

TABLE 8.3 OLS on a simulated sample with a high disturbance variance

<i>Population relationship</i>		<i>Sample relationship</i>	
Constant:	$\alpha = -20,000$	Intercept, a	-11,509
		Standard deviation	16,044
		t -statistic	.72
		p -value	<.4749
Coefficient:	$\beta = 4,000$	Slope, b	3,549.8
		Standard deviation	1,204.2
		t -statistic	2.95
		p -value	.0040
Standard deviation of disturbances:	$\sigma_1 = 40,000$	Estimated standard deviation of disturbances, s	35,109
		R^2	.0814
		Adjusted R^2	.0721
		F -statistic	8.69
		p -value	.0040
		Sample size	100