Example 13 — Equation-level Wald test

Description Remarks and examples Also see

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We demonstrate `estat eqtest`. See [SEM] **Intro 7** and [SEM] **estat eqtest**.

This example picks up where [SEM] **Example 12** left off:

```
. use https://www.stata-press.com/data/r19/auto
. sem  (price  <- foreign mpg displacement)              ///
       (weight <- foreign length),                       ///
                     cov(e.price*e.weight)
```

Remarks and examples

We have fit a two-equation model with equations for endogenous variables `price` and `weight`. There happen to be two equations, the model happens to be a seemingly unrelated regression, and the endogenous variables happen to be observed, but none of that is important right now.

`estat eqtest` displays equation-by-equation Wald tests that all coefficients excluding the intercepts are 0.

```
. estat eqtest
Wald tests for equations
```

	chi2	df	p
observed			
price	36.43	3	0.0000
weight	633.34	2	0.0000

Note:

1. The null hypothesis for this test is that the coefficients other than the intercepts are 0. We can reject that null hypothesis for each equation.

Also see

[SEM] **Example 12** — Seemingly unrelated regression

[SEM] **Intro 7** — Postestimation tests and predictions

[SEM] **estat eqtest** — Equation-level tests that all coefficients are zero