

Errata - as at August 30 12, 2019

Position	Change	To
Page 5, line 8	the height of the each rectangle	the height of each rectangle
page 9, line 3	thought	throughout
page 10, line -9	The goal is ascertain	The goal is to ascertain
Page 16, line 2	these continuous variables	these variables
Page 18, line -17	185 countries consider in this study	185 countries considered in this study
page 28, line -6	mean return of 10%	mean return of 8%
Page 39, line 9	we have $r(y, x) =$	we have $ r(y, x) =$
page 39, line -2	.0.95	0.95
Page 48, line 8	interpreting some of basic summary	interpreting some basic summary
page 422, line 6	1 if male	0 if male
page 52, line -6	702.9062 [c]	702.9062 [d]
Page 52, line -3	Residual standard error: 3790 [j]	Residual standard error: 3792 [j]
page 53, line 6	of the intercept, $se(b_1)$	of the slope, $se(b_1)$
page 57, line 7	part 1.c(1)	part 1.c(i)
page 58, line 10	$10 = 4 s$	$e_{\{10\}} = 4 s$
page 59, line 13	at the 5 level	at the 5% level
page 62, line -5	$a_{\{31\}} a_{\{31\}}$	$a_{\{31\}} a_{\{32\}}$
page 65, line -12	$5(5)+(2)$	$5(5)+8(2)$
page 91, Fig 3.4	e_2 on vertical axis, e_1 on horizontal axis	e_1 on vertical axis, e_2 on horizontal axis
page 91, line -14	Table 3.7	Table 3.8
page 92, line 2	$x_k)$	$x_k)$
page 96, line -8	β_2	β_3
Page 99, Figure 3.9 X-axis	10500	105000
page 99, line-10	rational	rationale
Page 99, line -7	have more disposal income	have more disposable income
page 100, line 11	28 percent	28%
page 101, Ex 3.1	$s_y = 80$	$s_y = 100$
page 102, Ex 3.3	$\mathbf{b} = (0.15$	$\mathbf{b} = (0.1538$
page 102, Ex 3.3	0.692	0.6923
page 102, Ex 3.3	2.88)	2.8846)
Page 102, Table 3.11	POP Population, in thousands	POP Population
Page 103, Exercise 3.4 g.	with MEDSCHYR is now negative.	with MEDSCHYR is negative.

Position	Change	To
page 103, line -2	WAGESTAFF	STAFFWAGE
page 104, line 6	LOSSLONG	LONGLOSS
page 104, line 7	LOSSSHORT	SHORTLOSS
Page 104, line -3	dropping CASH, STOCK, ad MUTUAL	dropping LNCASH, STOCK, ad MUTUAL
Page 110, line -20	= 2.605	= 3.395
Page 110, line -15	= 2.605	= 3.395
Page 110, line -12	= 2.605	= 3.395
page 112, line -13	Rolph,	Rolph (1988),
page 112, line -8	conclude	concluded
page 112, line -9	examine	examined
page 118, 2nd line of "Special Cases"	it useful	it is useful
Page 124, Example: Automobile Claims	(6.952, 7.410)	(6.956, 7.410)
Page 124, Example: Automobile Claims	$e^{(6.952, 7.410)}$	$e^{(6.956, 7.410)}$
Page 124, Example: Automobile Claims	(\$1,045.24, \$1,652.43)	(\$1,049.43, \$1,652.43)
page 124, line -11	This been an	This has been an
page 125, line -7	described	describe
page 128, line 8	$b_{-1} \bar{x}_j$	$b_{-1j} \bar{x}_j$
page 137, line 13	LOSSLONG	LONGLOSS
Page 132, line -22	regression coefficients estimates	regression coefficient estimates
Page 132, line -6	the important of an	the importance of an
Page 134, Exercise 4.2 part d(ii).	interval for LNTOTCHG	interval for the mean of LNTOTCHG
Page 135, Exercise 4.3 part c.	Decide whether location is an important	Decide whether MCERT is an important
page 137, line 13	LOSSSHORT	SHORTLOSS
Page 145, line -8	of parameters estimates	of parameter estimates
Page 145, line -2	all estimable function are	all estimable functions are
Page 146, line 1	are unbiased and a variance that does	are unbiased and have variances that do
Page 150, line -10	Delete a variable to the model from	Delete a variable from the model in
Page 159, line -11	standard error (0.0018)	standard error (0.6173)

