

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)
BSc DEGREE EXAMINATION DECEMBER 2017
(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 is disturbance term?
- 2 Define non-linear model.
- 3 What is dynamic multiplier?
- 4 State any two accelerator principles.
- 5 Define input-output analysis.
- 6 What is the limitation of the open input-output model?
- 7 Define Econometrics.
- 8 Define two variable linear model.
- 9 What is multi collinearity?
- 10 What is mean by dummy variables?

SECTION - B (25 Marks!)

Answer **ALL** Questions

ALL Questions Carry **EQUAL** Marks (5 x 5 = 25)

- 11 a Explain the uses of economic models.
OR
b Explain static and micro models.
- 12 a Explain Marginal propensity to consume.
OR
b Explain cobweb model.
- 13 a State the assumptions of Leontiefs input-output analysis.
OR
b What are the main features of input-output analysis?
- 14 a What are the limitations of econometrics?
OR
b State the various characteristics of econometrics.
- 15 a What are the consequences of multi-collinearity?
OR
b Write a short note on Specification error.

SECTION - C 130 Marks)

Answer any **THREE** Questions

ALL Questions Carry **EQUAL** Marks (3 x 10 = 30)

- 16 Write a note on (i) Exogenous and Endogenous Variables.
(ii) Stochastic and Non-Stochastic Models
(iii) Economic Model
- 17 Describe Hamod and Domar models of economic growth.
- 18 Discuss the importance of input-output analysis.
- 19 Explain the scope and objectives of Econometrics.
- 20 Explain in detail how to detect and remove multicollinearity.