

ACADEMIC YEAR 2018/2019  
Università degli Studi di Milano  
Network for the Advancement of Social and Political studies  
APPLIED MULTIVARIATE ANALYSIS

**FIRST ASSIGNMENT: RESULTS**

Piacentini Francesco	25
Baraldi Francesco	26
Corda Tiziana	30
Pagano Giovanni	25
Bordignon Margherita	30
Tognocchi Martino	24
Sidarchuk Artsiom	27
Shahzad Gul I Hina	27

**The 3 most common mistakes:**

- 1) Please use “i.” before categorical/dummy.. let us consider income in nes2004... there is no "0", category 1 is for lowest values.. so if you just put “income” inside the model the value of the constant refers to what...? Nothing meaningful. PS you do not need to center the variables, just make sure that the first category starts at 0 (or alternatively use i. before the categorical variable name)
- 2) Please, do not compare the magnitude of coefficients... 1-unit increase in food (1 more calorie!) cannot be compared with 1 point in GNP per capita.. so you cannot compare the coefficients of the two to say what is the stronger effect. Not sure? Today’s assignment. Try to increase your food consumption by 1 calorie. Try also to increase your GNP per capita by 1 unit. I wish it would be so easy to increase GNP :)
- 3) The quadratic term to be included in exercise B) had to be food. That was the only variable with a quadratic term that was significant at the 99% level of confidence. Remember also that to test quadratic relationship you must include the constitutive term and the quadratic one, so both food and food<sup>2</sup> (you can more easily do that by typing: c.food##c.food)