MAECO115-B1 - Group D Optional Paper : 13 Econometrics - II

P. Pages : 1

Time : Three Hours

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GUG/W/16/5880

Max. Marks : 80

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1. What is the problem of identification? Discuss under, just and over identification with suitable example.

OR

Consider the following model

$Qd = \alpha_1 + \beta_1 P + \delta_1 Y + u_1$

$Qs = \alpha_2 + \beta_2 P + \delta_2 W + u_2$

Derive the reduced form co – efficient. Also differentiate between reduced form and structural form.

2. Discuss the steps you would like to follow in Principal Component Analysis.

OR

What multivariate probability distribution? Discuss its properties and uses?

3. Answer the following questions **any two.**
   a) What is meant by stationarity? Explain its types.
   b) What is the meaning of unit root?
   c) What is error correction mechanism? Explain its relation with cointegration?
   d) Explain major methods of economic forecasting.

4. Answer the following questions **any two.**
   a) Explain different types of data. Give example.
   b) When are panel data regression models inappropriate? Give example.
   c) Explain fixed effects approach in panel data technique.
   d) Estimate random effect approach.

5. Answer the following questions.
   a) Explain steps followed in 2 SLS.
   b) What is VAR modeling?
   c) Explain application of panel data in Economics.
   d) What is discriminate analysis?

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