Description

This entry describes the `vce()` option, which is common to most estimation commands. `vce()` specifies how to estimate the variance–covariance matrix (VCE) corresponding to the parameter estimates. The standard errors reported in the table of parameter estimates are the square root of the variances (diagonal elements) of the VCE.

Syntax

```
estimation_cmd ... [ , vce(vctype) ... ]
```

<table>
<thead>
<tr>
<th>vctype</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Likelihood based</td>
<td></td>
</tr>
<tr>
<td><code>oim</code></td>
<td>observed information matrix (OIM)</td>
</tr>
<tr>
<td><code>opg</code></td>
<td>outer product of the gradient (OPG) vectors</td>
</tr>
<tr>
<td>Sandwich estimators</td>
<td></td>
</tr>
<tr>
<td><code>robust</code></td>
<td>Huber/White/sandwich estimator</td>
</tr>
<tr>
<td><code>cluster clustvar</code></td>
<td>clustered sandwich estimator</td>
</tr>
<tr>
<td>Replication based</td>
<td></td>
</tr>
<tr>
<td><code>bootstrap [ , bootstrap_options ]</code></td>
<td>bootstrap estimation</td>
</tr>
<tr>
<td><code>jackknife [ , jackknife_options ]</code></td>
<td>jackknife estimation</td>
</tr>
</tbody>
</table>

Options

`vce(oim)` is usually the default for models fit using maximum likelihood. `vce(oim)` uses the observed information matrix (OIM); see [R] `ml`.

`vce(opg)` uses the sum of the outer product of the gradient (OPG) vectors; see [R] `ml`. This is the default VCE when the `technique(bhhh)` option is specified; see [R] `Maximize`.

`vce(robust)` uses the robust or sandwich estimator of variance. This estimator is robust to some types of misspecification so long as the observations are independent; see [U] 20.22 Obtaining robust variance estimates.
If the command allows `pweight` and you specify them, `vce(robust)` is implied; see \[U\] 20.24.3 Sampling weights.

`vce(cluster clustvar)` specifies that the standard errors allow for intragroup correlation, relaxing the usual requirement that the observations be independent. That is, the observations are independent across groups (clusters) but not necessarily within groups. `clustvar` specifies to which group each observation belongs, for example, `vce(cluster personid)` in data with repeated observations on individuals. `vce(cluster clustvar)` affects the standard errors and variance–covariance matrix of the estimators but not the estimated coefficients; see \[U\] 20.22 Obtaining robust variance estimates.

`vce(bootstrap [, bootstrap_options])` uses a bootstrap; see \[R\] bootstrap. After estimation with `vce(bootstrap)`, see \[R\] bootstrap postestimation to obtain percentile-based or bias-corrected confidence intervals.

`vce(jackknife [, jackknife_options])` uses the delete-one jackknife; see \[R\] jackknife.

### Remarks and examples

**Remarks** are presented under the following headings:

- **Prefix commands**
- **Passing options in `vce()`**

#### Prefix commands

Specifying `vce(bootstrap)` or `vce(jackknife)` is often equivalent to using the corresponding prefix command. Here is an example using `jackknife` with `regress`.

```
. use https://www.stata-press.com/data/r17/auto
(1978 automobile data)
. regress mpg turn trunk, vce(jackknife)
(running `regress` on estimation sample)
Jackknife replications (74)

.................................................. 50
........................
```

```
Linear regression
Number of obs = 74
Replications = 74
F(2, 73) = 66.26
Prob > F = 0.0000
R-squared = 0.5521
Adj R-squared = 0.5395
Root MSE = 3.9260

------------------------------------------
           | Jackknife Coefficient std. err. t P>|t| [95% conf. interval]
------------------------------------------
           turn | -.7610113 .150726 -5.05 0.000 -1.061408 -.4606147
           trunk | -.3161825 .1282326 -2.47 0.016 -.5717498 -.0606152
           _cons | 55.82001 5.031107 11.09 0.000 45.79303 65.84699
------------------------------------------
```
. jackknife: regress mpg turn trunk
(running **regress** on estimation sample)
Jackknife replications (74)

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>.......................... 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Linear regression**

```
Number of obs = 74  
Replications = 74  
F(2, 73) = 66.26  
Prob > F = 0.0000  
R-squared = 0.5521  
Adj R-squared = 0.5395  
Root MSE = 3.9260
```

| Coefficient std. err. | t | P>|t| | [95% conf. interval] |
|-----------------------|---|---|------------------|
| turn                  | -.7610113 | .150726 | -5.05 | 0.000 | -1.061408 | -.4606147 |
| trunk                 | -.3161825 | .1282326 | -2.47 | 0.016 | -.5717498 | -.0606152 |
| _cons                 | 55.82001  | 5.031107 | 11.09 | 0.000 | 45.79303  | 65.84699 |

Here it does not matter whether we specify the **vce(jackknife)** option or instead use the **jackknife** prefix.

