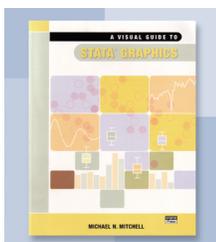


THE STATA NEWS

Volume 19 Number 2

April/May/June 2004

www.stata.com



Title: *A Visual Guide to Stata Graphics*
 Author: M. Mitchell
 Publisher: Stata Press
 Copyright: 2004
 Pages: 395; paperback
 ISBN: 1-881228-85-1
 Price: \$49.75

A Visual Guide to Stata Graphics

Stata 8 introduced extensive graphics capabilities to go along with its impressive statistics, but having all that flexibility in your hands can be a little daunting. Michael Mitchell's new book, *A Visual Guide to Stata Graphics*, will help you take advantage of that power to produce professional graphs quickly and easily. No matter what your experience with Stata, this book will help you learn to create publication-quality graphs.

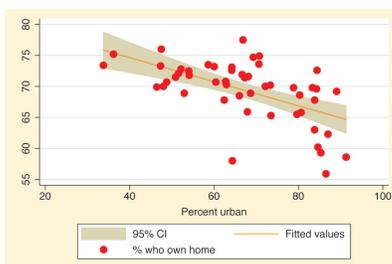
Virtually every page contains full-color examples of Stata graphs, with most pages showing three graphs. You will probably find the kind of graph you need by simply thumbing through the pages. Along with each graph is the command that produces it and brief instructions and associated files so you can recreate the graph yourself. These files can be downloaded from the Stata web site.

Here is a sample entry:

```
twoway (lfitci ownhome pcturban80, bcolor(stone))
(scatter ownhome pcturban80)
```

We use the `bcolor(stone)` option to change the color of the area and outline of the confidence interval. You can use the options illustrated with `twoway rarea` to control the display of the area encompassing the confidence interval, namely, `bcolor()`, `bfcolor()`, `blcolor()`, `blwidth()`, and `blpattern()`. See `Twoway:Range (64)` and `[G] graph twoway rarea` for more details.

Uses `allstatesdc.dta` & `scheme vg_brite`



In the right margin is a “Visual Table of Contents” to help you quickly navigate to a particular section for immediate results and obtain in-depth information to take your graphics skills to the next level.

- Introduction
- Twoway
- Matrix
- Bar
- Box
- Dot
- Pie
- Options
- Building graphs
- Standard options
- Styles
- Appendix

Before getting to the details, the author presents an excellent introduction to Stata graphics and tips for getting the most out of the book. Each subsequent chapter gives detailed examples and instructions for creating different types of Stata graphs: twoway graphs, scatterplot matrices, bar graphs, box plots, dot plots, and pie graphs. A chapter covering options common to all graphs is followed by a chapter explaining how to use specific options for changing the look and feel of your graphs, including labels, markers, symbols, colors, line patterns, and text size. Seasoned Stata users will appreciate the appendix, which introduces more advanced topics, such as using commands to create statistical graphs, saving and combining graphs, avoiding and correcting common mistakes, and using and defining graph schemes.

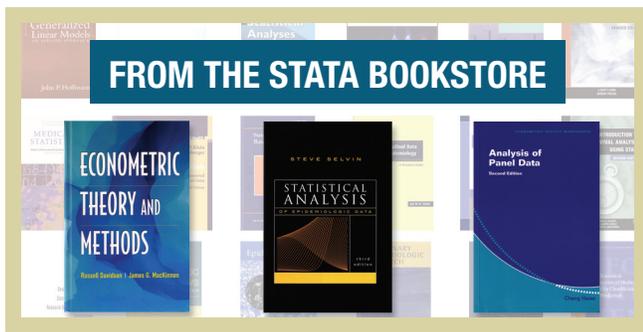
With its detailed examples and clear instructions, *A Visual Guide to Stata Graphics* will help you develop the skills to create expert graphs to display your statistical results.

The table of contents and online ordering information can be found at www.stata-press.com/books/vgsg.html. You can also order using the enclosed bookstore order form.

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THE STATA NEWS is published four times a year and is free to all registered users of Stata.



FROM THE STATA BOOKSTORE



Title: *Analysis of Panel Data, 2d ed*
 Authors: C. Hsiao
 Publisher: Cambridge University Press
 Copyright: 2003
 Pages: 366; paperback
 ISBN: 0-521-52271-4
 Price: \$24.25

Analysis of Panel Data, 2d ed

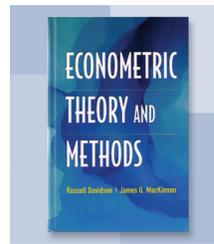
The second edition of Hsiao's *Analysis of Panel Data* is a complete revision of the 1986 version that has served as an essential reference on panel-data models. With the increased availability of panel datasets, this book will be welcomed not only by economists, but also by researchers in other social sciences, business, and the natural sciences. The judicious combination of theory and applications makes Hsiao's monograph useful both as a textbook for students and as a reference manual for practitioners.

The first three chapters of the book provide a detailed introduction to static random- and fixed-effects models, including model estimation, specification testing, and treatment of heteroskedasticity and correlation. Chapter 4 is a concise overview of dynamic panel-data models, including the GMM estimators that have become quite popular in recent years. Simultaneous-equation estimation is covered in chapter 5.

Chapter 6 is devoted to variable-coefficient models, including Swamy's random-coefficient model and its relatives: fixed-coefficients models and their dynamic counterparts. Chapters 7 and 8 discuss parametric and semiparametric approaches to limited dependent variable models and provide many references to the growing literature in this field. Chapter 7 also includes a clear presentation of the incidental parameters problem. Chapters 9 and 10 present a smorgasbord of further topics, including incomplete panels, pseudo-panels, large- N and $-T$ asymptotics, and multilevel models. The sections in these two chapters are rather brief, but they do provide many references to the relevant literature. Chapter 11 summarizes the use of panel-data models.

In short, the second edition of *Analysis of Panel Data* will prove to be an invaluable reference to users of panel data, just as the first edition has for the past 14 years.

A complete table of contents and online ordering information can be found at www.stata.com/bookstore/aopd.html. You can also order using the enclosed bookstore order form.



Title: *Econometric Theory and Methods*
 Authors: R. Davidson, J. MacKinnon
 Publisher: Oxford University Press
 Copyright: 2004
 Pages: 750; hardcover
 ISBN: 0-19-512372-7
 Price: \$69.75

Econometric Theory and Methods

Davidson and MacKinnon's *Econometric Theory and Methods* provides an excellent introduction to modern methods of estimation and inference used in econometrics. The first-principles approach, which allows readers new to the material to develop a deep understanding of the topics, makes this book a valuable resource for both students and applied researchers.

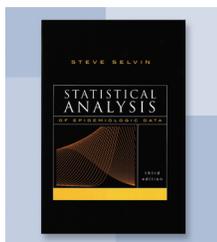
Over the years, Davidson and MacKinnon have become known for their geometrical explanations, use of augmented regressions, and attention to numerical methods. This new book lives up to their well-deserved reputation. For instance, in a refreshing departure from the usual presentation, Davidson and MacKinnon introduce bootstrap and simulation techniques early on in their presentation of inference, rather than waiting until a later chapter to introduce these now-common techniques.

Throughout the book, they present material at a rigorous yet very approachable level. For each topic considered, the authors provide an introduction and then ease the reader into advanced topics that are not always covered in other books. For instance, while hypothesis testing and confidence-interval estimation could be collapsed into a matter of pages, Davidson and MacKinnon take the time to explain such important concepts as the power of a test, exact versus approximate confidence regions, asymptotically pivotal statistics, and the advantages of bootstrapping studentized statistics. Also included in chapter 5 is a discussion of heteroskedasticity-consistent covariance matrices.

The authors provide detailed introductions to six of the major methods of estimation used in econometrics: ordinary least squares, nonlinear regression, generalized least squares, instrumental variables, the generalized method of moments, and maximum likelihood. Chapter 9 contains one of the best introductions to GMM currently available. True to form, both simulated GMM and simulated maximum likelihood are covered in detail. Plenty of references are given so that readers can pursue more advanced topics; for example, chapter 8 briefly discusses the "weak instruments" problem and then provides no fewer than fifteen references.

While this book provides an excellent introduction to the general methods of estimation and inference used in econometrics, the standard topics are covered very quickly. As in their 1993 book, Davidson and MacKinnon condense their treatment of limited dependent variables into a single chapter, and panel data get only a few pages. Readers who want a detailed discussion of specific models will want to supplement the material in this book with Jeffrey Wooldridge's *Econometric Analysis of Cross Section and Panel Data*.

A complete table of contents and online ordering information can be found at www.stata.com/bookstore/etm.html. You can also order using the enclosed bookstore order form.



