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Notes:

1. Unicode is supported; see [help unicode advice](#).
2. More than 2 billion observations are allowed; see [help obs advice](#).
3. Maximum number of variables is set to 5000; see [help set maxvar](#).

```
1 . use "C:\Users\com\Downloads\assign09.dta", clear
2 . log using "C:\Users\com\Downloads\assign 9.smcl"
```

```
name: <unnamed>
log: C:\Users\com\Downloads\assign 9.smcl
log type: smcl
opened on: 31 Mar 2021, 23:17:33
```

```
3 . mlogit y x1 x2 x3 x4, nolog
```

```
Multinomial logistic regression      Number of obs      =      152
LR chi2(20)                          =      50.72
Prob > chi2                            =      0.0002
Log likelihood = -203.28337           Pseudo R2          =      0.1109
```

	y	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
0							
	x1	-1.832363	.8632903	-2.12	0.034	-3.524381	-.1403452
	x2	2.368735	1.168139	2.03	0.043	.079224	4.658246
	x3	-.0976971	.8455682	-0.12	0.908	-1.75498	1.559586
	x4	-.4905651	.3468626	-1.41	0.157	-1.170403	.189273
	_cons	4.204706	4.763082	0.88	0.377	-5.130762	13.54017
1							
	x1	-1.954381	.814615	-2.40	0.016	-3.550997	-.3577647
	x2	.3523473	.782471	0.45	0.652	-1.181268	1.885962
	x3	1.155726	1.030763	1.12	0.262	-.864533	3.175985
	x4	.8167134	.4673336	1.75	0.081	-.0992436	1.732671
	_cons	-13.86033	7.056818	-1.96	0.050	-27.69144	-.0292169
2							
	x1	-.8623688	.6749745	-1.28	0.201	-2.185294	.4605568
	x2	.7376981	.6909685	1.07	0.286	-.6165753	2.091972
	x3	-1.132118	.6624929	-1.71	0.087	-2.43058	.1663445
	x4	-.2862948	.2878698	-0.99	0.320	-.8505092	.2779195
	_cons	3.302474	4.043716	0.82	0.414	-4.623064	11.22801
3							
	x1	-2.236402	.6199683	-3.61	0.000	-3.451518	-1.021287
	x2	1.415342	.6376614	2.22	0.026	.1655491	2.665136
	x3	-.2635344	.6026228	-0.44	0.662	-1.444653	.9175846
	x4	-.2730998	.2507716	-1.09	0.276	-.7646032	.2184035
	_cons	3.142763	3.534705	0.89	0.374	-3.785131	10.07066

4							
	x1	-.1544581	.5644404	-0.27	0.784	-1.260741	.9518248
	x2	.2643829	.5265539	0.50	0.616	-.7676439	1.29641
	x3	-1.307232	.5372575	-2.43	0.015	-2.360237	-.2542264
	x4	-.3073979	.2338932	-1.31	0.189	-.7658201	.1510242
	_cons	4.187597	3.285728	1.27	0.202	-2.252312	10.62751
5		(base outcome)					

4 . fitstat

Measures of Fit for **mlogit** of **y**

Log-Lik Intercept Only:	-228.644	Log-Lik Full Model:	-203.283
D(122):	406.567	LR(20):	50.721
		Prob > LR:	0.000
McFadden's R2:	0.111	McFadden's Adj R2:	-0.020
Maximum Likelihood R2:	0.284	Cragg & Uhler's R2:	0.298
Count R2:	0.086	Adj Count R2:	0.021
AIC:	3.070	AIC*n:	466.567
BIC:	-206.347	BIC':	49.757

5 . mlogit y x1 x2 x3 x4 if y!=4, nolog

Multinomial logistic regression	Number of obs	=	127
	LR chi2(16)	=	43.84
	Prob > chi2	=	0.0002
Log likelihood = -138.77638	Pseudo R2	=	0.1364

