B.A./B.Sc.(Hons.) 5th Semester

(2124)

ECONOMICS

Paper—III Introduction to Econometrics

Time Allowed : Three Hours] [Maximum Marks : 90

Note :— Attempt *five* questions in all, including Question No. 1 which is compulsory and selecting *one* question from each unit.

1. Attempt any *nine*. All questions carry equal marks :

   (i) What is Econometrics ?

   (ii) Difference between theoretical and applied econometrics.

   (iii) Any two names of Indian scholars of econometrics.

   (iv) Goals of econometrics.

   (v) Give the formula to forecast the future value of MPC with the help of investment multiplier.

   (vi) Types of estimation.

   (vii) Criteria for good estimator.

(viii) Meaning of Hypothesis testing.

(ix) Nature of Dummy variables.

(x) What do you understand by 't' test ?

(xi) Meaning of composite hypothesis.

(xii) Reason Lag occurs. $2 \times 9 = 18$

UNIT—I

2. Write an essay discussing the interrelationship among mathematical economics, statistics and econometrics. 18

3. Discuss the desirable properties for a good estimator obtained from small sample. 18

UNIT—II

4. Explain the various types of Errors by testing Null Hypothesis. 18

5. Give the major steps in Hypothesis Testing. 18

UNIT—III

6. Give the properties of OLS Estimators under the normality assumption of CNLRM. 18

7. What is Multicollinearity ? How can one detect it ? 18

UNIT—IV

8. Explain the Dummy variable trap, provide an illustrative example of your choice. 18

9. What are Lag variables ? Give the use of Lag variables in economics. 18