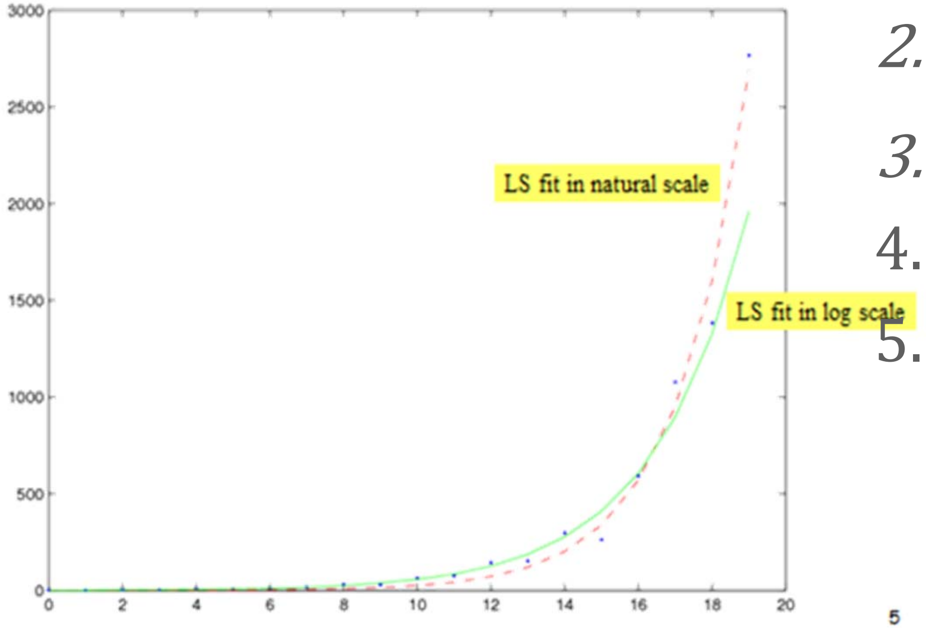
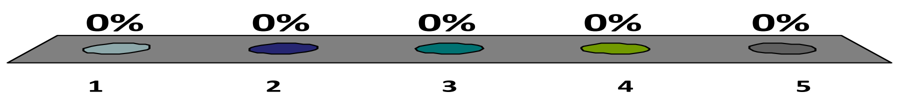
The residuals for the red estimation are …

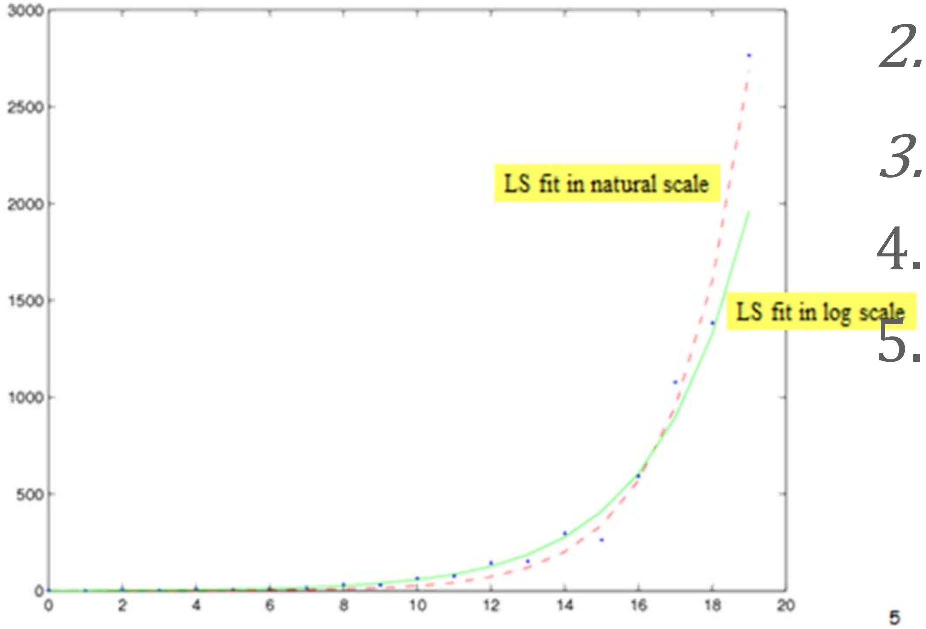


1. $e_i = y_i - a\, e^{\alpha t_i}$
2. $e_i = \frac{y_i - a\, e^{\alpha t_i}}{a\, e^{\alpha t_i}}$
3. $e_i = \log y_i - \log a \ - \alpha\, t_i$
4. None of the above
5. I don't know

