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Subject: Should I normalize data?

Posted by [mermac](#) on Sun, 14 Jun 2015 04:23:21 GMT

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I am working in the construction of a wealth index following the Steps proposed by Rutstein. After reading Filmer & Pritchett and other literature it is not clear for me if I should normalize the variables. I will be using STATA PCA command.

I already created a dummy variable for each category. Should I then normalize the variables? or run the pca right away?

Thanks!

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