LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034

M.A.DEGREE EXAMINATION – **ECONOMICS**

SECONDSEMESTER – APRIL 2018

EC 2811- ECONOMETRICS

Date: 23-04-2018   Dept. No.   Max. : 100 Marks
Time: 09:00-12:00

PART – A

Answer any FIVE questions in about 75 words each   (5 x 4 = 20)

1. What is a Dummy Variable Trap?

2. State the properties of r^2.

3. Distinguish between Homoscedasticity and Heteroscedasticity.

4. Briefly explain the use of Statistics in Econometrics.

5. What are the different types of specification errors?

6. Distinguish between Correlation and Regression.

7. Define Econometrics.

PART – B

Answer any FOUR questions in about 300 words each   (4 x 10 = 40)

8. Explain the procedure for deriving the PRF with the aid of a diagram.

9. Show that the OLS estimators are BLUE.

10. Explain the method of Generalized Least Squares (GLS).

11. Elaborate the causes and consequences of Autocorrelation.

12. Explain the nature and scope of Econometrics.

13. Explain the Log-linear model of regression.

14. Explain the significance of the Stochastic Disturbance Term.

PART – C

Answer any TWO questions in about 1200 words each   (2 x 20 = 40)

15. Explain the methodology of Econometrics.

16. Enumerate the various assumptions of CLRM.

17. Explain the causes and consequences of Multicollinearity.

18. Explain the method of 2SLS in estimating an over-identified equation.

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