5

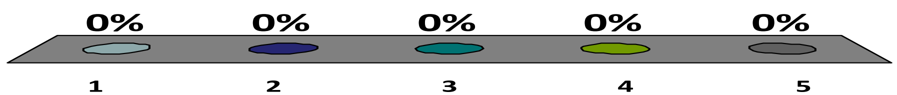


The residuals for the green estimation are …



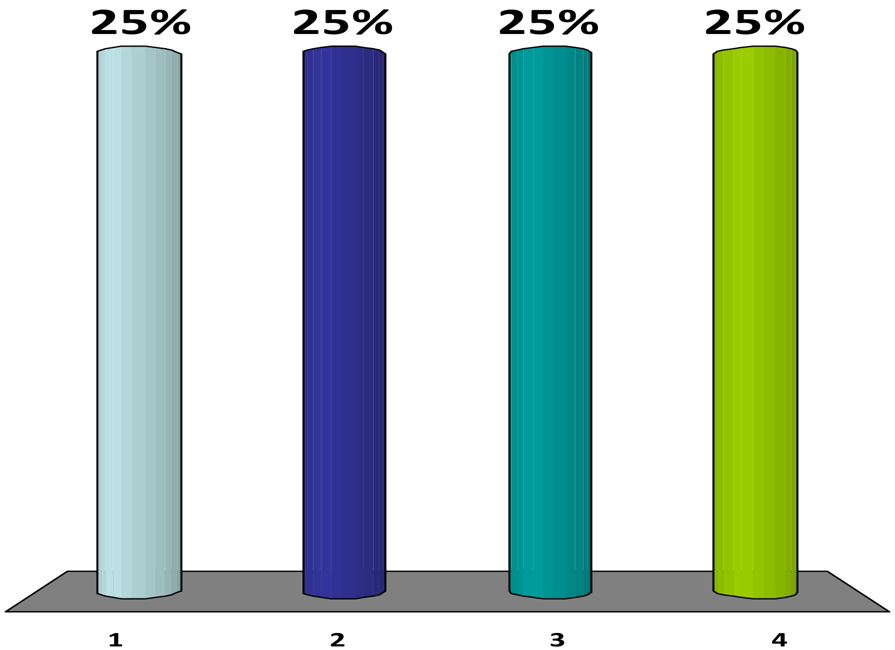
1. $e_i = y_i - a\, e^{\alpha t_i}$
2. $e_i = \frac{y_i - a\, e^{\alpha t_i}}{a\, e^{\alpha t_i}}$
3. $e_i = \log y_i - \log a - \alpha\, t_i$
4. None of the above
5. I don't know

5



If the error terms are not homoscedastic, it is better to …

1. Use ℓ^1 minimization rather than ℓ^2
2. Rescale to make the error term homoscedastic
3. Use ℓ^2 minimization rather than ℓ^1
4. I do not know