Title: *Statistical Analysis of Epidemiologic Data, 3d ed*
 Author: S. Selvin
 Publisher: Oxford University Press
 Copyright: 2004
 Pages: 492; paperback
 ISBN: 0-19-517280-9
 Price: \$59.75

Statistical Analysis of Epidemiologic Data, 3d ed

Statistical Analysis of Epidemiologic Data by Steve Selvin provides basic material for a one- or two-term course in statistical methods for epidemiology and is ideal for graduate students in the medical sciences who have had the basic courses in statistics and epidemiology. Since the methods covered are directly available in most statistical software, including Stata, the mathematical discussions are kept to a bare minimum. Real-data examples are used to motivate the discussion, allowing the reader to replicate the analyses performed and to compare and contrast different methods applied to the same data.

This third edition is updated to reflect changes in preferred methodology within the field. A section on rarely used cross-over designs has been removed, and new material on the analysis of contingency tables and on Poisson regression has been added. Also notable is the chapter devoted entirely to matched data, with a unified discussion on how matching is applied to both the analysis of tables and to regression tables.

Covered topics include an overview of the relevant terminology (e.g., rates, prevalence, hazard functions, and matched case-control data), variation and bias, power and sample size calculations for standard univariate analysis, cohort analysis, the analysis of contingency tables, logistic regression, Poisson regression, the analysis of matched data, life tables, and survival analysis, including the Cox model.

A complete table of contents and online ordering information can be found at www.stata.com/bookstore/saed.html. You can also order using the enclosed bookstore order form.

Update on mfx

The `mfx` command computes marginal effects or elasticities after estimation. This command is useful for determining how a change in one variable, for example dosage, affects the predicted outcome, such as the probability of disease. With the March 22 ado update, several new features and enhancements have been added.

- `mfx` runs significantly faster on large datasets.
- For models with many coefficients, the new `varlist()` option allows you to obtain marginal effects for selected variables.
- The new `tracelvl()` option displays results as they occur. Some computations can take some time, so this option helps you see what Stata is doing as it does its work.
- `mfx` has more sophisticated checks that the `predict` option specified is suitable for calculating marginal effects and standard errors. A new `diagnostics()` option shows you how `mfx` determined that.

- Improved error messages can help you find and correct problems quickly and easily.

These new features are explained in detail, with many examples, in these new Frequently Asked Questions (FAQs):

www.stata.com/support/faqs/stat/mfx2.html

I am only interested in obtaining a few of the marginal effects for a few independent variables. How can I do that?

www.stata.com/support/faqs/stat/mfx_trace.html

Running `mfx` on my dataset takes a long time, and I am worried it may have crashed. How can I tell if it is still running?

www.stata.com/support/faqs/stat/mfx_unsuit.html

When I run `mfx`, I am getting the error message, "Predict option unsuitable for marginal effects". What does that mean?

www.stata.com/support/faqs/stat/mfx_nose.html

When I run `mfx`, I am getting the warning message "warning: predict() expression unsuitable for standard error calculation. Option nose imposed". What does that mean?

www.stata.com/support/faqs/stat/mfx_scale.html

When I run `mfx`, I am getting the warning message "warning: Derivative missing. Try rescaling variable mpg". What does that mean?

Visit www.stata.com/support/faqs for other commonly asked questions by Stata users.

Latest NetCourse™ schedule

The Stata NetCourses™ have been well received by participants, as reflected in the following remarks:

- "I thought the material was excellent. I was also impressed by the opportunity the students had to ask questions and the efforts made by the Course Leaders to answer them regardless of how complicated the question."
- "Stata has put together a great course, and I want to thank you for making it so accessible. It has been years since I dealt with statistics and programming language, but I have a project that seems to be just what Stata was developed to support."
- "The NetCourses are simply great."

A NetCourse is a "lecture" posted to the NetCourse web site on Friday. After reading the lecture over the weekend or on Monday, participants can post questions and comments to the course discussion area. Course Leaders respond to the questions and comments on Tuesday and Thursday. The other participants are encouraged to amplify or otherwise respond to the questions or comments as well. The next lecture is then posted on Friday, and the process repeats. After the last lecture, discussion continues for a few additional weeks until the course concludes.

A brief summary of upcoming NetCourses is listed below. For more details on how NetCourses work and for course syllabi, visit www.stata.com/info/products/netcourse/.

An enrollment form for upcoming NetCourses has been enclosed with the *Stata News*. You can also enroll online at www.stata.com/info/products/netcourse/enrollment.html.

NC-101. Introduction to Stata

NC-101 is designed to take smart, knowledgeable people and turn them into proficient interactive Stata users. The course covers not just the obvious, such as getting data into Stata, but also covers detailed techniques and tricks to make you a powerful Stata user. Many of Stata's key concepts are explored, from web update features and match-merging to using `by` groups and explicit subscribing.

