

B. A. DEGREE (C.B.C.S.S.) EXAMINATION, MARCH 2017**SEMESTER VI - ECONOMICS****ECO6EM - ECONOMETRIC METHODS****Time: Three Hours****Maximum Marks: 80****PART A****I. Answer all questions. Each question carries 1 mark.**

1. Define Unbiasedness.
2. Define Null hypothesis.
3. What is Normal Distribution?
4. Define Dummy Variable.
5. Define Time series data.
6. What is Second order test?
7. What is autocorrelation?
8. Explain independent and dependent variable.
9. Define Linear Regression.
10. Explain Chi-Square Test.

(10x1=10)**PART B****II. Answer any eight of the following. Each question carries 2 marks.**

11. What is Heteroscedasticity?
12. Define ANOVA.
13. What is Testing of hypothesis?
14. Explain BLUE.
15. Give the econometric equation for Consumption and investment function.
16. What are the reasons for lagged variables?
17. Explain econometric model.
18. Define Coefficient of Determination $-r^2$?
19. Discuss the goals of econometrics.
20. Define Stochastic term.
21. What are the properties of coefficient of correlation?
22. Explain the difference between null hypothesis and alternative hypothesis.

(8x2=16)**PART C****III. Answer any six of the following. Each question carries 4 marks.**

23. What are the desirable properties of estimators?
24. State and Explain Gauss-markov theorem.
25. Explain the importance of lags in economics.
26. Write the important properties of normal distribution.

27. What are the criteria used for evaluating the estimate?
28. State in brief the assumptions of OLS.
29. Explain the difference between cross-sectional data and time series data. Give examples of each.
30. Discuss Gauss-Markov theorem.
31. Explain the use of dummy variables to seasonally adjust time series. Illustrate in an example.

(6x4=24)

PART D

IV. Answer any two of the following. Each question carries 15 marks.

32. Elaborate on the estimation of dummy variables. Do you think it is important to use dummy variables in economic analysis? Justify.
33. Explain Simple Linear Regression Model.
34. Explain the goals and limitations of econometrics.
35. Briefly explain Classical Linear Regression model.

(2x15=30)