- (Pages : 3)

Name.................................

Reg. No............................

THIRD SEMESTER M.A. DEGREE EXAMINATION, DECEMBER 2014

(CUCSS)

Economics

ECO 3C 10—BASIC ECONOMETRICS

: Three Hours

Maximum : 36 Weightage

Part A

Answer all questions.

Each bunch of four question carries weightage of 1.

A. Multiple choice :

1 The third stage in the Methodology of Econometric Research is :

   (a) Estimation Stage.   (b) Evaluation Stage.

   (c) Specification Stage.   (d) None of the above.

2 Standard error Test is also known as :

   (a) F test.   (b) 't' test.

   (c) Chi square test.   (d) None of the above.

3 The ratio of explained variation to total variation is :

   (a) r.   (b) r^2.

   (c) $\overline{R}$.   (d) None of the above.

4 In the case of Hetroscedasticity, the variance of u is :

   (a) Constant.   (b) Not constant.

   (c) Zero.   (d) None of the above.

B. Multiple choice :

5 $u_t = P_{ut-1} - v_t$ is :

   (a) Second order Autocorrelation.   (b) First order Autocorrelation.

   (c) Third order Autocorrelation.   (d) None of the above.

6 The coefficient of multiple determination R^2 lies between :

   (a) $-\alpha$ and $+\alpha$.   (b) -1 and $+1$.

   (c) 0 and 1.   (d) -1 and 0.

Turn over

7 $u_t = P_{ut-1} + v_t$ is :

    (a) Second order Autocorrelation. (b) First order Autocorrelation.

    (c) Third order Autocorrelation. (d) None of the above.

8 Exogenous lagged variables :

    (a) Koyck Model.   (b) Almon's Polynomial Model.

    (c) Partial Adjustment Model. (d) None of the above.

C. Fill in the blanks :

9 Confluence analysis is associated with ————.

10 Regression models that take into account of time lags are known as ————.

11 Autocorrelation problem normally arises in ————.

12 Asymptotic properties are associated with ————.

D. State whether the following statements are True *or* False :

13 Variables that assume such 0 to 1 values are called dummy variables.

14 An unbiased estimator with the least variance is known as an efficient estimator.

15 The qualitative factors cannot be measured with the help of dummy variable.

16 Distributed lagged model do not include current values.

                                                          (4 × 1 = 4 weightage)

Part B

Answer any **ten** *questions.*
Each question carries a weightage of 2.

17 Explain statistical tests.

18 Write stochastic assumptions of OLS.

19 Explain the properties of an econometric model.

20 How will you estimate SLRM using OLS method ?

21 Distinguish between R^2 and adjusted R^2.

22 Explain Gauss Markov theorem.

23 Explain estimation of elasticity using log linear model.

24 Write note on "Three variable model".

25 Explain the role of lag in Economics.

26 How will you measure growth rate using log lin model.

27 Explain D-W d statistic.

28 Explain the nature of dummy variables.

29 Explain dummy variable trap.

30 What are the reasons for lags ?

31 Write a note on Autoregressive model.

(10 × 2 = 20 weightage)

Part C

Answer any **three** *questions.*
Each question carries a weightage of 4.

32 Explain in detail the methodology of econometric research.

33 Discuss in detail the properties of least square estimates.

34 Explain estimation of production function using three variable model.

35 What are the sources of Hetroscedasticity ? Explain the tests to detect Hetroscedasticity. Suggest remedial measures.

36 Explain the estimation of distributed lag model.

(3 × 4 = 12 weightage)