

17P336

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Name.....

Reg. No.....

THIRD SEMESTER M.A. DEGREE EXAMINATION, NOVEMBER 2018

(Regular/Supplementary/Improvement)

(CUCSS - PG)

CC15P ECO3 C12 - BASIC ECONOMETRICS

(Economics)

(2015 Admission onwards)

Time : Three Hours

Maximum : 36 Weightage

Part A

Answer *all* questions. Each question carries $\frac{1}{4}$ weightage.

1. The value of r^2 lies in between
a) 0 and 1 b) -1 and +1 c) -1 and -2 d) None of the above
2. is a method of detecting autocorrelation
a) Glejser test b) Durbin-Watson test c) Park test d) All the above
3. is an *if-then* proposition.
a) Law b) Theory c) Hypothesis d) Model
4. is a small sample test.
a) t test b) F test c) Z test d) All the above
5. refers to linear relationship among explanatory variables.
a) Autocorrelation b) Multicollinearity
c) Heteroscedasticity d) None of the above
6. In the presence of perfect Multicollinearity the standard errors of the regression coefficients become
a) 0 b) 1 c) -1 d) Infinity
7. When R^2 is adjusted to the degrees of freedom it is known as
a) Adjusted R^2 b) corrected R^2 c) Both a and b d) None of the above
8. Park test is associated with the detection of
a) Autocorrelation b) Multicollinearity
c) Heteroscedasticity d) None of the above
9. Specification errors usually arise due to
a) Omission of relevant variables b) inclusion of unnecessary variables
c) Adopting wrong functional form d) All the above
10. Regressand is another name of variable.
a) Independent b) Dependant c) Both a and b d) None of the above
11. The error term in an econometric model takes into consideration the influence of :
a) Left out variables b) random behaviour of individuals
c) Errors in observation d) all the above

12. Accepting a wrong hypothesis leads to.
- a) Type I error b) Type II error c) Standard error d) None of the above
- (12 x ¼ = 3 Weightage)**

Part B

Answer any *five* questions. Each question carries 1 weightage.

13. Distinguish between t and F test.
14. What do you mean by ANOVA and ANCOVA?
15. What is time series data and cross section data?
16. Distinguish between Econometrics and Mathematical economics.
17. What are the main uses of econometrics?
18. Explain reciprocal models.
19. What are restricted least squares?
20. What are the main tests used for detecting Heteroscedasticity?

(5 x 1= 5 Weightage)

Part C

Answer any *eight* questions. Each question carries 2 weightage.

21. Explain the method of maximum likelihood?
22. Distinguish between log-lin and lin-log model?
23. What are the main assumption underlying the method of OLS?
24. What do you mean by coefficient of determination?
25. Explain dummy variable trap.
26. Explain Durbin Watson d-statistic.
27. What are the main properties of an estimator?
28. Distinguish between R^2 and adjusted R^2 .
29. What are the major types of specification errors?
30. What are the main properties of the stochastic disturbance term?
31. Explain multiple linear regression model.

(8 x 2 = 16 Weightage)

Part D

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

32. What do you mean by Errors of measurement? What are its Consequences and remedies?
33. Explain the nature, consequences, detection and remedial measures of Multicollinearity.
34. Write an essay on the methodology of econometrics.
35. What are the main causes of autocorrelation and how is it detected?
36. State and explain the Gauss Markov theorem.

(3 x 4 =12 Weightage)
