PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BSc DEGREE EXAMINATION DECEMBER 2018
(Sixth Semester)

Branch - **STATISTICS**

ECONOMETRICS

Time : Three Hours   Maximum : 75 Marks

SECTION-A (20 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks   (10 x 2 = 20)

1   What are Economic models?
2   Define Micro models.
3   State the principles of Multiplier.
4   What are Dynamic multipliers?
5   Define input-output model.
6   State any two assumptions of Input-Output analysis.
7   Define Econometrics.
8   State any two objectives of Econometrics.
9   What is Multicollinearity?
10   Define Specification error.

SECTION - B (25 Marks)
Answer **ALL** Questions
ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

11 a   State the uses of Economic models in Economic theory.
OR
   b Distinguish Exogenous and Endogenous variables.

12 a Explain the principles of accelerator.
OR
   b Write a note on Cobweb model.

13 a Write the limitations of Input-Output analysis.
OR
   b Write a note on Closed and Open Input-Output models.

14 a Explain the scope of Econometrics.
OR
   b Explain the concept of Economic forecasting.

15 a Discuss the tests for detecting multicollinearity.
OR
   b What are Dummy Variables? State its uses.

SECTION - C (30 Marks)
Answer any **THREE** Questions
ALL Questions Carry **EQUAL** Marks (3 x 1 0 = 30)

16   Write a note on (i) Stochastic and Non-Stochastic models
                        (ii) Linear and Non-Linear models
17   Discuss Harrod and Domar models of Economic growth.
18   The data below in millions of rupees is on an economy of three industries A,B and C.

Producer	User			Final Demand	Total Output
	A	B	c		
.. A	8	10	10	4	32
B	8	20	6	6	40
C	6	10	8	4	■ 28

Determine the output when the final demand changes to 14 for A, 28 for B