

SIXTH SEMESTER B.Sc. DEGREE EXAMINATION, APRIL 2023**ECONOMICS & MATHEMATICS (DOUBLE MAIN)****GDEC6B08T: ECONOMETRICS II****Time: 2 Hours****Maximum Marks: 60****SECTION A: Answer the following questions. Each carries *two* marks.
(Ceiling 20 Marks)**

1. Why the Tobit model is called as censored sample?
2. Discuss about the dynamic models?
3. What is odds ratio?
4. Write a note on instrumental variables?
5. Explain instrument exogeneity?
6. What is meant by simultaneous equation bias?
7. What is an error correction model?
8. Explain the order condition for the identification of an equation.
9. Discuss about the reasons for lags in the econometric models.
10. Discuss the method of two stage least squares.
11. Describe unit root test.
12. Give an account on the role of econometric tools in the estimation.

**SECTION B: Answer the following questions. Each carries *five* marks.
(Ceiling 30 Marks)**

13. Show that in linear probability model dependent variable follows the Bernoulli probability distribution.
14. Explain the role of autoregressive models in the estimation.
15. The fixed effects approach is used for the estimation of panel data regression. Discuss.
16. Discuss the importance of indirect least squares in the estimation of structural coefficients.
17. Why does a time series have to be stationary?
18. Distinguish between trend stationary and difference stationary process.
19. Whether the E views are useful applications in econometric analysis.

SECTION C: Answer any *one* question. Each carries *ten* marks.

20. Koyck approach is used to estimate the lagged models. Explain.
21. Discuss about the importance of simultaneous equation models in econometric analysis.

(1 × 10 = 10 Marks)