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Subject: Re: How to arrive at final wealth index score using PCA

Posted by [Anonymous](#) on Tue, 25 Feb 2025 02:11:24 GMT

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When you use the predict command after performing PCA, it generates factor scores based on the components you selected. These scores can be used as a wealth index, but it's essential to make sure the PCA model is correctly set up (e.g., choosing the right number of components to retain). However, simply relying on these factor scores without further adjustments, such as standardization or weighting, may not fully match the approach used by the DHS to calculate their wealth index.

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