Prerequisites	
Stata 8	
Dates offered	
June 18 – July 30	September 10 – October 22
Course Leaders	
Kevin Crow, Kerry Kammire, and Derek Wagner	
Enrollment Deadlines	
June 17	September 9
Price	
\$95	

NC-151. Introduction to Stata programming

NC-151 is intended for all Stata users. Through a combination of lectures, example applications, and carefully chosen exercises, the course addresses the full range of methods and techniques necessary for you to be most productive in the Stata environment. Beginning with effective ways to organize both simple and complicated analyses in Stata, NetCourse 151 then moves into programming elements that can be used to help you work more efficiently. Key programming topics include macro processing, program flow of control, using do-files, programming ado-files, Monte Carlo simulations, and bootstrapped standard errors.

Prerequisites	
Stata 8; basic knowledge of using Stata interactively	
Dates offered	
June 18 – July 30	September 10 – October 22
Course Leaders	
Kevin Crow, Kerry Kammire, and Derek Wagner	
Enrollment Deadlines	
June 17	September 9
Price	
\$125	

HOW TO REACH US

StataCorp
4905 Lakeway Drive
College Station TX 77845
USA

PHONE 979-696-4600
FAX 979-696-4601
EMAIL stata@stata.com
WEB www.stata.com

Please include your Stata serial number with all correspondence.



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RESELLERS

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sales@survey-design.com.au

Timberlake Consultants
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+44 (0)208 697 3377
info@timberlake.co.uk

Timberlake Consulting S.L.
Serving Spain
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timberlake@timberlakeconsulting.com

Timberlake Consultores, Lda.
Serving Portugal
+351 214 702 869
info@timberlake.pt

TStat S.r.l.
Serving Italy
+39 0864 210101
tstat@tstat.it

Vishvas Marketing-Mix Services
Serving India
91-22-25892639
vishvas@vsnl.com



3RD NORTH AMERICAN STATA USERS GROUP MEETING REGISTRATION AND INFORMATION

Date: August 23rd - August 24th, 2004
Venue: Boston, Massachusetts
Longwood Galleria Conference Center
342 Longwood Avenue
Cost: \$85.00 (students \$45.00)

The North American Stata Users Group meeting, to be held in Boston, will provide in-depth presentations from experienced Stata users and senior members of StataCorp. Presentations will focus on helping you use Stata more effectively, including Stata 8's new graphics capabilities. The meeting will cover a broad variety of topics specific to Stata, including new statistical methods, programming in Stata, and other topics. Beginners and experts alike will find something for them at this year's Users Group meeting.

REGISTRATION AND INFORMATION

Web: www.stata.com/boston04
Email: stata@stata.com
Tel: 979-696-4600 or toll free 800-782-8272
Fax: 979-696-4601
Cost: \$85.00 (\$45.00 students); includes lunch and refreshments (optional dinner extra)



More than just home to Fenway Park and the Red Sox, Boston is one of the oldest cities in the United States and still retains its American colonial charm. It is a city best toured on foot, from the Freedom Trail to Bunker Hill. Other attractions include The New England Aquarium, Quincy Market, the USS Constitution, and the Boston Symphony Orchestra.

Boston photos courtesy of
BostonUSA! and © FAYFOTO, Inc.

Preliminary Program

Presentations (Day 1)

Graphics for categories and compositions

Nicholas J. Cox, *Dept. of Geography, University of Durham*

Generating random variables from the N/I distributions

Peter A. Lachenbruch, *U.S. FDA*

Sensitivity analysis on traffic crash prediction models by using Stata

Deo Chimba, *Dept. of Civil Engineering, Florida State University*

Metagraphiti by Stata: Visuographical exploration and presentation of meta-analytic data using Stata

Ben Dwamena, *University of Michigan Medical School*

Translating data between MySQL and Stata

Michael Johnson & Phil Schumm, *Dept. of Health Studies, University of Chicago*

Using Stata for questionnaire development

Theodore Pollari & Phil Schumm, *Dept. of Health Studies, University of Chicago*

Econometric techniques for estimating treatment effects

Zhehui Luo, *Michigan State University*

Sample size calculation for longitudinal studies

Phil Schumm, *Dept. of Health Studies, University of Chicago*

Rolling regressions with Stata

Kit Baum, *Dept. of Economics, Boston College and RePEc*

Working with ODBC data sources in Stata: tips and techniques

Joseph Coveney, *Cobridge Co., Ltd.*

Density distribution sunflower plots in Stata 8

William D. Dupont, *Dept. of Biostatistics, Vanderbilt University*

Featured training courses (Day 2)

Generalized linear latent and mixed models (GLLAMMs)

Sophia Rabe-Hesketh, *University of California, Berkeley*;
co-author of "Generalized Latent Variable Modeling: Multilevel, Longitudinal and Structural Equation Models" (forthcoming, 2004)

Stata graphics

Vince Wiggins, *Vice President of Scientific Development, StataCorp*

This course will cover in detail the basic commands and concepts for building high-quality Stata graphs from scratch. You will learn new approaches to creating graphs, including organizing and managing your data and creating custom schemes.