	y	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
0							
	x1	-1.917478	.8656523	-2.22	0.027	-3.614125 - .2208305	
	x2	2.399049	1.184989	2.02	0.043	.0765135 4.721585	
	x3	-.0750429	.8626823	-0.09	0.931	-1.765869 1.615783	
	x4	-.4760917	.3418197	-1.39	0.164	-1.146046 .1938626	
	_cons	4.002073	4.712976	0.85	0.396	-5.235191 13.23934	
1							
	x1	-1.887951	.8108206	-2.33	0.020	-3.47713 - .2987722	
	x2	.4256484	.7803751	0.55	0.585	-1.103859 1.955155	
	x3	1.13251	1.04128	1.09	0.277	-.9083626 3.173382	
	x4	.7670503	.4586998	1.67	0.094	-.1319848 1.666086	
	_cons	-13.20158	6.968	-1.89	0.058	-26.85861 .455447	
2							
	x1	-.902955	.6677474	-1.35	0.176	-2.211716 .4058058	
	x2	.746173	.6920624	1.08	0.281	-.6102444 2.10259	
	x3	-1.134476	.6573489	-1.73	0.084	-2.422856 .1539042	
	x4	-.2704256	.2800586	-0.97	0.334	-.8193303 .2784791	
	_cons	3.098155	3.947385	0.78	0.433	-4.638579 10.83489	
3							
	x1	-2.273025	.6227095	-3.65	0.000	-3.493514 -1.052537	
	x2	1.445561	.6553098	2.21	0.027	.1611778 2.729945	
	x3	-.2614692	.6184131	-0.42	0.672	-1.473537 .9505983	
	x4	-.277248	.2489175	-1.11	0.265	-.7651174 .2106213	
	_cons	3.19799	3.521038	0.91	0.364	-3.703118 10.0991	
5		(base outcome)					

6 . est store m2

7 .

8 . est store m1

9 . hausman m2 m1, alleqs constant

Note: the rank of the differenced variance matrix (0) does not equal the number of coefficients being tested (20); be sure this is what you expect, or there may be problems computing the test. Examine the output of your estimators for anything unexpected and possibly consider scaling your variables so that the coefficients are on a similar scale.

		Coefficients		(b-B)	sqrt(diag(V_b-V_B))
		(b)	(B)	Difference	S.E.
		m2	m1		
0					
	x1	-1.917478	-1.917478	0	0
	x2	2.399049	2.399049	0	0
	x3	-.0750429	-.0750429	0	0
	x4	-.4760917	-.4760917	0	0
	_cons	4.002073	4.002073	0	0
1					
	x1	-1.887951	-1.887951	0	0
	x2	.4256484	.4256484	0	0
	x3	1.13251	1.13251	0	0
	x4	.7670503	.7670503	0	0
	_cons	-13.20158	-13.20158	0	0
2					
	x1	-.902955	-.902955	0	0
	x2	.746173	.746173	0	0
	x3	-1.134476	-1.134476	0	0
	x4	-.2704256	-.2704256	0	0
	_cons	3.098155	3.098155	0	0
3					
	x1	-2.273025	-2.273025	0	0
	x2	1.445561	1.445561	0	0
	x3	-.2614692	-.2614692	0	0
	x4	-.277248	-.277248	0	0
	_cons	3.19799	3.19799	0	0

b = consistent under Ho and Ha; obtained from mlogit  
 B = inconsistent under Ha, efficient under Ho; obtained from mlogit

Test: Ho: difference in coefficients not systematic

$$\begin{aligned} \text{chi2}(0) &= (b-B)' [(V_b-V_B)^{-1}] (b-B) \\ &= 0.00 \\ \text{Prob}>\text{chi2} &= . \\ (V_b-V_B \text{ is not positive definite}) \end{aligned}$$

Overall test

Model is jointly significant at 5% level

Individual test

most of the parameters are insignificant

OAF and Forecast error

psuedo R<sup>2</sup> is low

cannot R<sup>2</sup> < 0.1, Model should be improved.

IIA test we accept H<sub>0</sub>. So, the data is IIA the MNL logit

is appropriate over the nested logit/ASM Poetic models

2

10 . ologit y x1 x2 x3 x4, nolog

```
Ordered logistic regression      Number of obs      =      152
                                LR chi2(4)          =      24.81
                                Prob > chi2            =      0.0001
Log likelihood = -216.23748      Pseudo R2          =      0.0543
```

y	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
x1	1.26067	.3475145	3.63	0.000	.5795538 1.941786
x2	-.8530234	.3508641	-2.43	0.015	-1.540705 -.1653424
x3	.2068371	.3398536	0.61	0.543	-.4592637 .8729379
x4	.1261028	.1511501	0.83	0.404	-.1701459 .4223515
/cut1	-.8807685	2.139511			-5.074134 3.312597
/cut2	-.0328063	2.126237			-4.200155 4.134542
/cut3	.6557008	2.118367			-3.496223 4.807624
/cut4	1.48964	2.117389			-2.660365 5.639646
/cut5	2.283969	2.124223			-1.879432 6.447371

11

12 . findit gologit2

3

13 . gologit2 y x1 x2 x3 x4, pl sto(ologit) link(p)

```
Generalized Ordered Probit Estimates      Number of obs      =      152
                                           LR chi2(4)          =      23.50
                                           Prob > chi2         =      0.0001
Log likelihood = -216.89508              Pseudo R2          =      0.0514
```