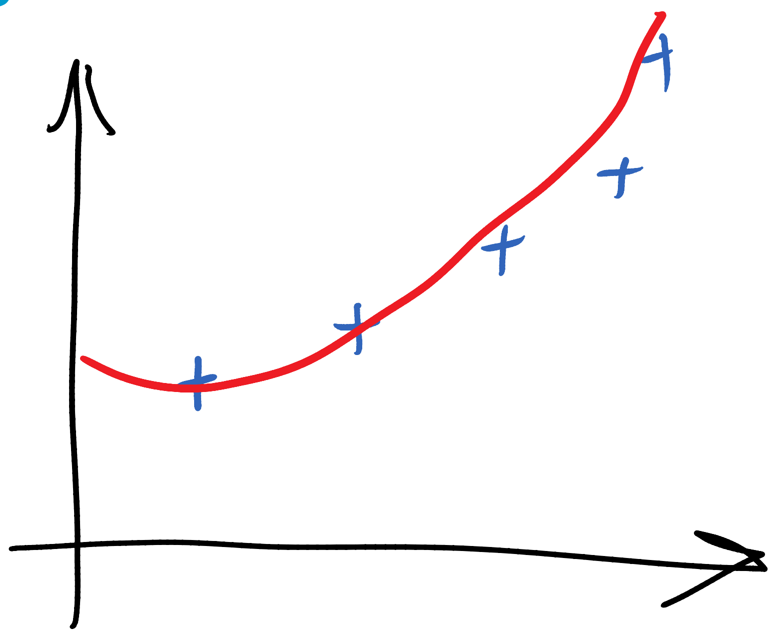


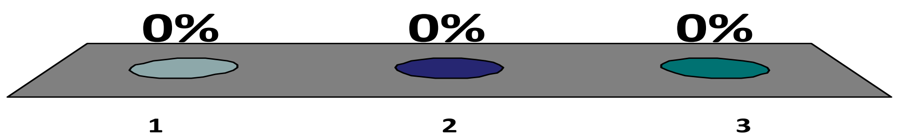
We want to fit a data set y_i to a polynomial of degree 2:

$$y_i = at_i^2 + bt_i + c.$$

Is this a linear regression model ?