However, **vce(jackknife)** should be used in place of the **jackknife** prefix whenever available because they are not always equivalent. For example, to use the **jackknife** prefix with **clogit** properly, you must tell **jackknife** to omit whole groups rather than individual observations. Specifying **vce(jackknife)** does this automatically.

. use https://www.stata-press.com/data/r17/clogitid
. jackknife, cluster(id): clogit y x1 x2, group(id)
(output omitted)

This extra information is automatically communicated to **jackknife** by **clogit** when the **vce()** option is specified.

. clogit y x1 x2, group(id) vce(jackknife)
(running **clogit** on estimation sample)
Jackknife replications (66)

<table>
<thead>
<tr>
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<th>2</th>
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<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Conditional (fixed-effects) logistic regression**

```
Number of obs = 369  
Replications = 66  
F(2, 65) = 4.58  
Prob > F = 0.0137  
Log likelihood = -123.41386  
Pseudo R2 = 0.0355
```

(Replications based on 66 clusters in id)

| Coefficient std. err. | t | P>|t| | [95% conf. interval] |
|-----------------------|---|---|------------------|
| x1                   | .653363  | .3010608 | 2.17 | 0.034 | .052103  | 1.254623 |
| x2                   | .0659169 | .0487858 | 1.35 | 0.181 | -.0315151 | .1633489 |
Passing options in vce()

If you wish to specify more options to the bootstrap or jackknife estimation, you can include them within the vce() option. Below, we request 300 bootstrap replications and save the replications in bsreg.dta:

```
. use https://www.stata-press.com/data/r17/auto
(1978 automobile data)
. regress mpg turn trunk, vce(bootstrap, nodots seed(123) rep(300) saving(bsreg))
```

```
Linear regression
Number of obs = 74
Replications = 300
Wald chi2(2) = 144.17
Prob > chi2 = 0.0000
R-squared = 0.5521
Adj R-squared = 0.5395
Root MSE = 3.9260

Observed Bootstrap Normal-based
coefficient std. err. z P>|z| [95% conf. interval]
turn -.7610113 .1497877 -5.08 0.000 -1.05459 -.4674329
trunk -.3161825 .1286802 -2.46 0.014 -.5683909 -.063974
_cons 55.82001 4.9221 11.34 0.000 46.17287 65.46715
```

```
. bstat using bsreg
```

```
Bootstrap results
Number of obs = 74
Replications = 300
Command: regress mpg turn trunk
```

```
Observed Bootstrap Normal-based
coefficient std. err. z P>|z| [95% conf. interval]
turn -.7610113 .1497877 -5.08 0.000 -1.05459 -.4674329
trunk -.3161825 .1286802 -2.46 0.014 -.5683909 -.063974
_cons 55.82001 4.9221 11.34 0.000 46.17287 65.46715
```

## Methods and formulas

By default, Stata’s maximum likelihood estimators display standard errors based on variance estimates given by the inverse of the negative Hessian (second derivative) matrix. If vce(robust), vce(cluster clustvar), or pweights is specified, standard errors are based on the robust variance estimator (see [U] 20.22 Obtaining robust variance estimates); likelihood-ratio tests are not appropriate here (see [SVY] Survey), and the model $\chi^2$ is from a Wald test. If vce(opg) is specified, the standard errors are based on the outer product of the gradients; this option has no effect on likelihood-ratio tests, though it does affect Wald tests.

If vce(bootstrap) or vce(jackknife) is specified, the standard errors are based on the chosen replication method; here the model $\chi^2$ or $F$ statistic is from a Wald test using the respective replication-based covariance matrix. The $t$ distribution is used in the coefficient table when the vce(jackknife) option is specified. vce(bootstrap) and vce(jackknife) are also available with some commands that are not maximum likelihood estimators.
Also see

[R] bootstrap — Bootstrap sampling and estimation

[R] jackknife — Jackknife estimation

[XT] vce_options — Variance estimators

[U] 20 Estimation and postestimation commands