

School of Economics and Finance

ECON 409 ADVANCED ECONOMETRICS B

Trimester Two 2007

COURSE OUTLINE

Contact Details

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Office Hours:	To Be Discussed	To Be Discussed

Class Times and Room Numbers

Lecture Place:	RWW 220
Lab Place:	To be Confirmed
Lecture Time:	12:40~2:30pm Wed.
Lab Time:	To be Confirmed

Course Objectives

In Econ 409, we study time series econometrics. Most of the emphases are given to the analysis of stationary and non-stationary time series data. The first six weeks will be contributed to the econometric models of stationary data as an extension of Econ 408. The second half will be spent on models for non-stationary time series data.

Each three-hour class will be separated into two pieces. The first two hours are for theory, and the last one-hour class will be used for the data manipulation together with numerical simulations. But, the last one-hour class can be used to make up for the theory materials in case they cannot be covered as scheduled. We don't require students to use any specific statistical package. Students can choose their own program code according to their preference.

Course Content

Time Slot:	First 6 weeks	Second 6 weeks
Instructors:	John Randal	Jin Seo Cho
Contents:	Stationary ARMA process Forecasting Maximum Likelihood Estimation	Review of Asymptotic Theory Deterministic Trend Process Unit Root Process (Assignment)

Vector Autoregression Spurious Regression
Heteroskedasticity (if time permits) Cointegration (Assignment)

Expected Workload

For students who have followed the normal prerequisites at VUW, 13 hours per week should be weekly average workload, which includes class times, but not consultation times at office hours. From prior experience, nevertheless, students can reduce workload substantially by participating in class activities vigorously and not by accumulating them to the end of the trimester.

Group Work

Group work is not allowed in this course. Nevertheless, students are encouraged to discuss course and assignment materials with classmates. Also, this aspect needs to be clearly understood by students as this encouragement often results in the allegation of plagiarism. The required assessment components given below must be completed by student's own idea.

Readings

Main Textbook:

Hamilton, J. D., (1994), *Time Series Analysis*, Princeton University Press.

Recommended Reference for Application Interests:

Enders, W., (2004), *Applied Econometric Time Series*, Wiley.

In addition to these, statistical packages will be used throughout the class, which can be approached through the VUW students accounts.

Assessment Requirements

Assignments

There are two sorts of assignments. The first is optional and the second is required. The optional assignments are the main ingredients for the required assignment, the test, and the final exam, though not required. You may guess it right that the cumulative knowledge amounts from the optional assignments are roughly equal or slightly less than the knowledge for the required assignment. You may also turn in the optional assignments for feedback, though not required. Also, late submission of the assignments attract ten percent penalty per day.

Examinations

There are two examinations. The first is the test, and the second is the final. The test will be held in the seventh week at a time to be announced. The final exam will be taken in the place and at the time announced by the university authority.

Assessment

Assessment will be made by the following formula.

$$FM = \max[(Asg + Tst + Fin)/3, (Tst + Fin)/2],$$

where *FM*= final mark, *Asg* = assignments, *Tst* = test and *Fin* = final exam.

Communication of Additional Information

The course web-page is on the BLACKBOARD. Additional information and course announcements will be conveyed via the course web-page.

Faculty of Commerce and Administration Offices

Railway West Wing (RWW) - FCA Student and Academic Services Office

The Faculty's Student and Academic Services Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications. To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Easterfield (EA) - FCA/Education/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce and Administration, Education and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office is available for the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- Forms for FCA Student and Academic Services (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

To check for opening hours call the Student and Academic Services Office on (04) 463 5376.

Notice of Turnitin Use

Student work provided for assessment in this course may be checked for academic integrity by the electronic search engine <<http://www.turnitin.com>>. Turnitin is an on-line plagiarism prevention tool which identifies material that may have been copied from other sources including the Internet, books, journals, periodicals or the work of other students. Turnitin is used to assist academic staff in detecting misreferencing, misquotation, and the inclusion of unattributed material, which may be forms of cheating or plagiarism. At the discretion of the Head of School, handwritten work may be copy typed by the School and subject to checking by Turnitin. You are strongly advised to check with your tutor or the course coordinator if you are uncertain about how to use and cite material from other sources. Turnitin will retain a copy of submitted materials on behalf of the University for detection of future plagiarism, but access to the full text of submissions will not be made available to any other party.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly the Assessment Statute, the Personal Courses of Study Statute, the Statute on Student

Conduct and any statutes relating to the particular qualifications being studied; see the Victoria University Calendar or go to www.vuw.ac.nz/policy.

For information on the following topics, go to the Faculty's website www.vuw.ac.nz/fca under Important Information for Students:

- Academic Grievances
- Academic Integrity and Plagiarism
- Student and Staff Conduct
- Meeting the Needs of Students with Impairments
- Student Support

Manaaki Pihipihinga Programme

Manaaki Pihipihinga is an academic mentoring programme for undergraduate Māori and Pacific students in the Faculties of Commerce and Administration, and Humanities and Social Sciences. Sessions are held at the Kelburn and Pipitea Campuses in the Mentoring Rooms, 14 Kelburn Parade (back courtyard), Room 109D, and Room 210, Level 2, Railway West Wing. There is also a Pacific Support Coordinator who assists Pacific students by linking them to the services and support they need while studying at Victoria. Another feature of the programme is a support network for Postgraduate students with links to Postgraduate workshops and activities around Campus.

For further information, or to register with the programme, email manaaki-pihipihinga-programme@vuw.ac.nz or phone (04) 463 5233 ext. 8977. To contact the Pacific Support Coordinator, email pacific-support-coord@vuw.ac.nz or phone (04) 463 5842.