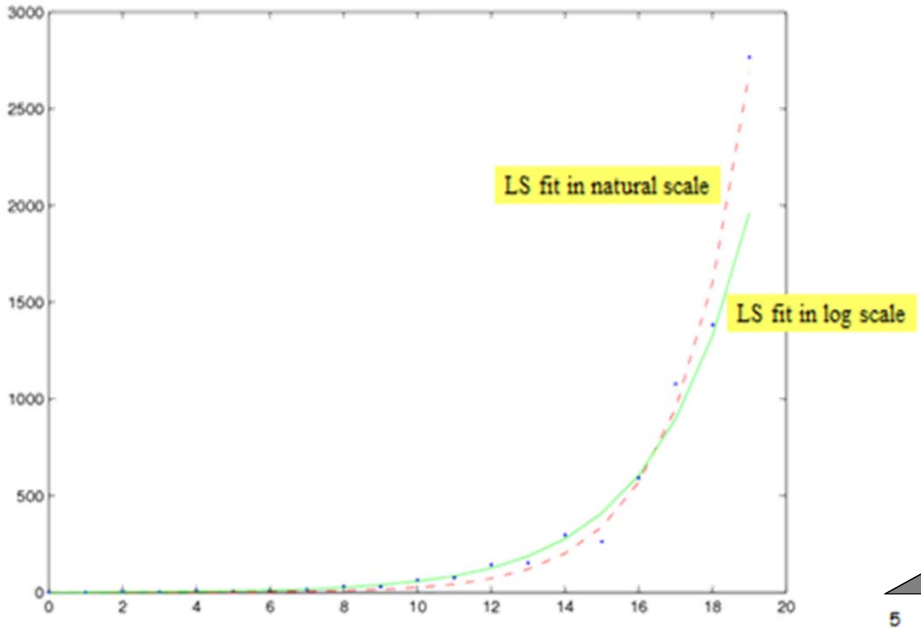
1. Yes
2. No
3. I don't know





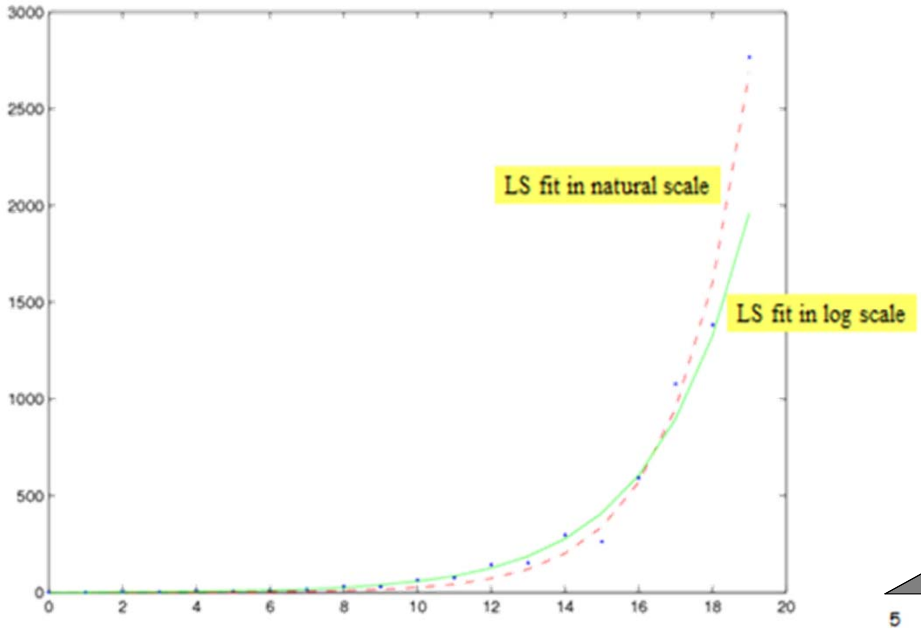
The green estimation corresponds to assuming that the error terms (blue dot – green curve) are iid lognormal.

1. True
2. Almost true
3. False
4. I don’t know



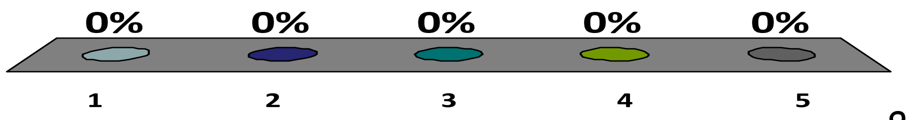
The green estimation corresponds to assuming that the *relative* error terms (blue dot – green curve) are iid normal.

1. True
2. Almost true
3. False
4. I don't know



The X matrix for the model $y_i = at_i^2 + bt_i + c$ has full rank.

1. Yes
2. No
3. It depends on the $t_i's$
4. It depends on the $y_i's$
5. I don't know

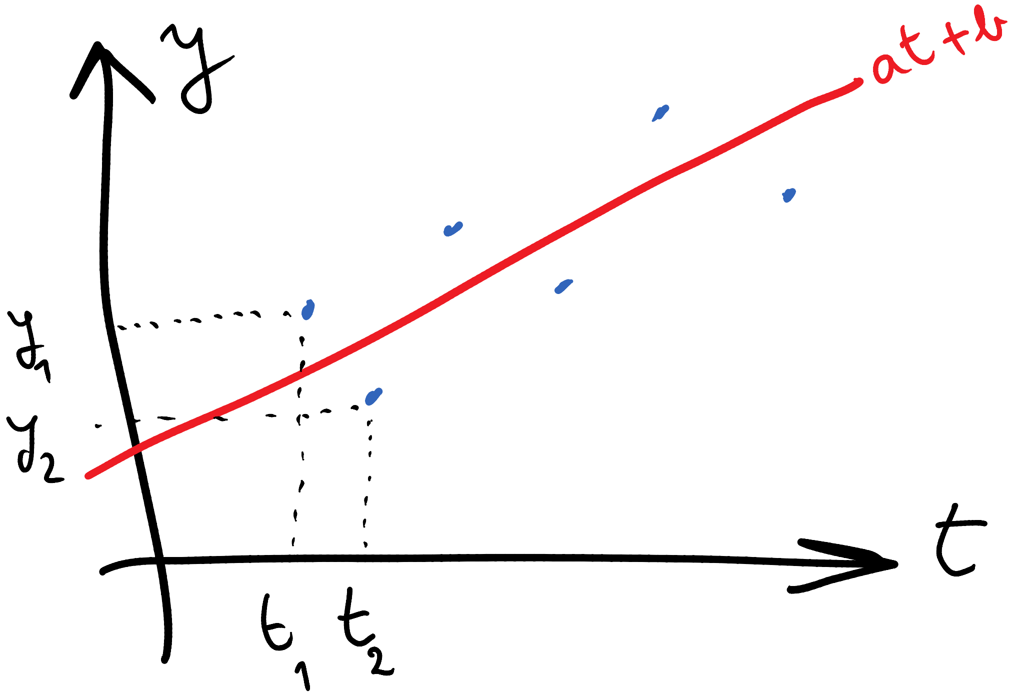


We fit the model

$$y_i = at_i + b$$

using least squares.