Position	Change	To
page 159, Table 5.4	-0.155 -017 0.055 0.007 0.078	-0.159 -014 0.064 0.018 0.078
page 160, Table 5.5	-0.015 0.096 0.071 0.089	-0.015 0.100 0.074 0.089
page 160, line 1	as an	as
Page 160, line -1	regression coefficients estimates	regression coefficient estimates
Page 161, line 9	explanatory variables.	explanatory variable values.
Page 161, line 11	explanatory variables.	explanatory variable values.
Page 161, line 13	explanatory variables a high	explanatory variable value a high
Page 163, line 14	explanatory variables will	explanatory variable will
Page 172, line 3	typical error (s), include	typical error (s), in addition to
Page 176, Figure 5.10 caption.	The shaded area represents the data. The line is the true regression line.	The shaded area represents the data.
Page 182, Exercise 5.4 part b(ii).	Identify any usual points from the attached summary statistics .	Identify any usual points.
page 191, line 13	significant	significance
Page 191, line 14	may be be	may be
page 193, line -18	and income	and employment
Page 193, line -18	and PCT55P, marital status	and PCT55UP, marital status
Page 193, line -3	estimators and standard errors	estimates and t-ratios
Page 195, line -9	new observation.	new observations.
Page 199, line -1	whereas other seek	whereas others seek
page 199, line -1	other	other
Page 201, line 3	To illustrate, Figure 16.1	To illustrate, Figure 6.3
Page 201, line 3	<i>censored</i> . Figure 16.1	<i>censored</i> . Figure 6.3
Page 205, line -4	are characterized by a vectors	are characterized by vectors
Page 212, line -9	t-ratios less of than	t-ratios less than
Page 218, Figure 6.12 (twice)	7.33 0.765 SIZELOG	7.33 - 0.765 SIZELOG
Page 218, Figure 6.12 (twice)	6.35 0.773 SIZELOG	6.35 - 0.773 SIZELOG
Page 218, Figure 6.12 (twice)	INDCOST 3.58	INDCOST - 3.58
page 227, line 6	such differencing	such as differencing
Page 228, line 4	see alternatives orderings	see alternative orderings

Position	Change	To
page 231,	92.9%	86.2%
Page 235, line -3	large explanatory variables.	large explanatory variable values.
Page 241, line 6	For weak stationary,	For weak stationarity,
page 242, line -6	0.1197	0.1237
page 247, line -9	more than trend	more trend
Page 248, Table 7.2, MPE and MAPE	-0.0766 and 0.0766	-7.6568 and 7.6568
Page 248, Table 7.2, Random Walk values	-0.0007 0.0012 0.0001 0.0115 0.0180	-0.0086 -1.3529 0.0001 0.0092 1.4556
page 251, line -11	is detect	is to detect
page 253, line 5	0.267	0.367
Page 255, side note	For a (stationarity) AR(1)	For a (stationary) AR(1)
page 256, line 4	0.267	0.367
page 257, line -12	β	β_1
page 258, line 2	0.09	0.157
page 258, line 2	-0.33	-0.289
page 258, line 2	0.07	0.059
page 258, line 2	0.02	0.073
page 258, line 2	-0.17	-0.124
page 258, line 5	0.2923	0.40849
page 258, line 5	0.8727	0.81384
page 258, line 6	0.0196	0.16916
page 258, line 6	0.0736	0.07486
Page 313. Line -4	ment of this matrix	ment of the inverse of this matrix
Page 314, line 10),) ² ,
Page 346, line -8	jth	(j+1)st
page 355, line 13	$\text{Var } y_i = \pi_i \mu_i +$	$\text{Var } y_i = \mu_i (1 - \pi_i) +$
Page 357, line 6	α_i	$\exp(\alpha_i)$
Page 357, line 7	log-gamma	gamma
Page 357, line 13	$\exp(\alpha_i)$	α_i
Page 362, line 20	$= \exp(\mu_i) / (1 + \exp(\mu_i))$, for logistic regression	$= \ln(\mu_i) / (1 - \mu_i)$, for logistic regression
Page 370, line -3	Bernoulli: $D(\hat{\pi}) = \sum_i$	Bernoulli: $D(\hat{\pi}) = 2 \sum_i$
Page 370, line -2	Poisson: $D(\hat{\mu}) = \sum_i$	Poisson: $D(\hat{\mu}) = 2 \sum_i$
Page 370, line -2	+	-
Page 379, Gamma row, Components column, first line	$\phi \ln \phi$	$-\phi \ln \phi$
Page 379, Inverse Gaussian row, Components column, second line	$\theta / (\phi y)$	$-1 / (2 \phi y)$
Page 420, line -11	each uncensored	Each
Page 460, line 2	$\bar{y} = 8$	$\bar{y} = 11$
Page 460, line 5	4.889 and 3.444	4.889 and 5.778

Position	Change	To
page 482, line -17	within text	within-text
page 487, line 18	as.	as:
page 490, marginal note	section may may serve	section may serve
Page 534, Exercise 2.22 Solution part b.	$73.1911 \pm 1.96(6.642)$	$73.1911 \pm 1.973(6.642)$
Page 534, Exercise 2.22 Solution part b.	(60.173, 86.209)	(60.086, 86.296)
page 535, Ex 3.3d	$b_1/se(b_1) = 0.15$	$b_1/se(b_1) = 0.6923$
page 535, Ex 3.3d	0.279	1.286
page 536, Ex 4.1d	0.17	1.7
page 536, Ex 4.1e	19.8	19.7
Page 536, Exercise 4.3 Solution part b.	$p = 0.7833$	$p = 0.7694$
Page 536, Exercise 4.3 Solution part c.	$p\text{-value} = 1.15e^{-12}$	$p\text{-value} = 1.74e^{-6}$
Page 536, Exercise 4.3 Solution part c(i).	The point estimate is 0.416	The point estimate is 3.988
Page 536, Exercise 4.3 Solution part c(ii).	$0.416 \pm 1.963 \times \sqrt{0.243}/\sqrt{75}$	$3.988 \pm 1.967 \times \sqrt{0.245}/\sqrt{36}$
Page 536, Exercise 4.3 Solution part c(ii).	(0.304, 0.528)	(3.826, 4.150)
Page 536, Exercise 4.3 Solution part d.	R-sq = 0.1463	R-sq = 0.1448
Page 536, Exercise 4.3 Solution part e.	R-sq = 0.9579	R-sq = 0.9673
Page 536, Exercise 4.3 Solution part e(i).	partial correlation is 0.9327	partial correlation is 0.0744
Page 536, Exercise 4.3 Solution part e(i).	between LOGTPY and LOGNUMBED is 0.9783	between LOGTPY and LOGSQRFOOT is 0.8151
Page 536, Exercise 4.7 Solution part a.	$F\text{-ratio} = (7832.5 - 6535.7)/(2 \times 44.2) = 14.67$	$F\text{-ratio} = (6602.7 - 6535.7)/(2 \times 44.2) = 0.76$
Page 536, Exercise 4.3 Solution part b.	$p = 0.7833$	$p = 0.7694$
Page 537, Exercise 4.7 Solution part c.	$p = 0.598 > 0.05$, so we do not reject	$p = 0.000 < 0.05$, so we reject
Page 537, Exercise 4.7 Solution part c.	REGION is not a statistically	REGION is a statistically
page 537, line -1	GPD	GDP

Position	Change	To
Page 540, Exercise 8.1 Solution	$r_1 = -0.2686$	$r_1 = -0.2687$
Page 555, Standard Normal Distribution table	$x \ 0.0 \ 0.1$	$y \ 0.0 \ 0.1$