PROGRAM COMMITTEE

Elizabeth Allred, *Harvard School of Public Health*

Kit Baum, *Dept. of Economics, Boston College and RePEc*

Nicholas J. Cox, *University of Durham*

Rich Goldstein, *consultant*

Peter A. Lachenbruch, *OBE/CBER of the FDA*

Marcello Pagano, *Harvard School of Public Health*

STATA USERS GROUP MEETINGS

3RD DUTCH/BELGIAN STATA USERS GROUP MEETING REGISTRATION AND INFORMATION

Date: September 22, 2004
Venue: Rotterdam, Netherlands
Erasmus Medical Centre Auditorium
Dr. Molewaterplein 40/50
Cost: No charge for the meeting

The Dutch/Belgian Stata Users Group meeting will be held again in a university setting in the Netherlands. Users of all levels of experience will benefit from lectures provided by experienced Stata users from around the world, as well as senior members of StataCorp. The conference sessions will be held in English due to the international nature of the meeting.

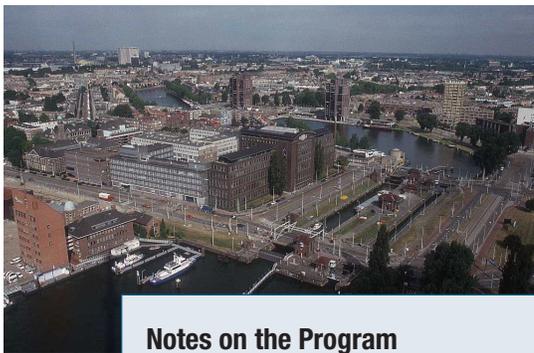


Photo courtesy of
www.bigfoto.com

Notes on the Program

Presentations may be on any topic related to the use of Stata in research or teaching in any field, for example:

- Self-written Stata modules
- Interesting applications of Stata (in a nonstandard situation)
- Stata in education
- Tutorials showing how Stata is used to solve specific problems

REGISTRATION AND INFORMATION

Web: www.stata.com/netherlands04
Email: nina.brands@cosinus.nl
Tel: +31 416 378 125
Fax: +31 416 378 385
Cost: no charge for the meeting; small fee for lunch

PROGRAM COMMITTEE

Wim van Putten, *Erasmus MC - Daniel Den Hoed Kliniek*
Jeroen Weesie, *Department of Sociology, Universiteit Utrecht*

Sponsored by



Cosinus Computing BV
www.cosinus.nl
info@cosinus.nl
Grotestraat 401a
5142 CB Waalwijk
Netherlands

1ST ITALIAN STATA USERS GROUP MEETING ANNOUNCEMENT AND CALL FOR PAPERS

Date: October 25, 2004
Venue: Rome, Italy
Hotel Artemide
via Nazionale, 22
Cost: 30 Euros

This year will mark the first Stata Users Group meeting to be held in Italy. The objective of the meeting is to provide Stata users working in different research areas with the opportunity to exchange ideas, experiences, and information on new applications of the software.

Notes on the Program

The meeting will be organized into four sessions. Each session will include two presentations of approximately 30 minutes, followed by 10 to 15 minutes of discussion. The first session will be reserved for two invited speakers.

Topics include

- The development of new commands or procedures currently unavailable in Stata 8
- The use of Stata in previously unpublished empirical research
- Other applications of Stata for the solution of problems of general interest; for example, data management

Call for papers

The organizing committee welcomes abstracts for talks on any aspect of the Stata software.

Submit abstracts to statausers@tstat.it by June 30.

REGISTRATION AND INFORMATION

Web: www.stata.com/italy04
Email: lorena@tstat.it
Tel: +39 0864 210101
Fax: +39 0864 206014
Cost: 30 Euros; includes lunch and refreshments

PROGRAM COMMITTEE

Una-Louise Bell, *TStat, S.r.l.*
Rino Bellocco, *Karolinska Institutet*
Giovanni Capelli, *Università Cattolica del Sacro Cuore*
Marcello Pagano, *Harvard School of Public Health*

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TStat S.r.l.
www.tstat.it
tstat@tstat.it
via Baden Powell, 8
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Italy