The obtained line is such that the average distance from the points to the line is 0.



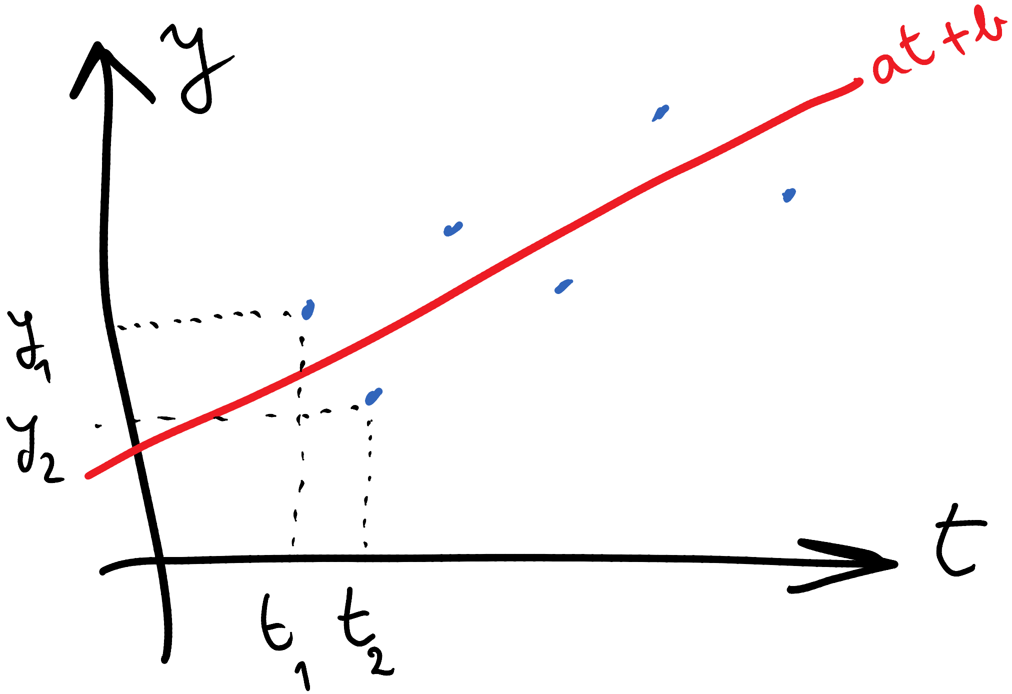
1. True
2. False
3. It depends on the data
4. I don't know

We fit the model

$$y_i = at_i + b$$

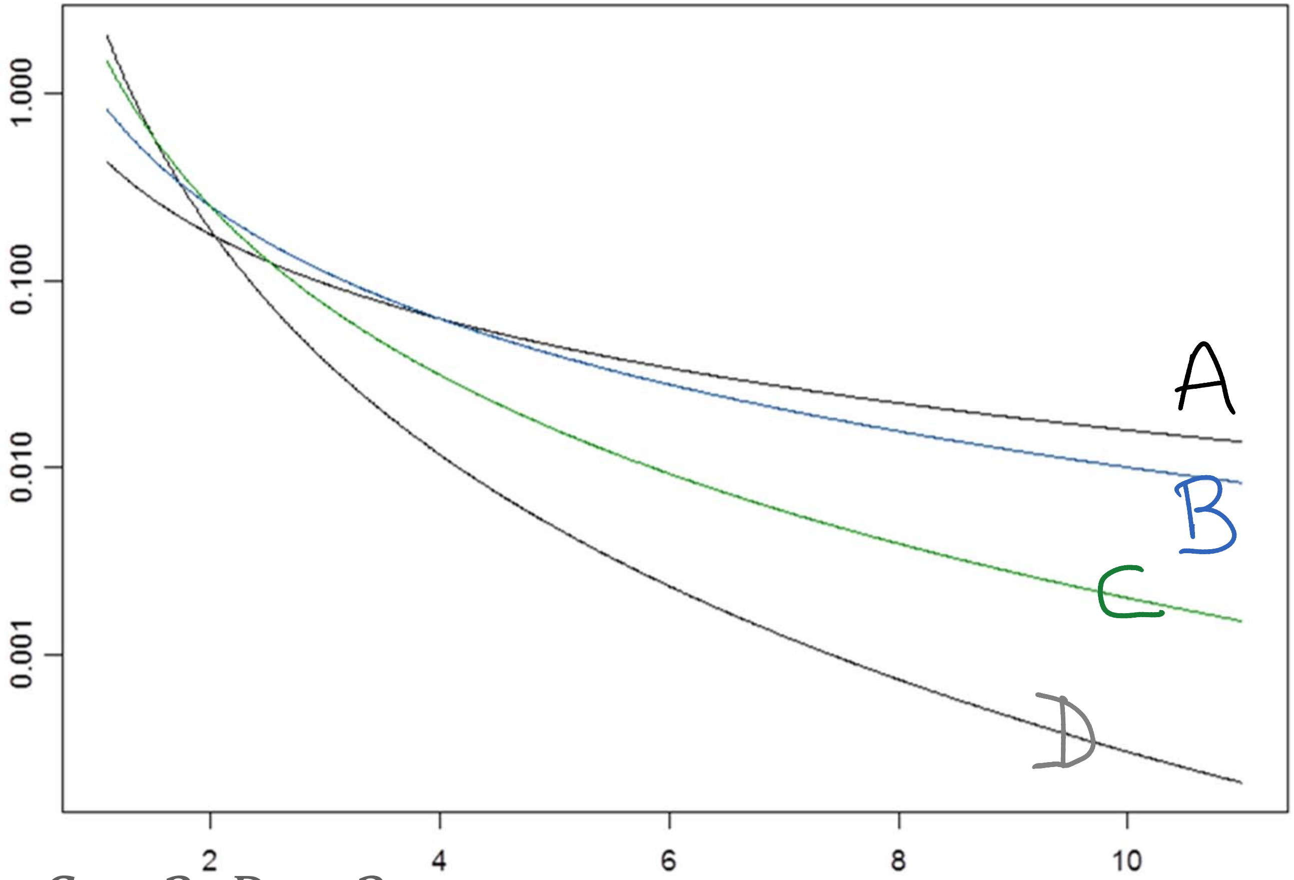
using ℓ^1norm minimization.

The obtained line leaves an equal number of points on each side

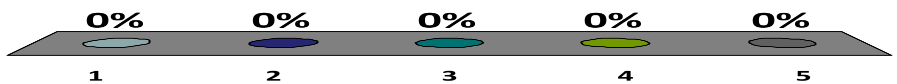


1. True
2. False
3. It depends on the data
4. I don’t know

Find the parameter p for each of these standard Pareto PDFs

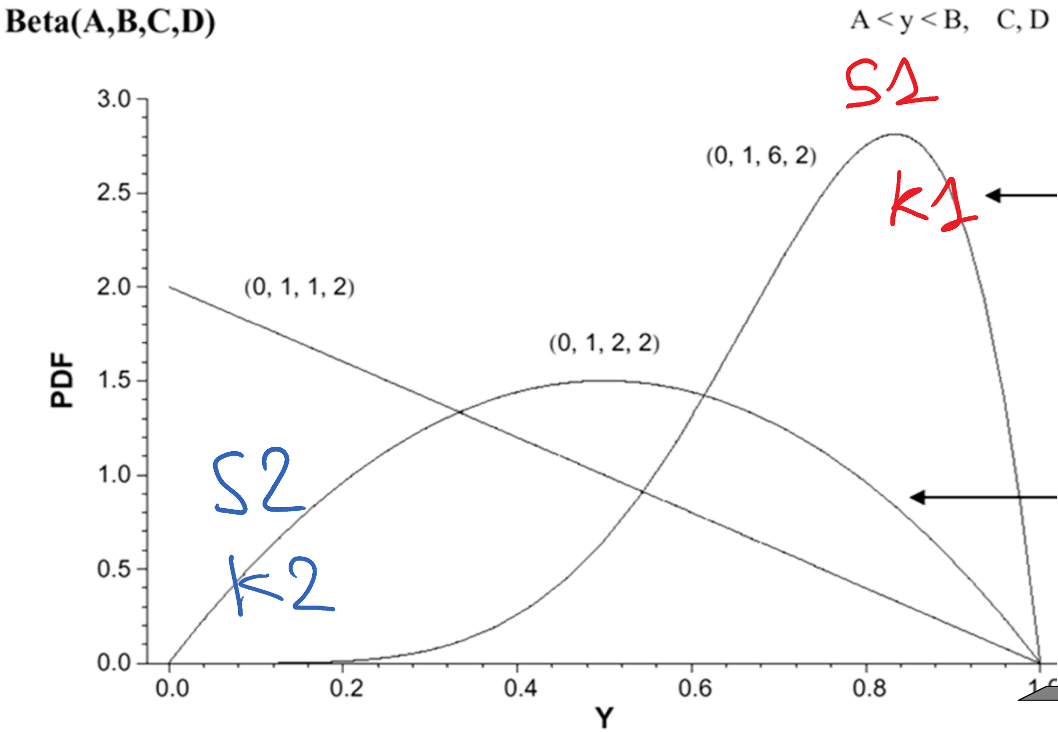


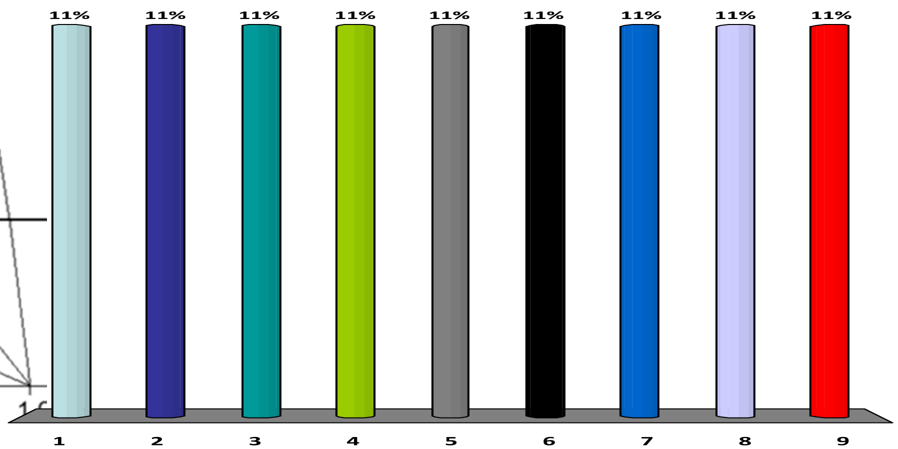
1. $A = 0.5; B = 1; C = 2; D = 3$
2. $A = 3; B = 2; C = 1; D = 0.5$
3. $A = 0.5; B = 2; C = 1; D = 3$
4. $A = 1; B = 2; C = 3; D = 0.5$
5. I don't know



The skewness indices S1, S2 and the Kurtosis indices K1, K2 are…

1. S1>0, K1>0, S2>0, K2>0
2. S1<0, K1>0, S2>0, K2<0
3. S1>0, K1>0, S2=0, K2>0
4. S1<0, K1>0, S2=0, K2<0
5. S1>0, K1<0, S2>0, K2>0
6. S1<0, K1<0, S2>0, K2<0
7. S1>0, K1<0, S2=0, K2>0
8. S1>0, K1<0, S2=0, K2<0
9. I don’t know





If a positive random variable has a finite mean and is heavy tailed, its variance is infinite

1. True
2. False
3. It depends
4. I don’t know

The CCDF of a Pareto distribution follows a power law…

1. True
2. False
3. It depends
4. I don't know

A Pareto distribution is heavy tailed …

1. True
2. False
3. It depends
4. I don’t know

For a Pareto distribution, the hazard rate $\lambda(t)$ is such that

$$\lim_{t\to\infty} \lambda(t) = 0$$

1. True
2. False
3. It depends
4. I don't know

The distribution of the sum of n iid random variables with heavy tail and index $p < 2$, for large n, is approximately…

1. Normal
2. Stable with same index p
3. Stable but not not necessarily with same index p
4. Poisson
5. It depends
6. I don’t know

The distribution of the sum of n iid random variables with finite variance, for large n, is approximately…

1. Normal
2. Stable
3. Poisson
4. It depends
5. I don’t know