B. A. DEGREE END SEMESTER EXAMINATION - MARCH 2020

SEMESTER – **6: ECONOMICS (CORE COURSE)**

COURSE: **15U6CRECO14A: INTRODUCTORY ECONOMETRICS**

(Common for Regular 2017 Admission & Supplementary 2016 Admission)

Time: Three Hours   Max. Marks: 75

PART A

Answer all questions in one or two sentences. Each question carries 1 mark.

1. Econometrics
2. Regression Analysis
3. Homoscedasticity
4. Estimator
5. Standard error
6. Gauss – Markov theorem
7. Unbiasedness
8. Efficient estimator
9. Interval estimation
10. R^2 $(1 \times 10 = 10)$

PART B

Answer any eight of the following in three or four sentences. Each question carries 2 marks.

11. Power of a test
12. Type I and Type II error
13. Time series data
14. Disturbance term
15. Goodness of fit
16. BLUE
17. Statistical inference
18. Durbin Watson test
19. Heteroscedasticity and homoscedasticity
20. PRF $(2 \times 8 = 16)$

PART C

Write any five of the following in not more than one page. Each question carries 5 marks.

21. Discuss the methods of detecting Multicollinearity.
22. What is meant by (a) A priori theoretical criteria (b) Statistical criteria (c) Econometric criteria (f) The forecasting ability of the model
23. Describe the advantages of OLS.

24. Comment on the application of t-test.

25. What is a stochastic variable? Explain the reasons for introducing a stochastic variable in an econometric model.

26. Describe the steps in Hypothesis testing

27. What are the goals of econometrics? $(5 \times 5 = 25)$

PART D

Answer any two of the following in not exceeding four pages.

Each question carries 12 marks.

28. Explain the assumptions of Classical Linear Regression model and estimate the CLRM model.

29. Discuss the numerical properties of estimators. Explain the advantages of OLS.

30. Briefly describe the stages involved in the methodology of econometric research.

31. What is Autocorrelation – Explain the causes, consequences and test used for detecting autocorrelation. $(12 \times 2 = 24)$

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