- ( 1) [0]x1 - [1]x1 = 0
- ( 2) [0]x2 - [1]x2 = 0
- ( 3) [0]x3 - [1]x3 = 0
- ( 4) [0]x4 - [1]x4 = 0
- ( 5) [1]x1 - [2]x1 = 0
- ( 6) [1]x2 - [2]x2 = 0
- ( 7) [1]x3 - [2]x3 = 0
- ( 8) [1]x4 - [2]x4 = 0
- ( 9) [2]x1 - [3]x1 = 0
- (10) [2]x2 - [3]x2 = 0
- (11) [2]x3 - [3]x3 = 0
- (12) [2]x4 - [3]x4 = 0
- (13) [3]x1 - [4]x1 = 0
- (14) [3]x2 - [4]x2 = 0
- (15) [3]x3 - [4]x3 = 0
- (16) [3]x4 - [4]x4 = 0

y	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
0					
x1	.7194818	.2020884	3.56	0.000	.3233959 1.115568
x2	-.5041496	.2049628	-2.46	0.014	-.9058693 -.1024299
x3	.1109476	.2041695	0.54	0.587	-.2892173 .5111125
x4	.0732426	.0867141	0.84	0.398	-.0967139 .2431991
_cons	.4623429	1.229346	0.38	0.707	-1.947131 2.871817
1					
x1	.7194818	.2020884	3.56	0.000	.3233959 1.115568
x2	-.5041496	.2049628	-2.46	0.014	-.9058693 -.1024299
x3	.1109476	.2041695	0.54	0.587	-.2892173 .5111125
x4	.0732426	.0867141	0.84	0.398	-.0967139 .2431991
_cons	.0266402	1.224714	0.02	0.983	-2.373756 2.427036



x2	-.6291826	.243014	-2.59	0.010	-1.105481	-.1528838
x3	.4068852	.2489172	1.63	0.102	-.0809836	.8947539
x4	.1212267	.1142629	1.06	0.289	-.1027244	.3451778
_cons	-2.159693	1.595193	-1.35	0.176	-5.286213	.9668279

**WARNING! 86 in-sample cases have an outcome with a predicted probability that is less than 0. See the `gologit2 help` section on Warning Messages for more information.**

16 . lrtest ologit gologit, stats

Likelihood-ratio test  
 (Assumption: `ologit` nested in `gologit`)

LR chi2(16) = **39.44**  
 Prob > chi2 = **0.0009**

**Akaike's information criterion and Bayesian information criterion**

*We reject H<sub>0</sub>, the appropriate model is MN logit*

Model	Obs	ll(null)	ll(model)	df	AIC	BIC
<code>ologit</code>	152	-228.6436	-216.8951	9	451.7902	479.0051
<code>gologit</code>	152	-228.6436	-197.1737	25	444.3475	519.9445

Note: N=Obs used in calculating BIC; see **[R] BIC note**.

4

17 . margins, dydx(\*) predict(outcome(0))

Average marginal effects  
 Model VCE : **OIM**

Number of obs = **152**

Expression : **Pr(y==0), predict(outcome(0))**  
 dy/dx w.r.t. : **x1 x2 x3 x4**

	Delta-method		z	P> z	[95% Conf. Interval]	
	dy/dx	Std. Err.				
x1	-.0499158	.0547573	-0.91	0.362	-.1572382	.0574065
x2	.1178047	.0700462	1.68	0.093	-.0194832	.2550927
x3	-.0303886	.0667857	-0.46	0.649	-.1612862	.1005089
x4	-.0880564	.0400957	-2.20	0.028	-.1666425	-.0094702

18 . margins, dydx(\*) predict(outcome(0)) at((median))

Average marginal effects  
 Model VCE : **OIM**

Number of obs = **152**

Expression : **Pr(y==0), predict(outcome(0))**  
 dy/dx w.r.t. : **x1 x2 x3 x4**

	Delta-method		z	P> z	[95% Conf. Interval]	
	dy/dx	Std. Err.				
x1	-.0499158	.0547573	-0.91	0.362	-.1572382	.0574065
x2	.1178047	.0700462	1.68	0.093	-.0194832	.2550927
x3	-.0303886	.0667857	-0.46	0.649	-.1612862	.1005089
x4	-.0880564	.0400957	-2.20	0.028	-.1666425	-.0094702







	dy/dx	Delta-method Std. Err.	z	P> z	[95% Conf. Interval]	
x1	-.0499158	.0547573	-0.91	0.362	-.1572382	.0574065
x2	.1178047	.0700462	1.68	0.093	-.0194832	.2550927
x3	-.0303886	.0667857	-0.46	0.649	-.1612862	.1005089
x4	-.0880564	.0400957	-2.20	0.028	-.1666425	-.0094702