651</td> <td>42.30</td> <td>0.000</td> <td>3.710545 4.086998</td> </tr> <tr> <td>/rho</td> <td>.4221386</td> <td>.1660475</td> <td>2.54</td> <td>0.016</td> <td>.0830244 .7612527</td> </tr> <tr> <td>/b2</td> <td>.8883697</td> <td>.259299</td> <td>3.43</td> <td>0.002</td> <td>.3688105 1.417929</td> </tr> </tbody> </table> <p>Parameter b1 taken as constant term in model &amp; ANOVA table</p> <p>The coefficient estimates and standard errors match those in your text. The minimum of the sum of squares function is reached at the same parameter estimates. In some cases, you may notice small differences in estimated standard errors. This happens because there are different ways of estimating these consistently in nonlinear models; in small samples like the one in this example, those differences may be exaggerated. In large samples the differences will usually be small and in fact vanish according to theory.</p>	Source	SS	df	MS		Model	.939834353	2	.469917176	Number of obs = 33	Residual	2.4435749	30	.081452497	R-squared = 0.2778	Total	3.38340925	32	.105731539	Adj R-squared = 0.2296	1a	Coef.	Std. Err.	t	P> t	[95% Conf. Interval]	/b1	3.898771	.0921651	42.30	0.000	3.710545 4.086998	/rho	.4221386	.1660475	2.54	0.016	.0830244 .7612527	/b2	.8883697	.259299	3.43	0.002	.3688105 1.417929
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235-238

11-Sept-08

The corrected Stata do-file for Chapter 9 can be found at [http://www.principlesofeconometrics.com/do\\_files/chap09.do](http://www.principlesofeconometrics.com/do_files/chap09.do)