

**B. A. Honours (CBCS)
BAECH**

**ASSIGNMENTS
(2022-23)**

**Course Code: BECE-142
Title of Course: Applied Econometrics**

**School of Social Sciences
Indira Gandhi National Open University
Maidan Garhi, New Delhi-110 068**



BECE-142
Applied Econometrics
Assignment (TMA) 2022-23

Programme Code: BAECH

Course Code: BECE-142

Dear Student,

As explained in the Programme Guide for BAECH, you will have to do one assignment for this Elective course in Economics (BECE-142). This is a Tutor Marked Assignment (TMA) and carries 100 marks.

It is important that you write answers to all the questions in your own words. The TMA is designed to enable you to answer different categories of questions. Here evaluation is made keeping in view your ability to present your answer in a systematic, precise and coherent manner. The assignment is divided into three Sections. All questions are compulsory. Section A comprises two long answer questions of 20 marks each. Section B comprises three questions of 10 marks each while in Section C you have to answer two questions of 15 (5 × 3) marks each.

Submission: The completed assignments should be submitted to the Coordinator of your Study Centre.

Last date for submission of assignment is:

31st October 2022 for the students appearing in the December 2022 Term End Examination

30th April, 2023 for the students appearing in June 2023 Term End Examination

31st October, 2023 for the students appearing in December 2023 Term End Examination

BECE-142: APPLIED ECONOMETRICS

Programme Code: BAECH

Course Code: BECE-142

Assignment Code: BECE-142/AST/TMA/2022-23

Maximum Marks: 100

Answer all the questions

- A. Long Answer Questions (word limit-500 words) 2 × 20 = 40 marks**
- 1) Explain, theoretically, the consequences of omitting relevant variables in econometric modelling.
 - 2) Discuss the effect of lags on ‘market equilibrium’ with suitable examples.
- B. Medium Answer Questions (word limit-250 words) 3 × 10 = 30 marks**
- 3) Outline how R^2 and adjusted- R^2 serve as indicators of ‘goodness of fit’ of a regression model.
 - 4) Indicate the form of a Logit Model. Specify why the OLS method of estimation cannot be applied here.
 - 5) Show that ‘exact identification’ is a sufficient condition for the unique determination of a system of equations.
- C. Short Answer Questions (word limit 100 words) 2 × 3 × 5 = 30 marks**
- 6) Differentiate between:
 - (a) Quantitative Research and Qualitative Research.
 - (b) In-sample forecast and out-of-sample forecast.
 - (c) Autoregressive Model and Autoregressive Distributed Lag Model.
 - 7) Write short notes on the following.
 - (a) Instrumental Variables (IV) Method.
 - (b) Pooled Cross Section Data.
 - (c) Linear Static Panel Data Model.