Econometrics 2

Module Code: ECO00003I  Credits: 20  Year: 2  Terms: 1-3
31 one-hour Lectures, 1 one-hour Computer Session,
Contact Hours: 5 large group Lecture Workshops, 4 small group Tutorials
(41 contact hours)
Module Organiser: Professor J K Swaffield

Overview:
This module provides an introduction to the techniques that are available to estimate models in economics. It will also consider the practical issues involved when applying these techniques.

Topics covered include:
- Least square estimation
- Choice of regressors and functional form
- Dummy explanatory variables and structural stability
- Multicollinearity
- Model specification
- Heteroscedasticity
- Autocorrelation
- Distributed lag and autoregressive models, and
- Simultaneous equation regression models

An introduction to the PcGive 13 econometric software is given. The use of such software is required for the tutorial exercises, and this assists preparation for the project component of the module.

Aims
This module is aimed at providing you with a basic understanding of the analysis of economic models using statistical methods. By the end of the module, your understanding of applied economic articles should be improved and you should be able to evaluate the research presented. You should also be able to perform some basic analysis yourself and be able to interpret the results fully.

Assessment:
There will be a 2-hour unseen examination (70 percent of the overall mark) and an econometrics project (30 percent of the overall mark).

Pre-requisites:
Probability I (ECO00011C) and Statistics I (ECO00012C) or (LG11/GL11) for Maths students).

Main References: