Errata for Principles of Econometrics, 5e

Page	Date	Correction
Ii	30-May-18	Under the Title information, the university for Guay C. Lim should be University of Melbourne.
ix	26-Mar-18	The information concerning the supplement *Using R for Principles of Econometrics*, *Fifth Edition* is incorrect. It should read "Using R for Principles of Econometrics, Second Edition, by Constantin Colonescu. This supplementary book presents the R instructions required for most of the examples in Principles of Econometrics, 5th Edition in a clear and concise way. It contains many illustrations that are student friendly. It is useful not only for students and instructors who will be using this software as part of their econometrics course. It is available at Amazon.com."
45	12-Dec-17	In Exercise P.24, 2nd line, *pd* should be *pdf*.
96	24-Dec-17	In Exercise 2.24(d), *YEAR_SOLD* should be *YEARS_OLD*
135	2-Jan-18	In Exercise 3.8(e), the correct estimate of $E(ACA \mid FTESTU = 27.95)$ is 22.0907
168	8-Jan-18	In Figure 4.9, the right-side box, Sample 140 should be Sample 40.
184	9-Dec-17	In Exercise 4.17(f), refer to Exercise 4.15(a).
187	10-Dec-17	In Exercise 4.20(a), the question should ask to "find $E(y \mid \mathbf{x})$".
188	11-Dec-17	In Exercise 4.24(b) and 4.24(c) the actual value of *GROWTH* was 1.422.
280	28-Feb-18	In Example 6.13, the last two sentences should read: This assumption is required for the education coefficient to be given a causal interpretation. We note that the coefficient of the proxy variable *SCORE*, as well as those for *EXPER* and $EXPER^2$, cannot be given a causal interpretation. For the coefficients of *EXPER* and $EXPER^2$, as well as that for *EDUC*, to be given a causal interpretation, we require $E(ABILITY \mid EDUC, EXPER, SCORE) = E(ABILITY \mid SCORE)$.
287	9-May-18	In the first equation, $i = N_1 + 1, N_2 + 2, \ldots, N$ should be $i = N_1 + 1, N_1 + 2, \ldots, N$.
303	8-May-18	For Exercise 6.16(c)(i), $SSE_R = 0.0551$ should read $SSE_R = 0.06551$
303	9-May-18	In Exercise 6.17, the reference to Table 6.3 should be Table 6.4 (twice).
355	18-Dec-17	In Exercise 7.8(f), the estimated value β_1 is 1.756.
360	24-Dec-17	In Exercise 7.18(f), *MWHITE* should be *MRACE.*

363	4-Apr-18	In line 1, the definition of *DPER* should be "*DPER* =1 if democratic president running, -1 if republican president running, 0 otherwise" In line 2, the definition of DUR should be "*DUR* = 0 if **either** party has been in power for one term,…."
374	28-May-18	The left-hand side of equation (8.9) should be $\widehat{\text{var}}(b_2 \mid \mathbf{x})$
392	22-May-18	In Exercise 8.2(c), $x_{i1}^{*} = 1/\sqrt{h_i}$.
392	26-May-18	In Exercise 8.3, at the end of line 4, add the following: Assume farm *i*'s production is statistically independent of any other farm's production. Furthermore, assume that on a given farm the random error e_{ij} is uncorrelated with e_{ik} where $k \neq j$, given **X**. (Remark: this rules out spatial correlation between acres that are adjacent, or near. The analysis of spatial correlation is, unfortunately, a topic that we do not address in this book.)
392	26-May-18	In Exercise 8.3(c), at the end of the second sentence add the following: Assume blight on any acre of land on one farm is conditionally, given **X**, uncorrelated with the possibility of blight on any other acre on farm *i* or any other farm.
392	26-May-18	After line 2 of Exercise 8.4, add the following: You can use a spreadsheet or your computer software to reduce tedious calculations.
394	13-Jun-18	In Exercise 8.8, part a, should be "Show that when $d_i = 0$, $v_i = 1/N_0$ and that …"
395	29-May-18	At the end of the second line insert: The data file used has $N = 500$ observations.
396	30-May-18	In Exercise 8.11 (d) , omit "(b) or".
397	30-May-18	In line 1, omit "(b) or".
403	13-Jun-18	In Exercise 8.21, part d, the data file *coke_grouped* was omitted from the initial POE5 data files. It can be found at the POE4 website, http://principlesofeconometrics.com/poe4/poe4.htm.
406	19-Jun-18	In Exercise 8.27, the data file *olympics5* is missing. It will be uploaded as soon as possible. It will be added to the remaining data files as soon as possible.
415	17-Jan-18	In Table 8E.1, rows 8-17 has some values misplaced. The values in those rows should be: 1.0007, 0.0415,1.0008, 0.0406, 0.0406, 1.0013, 0.0452, 1.0920, 0.0415, 0.0442.
466	15-Dec-17	In Table 9.11 $DIRATEt_{-2}$ should be $DIRATE_{t-2}$.
467	16-Dec-17	In Exercise 9.13, part (c) should be included as part of part (b). Parts (d) and (e) should be relabeled as parts (c) and (d), respectively.
521	19-Jan-18	On page 521, equation (10A.1) should be Cragg-Donald $F = \left[(N-L-G)/L\right] \times \left[r_B^2 / (1-r_B^2)\right]$

526	19-Jan-18	In line 4 of the second paragraph, $\rho_{xe} = 0.6$
529	19-Jan-18	In Table 10B.1, in the third row, $\overline{F} = 2.02$
642	10-May-18	In line 2 of second column, there is no data set *nls_panel2*. Replace the sentence starting "Using the data file…." with "Using the last two years in the data file *nls_panel*, …"
747	25-Jan-18	In Table 16D.2, the headings "Standard Error" and "Standard Deviation" are reversed. That is, columns 2 and 5 should have heading "Standard Deviation" and columns 3 and 6 should have heading "Standard Error".
764	5-Jan-18	In Exercise A.2, the intercept for equation (2) should be 1500, not 1400.
766	9-Jan-18	In Exercise A.17(d), GDP_A should be GDP_P.
811	13-Jun-18	In Exercise B.30(b), $f(y) = \ln(y)$ should be $f(y) = -\ln(y)$.