

School of Economics and Finance

ECON 409: ADVANCED ECONOMETRICS B

Trimester 2, 2013

COURSE OUTLINE

Names and Contact Details

Lecturer/Coordinator: Mohammed Khaled (lecturing weeks 7-12)
Email: mohammed.khaled@vuw.ac.nz
Office: RH322
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Office hours: Wednesday 1.30-2.30pm or by appointment

Lecturer: Peter Thomson (lecturing weeks 1-6)
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Office hours: Wednesday 2.30-3.30pm or by appointment

Course Administrator: Julie-Mary Boles de Boer
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Office: RH321
Phone: 463-5380
Office hours: Monday – Friday, 9am-1pm

Trimester Dates

Teaching Period: Monday 15 July – Friday 18 October

Study Period: Monday 21st October – Thursday 24 October

Examination Period: Friday 25 October – Saturday 16 November (inclusive)

Withdrawal from Course

1. Your fees will be refunded if you withdraw from this course on or before Friday 26 July 2013.
2. The standard last date for withdrawal from this course is Friday 27 September. After this date, students forced to withdraw by circumstances beyond their control must apply for permission on an '*Application for Associate Dean's Permission to Withdraw Late*' including supporting documentation. The application form is available from either of the Faculty's Student Customer Service Desks.

Class Times and Room Numbers

Wednesday 11.30am-1.20pm

GBLT 4

Course Delivery

The course is delivered by a two-hour weekly lecture and approximately four assignments throughout the course, involving a combination of theoretical and hands-on applied examples. These contribute to your final course grade.

The assignments form an integral part of the course. They augment the lecture notes, enhance the student's understanding of the course material, and provide essential practice in applying the theory and techniques given. The normal expectation is that students will attempt all assignments.

Group Work

There is no group work in ECON 409.

Expected Workload

You are expected to spend roughly 150 hours completing this course. This includes preview, lecture attendance, and review and study for assignments and exams. On average this is roughly 10 hours per week from the start of the course until the final exam, but the load may vary over time and across students.

Prescription

In-depth coverage of econometric methods for time series and models for panel data.

Course Learning Objectives

By the end of the course, students should be able to:

- Demonstrate understanding and mastery of the theory underpinning the econometric time series and panel data models presented.
- Assess the utility, merits and limitations of these theoretical models.
- Understand how and when these models are used in practice.

Course Content

ECON 409 will focus on the econometric modeling and analysis of two broad types of data: time series and panel (or longitudinal) data. The first 6 weeks of the course will cover time series, the second 6 weeks will cover panel data.

The time series section will provide an introduction to econometric time series models and their analysis. Topics covered include: stationary processes; moving average, autoregressive and ARMA processes; general prediction and the prediction of stationary processes. The key elements of the basic underpinning theory are developed and inference procedures explored. If time permits, a limited introduction to the concepts and models underpinning non-stationary time series will be given. The statistical system R will be used for graphics, data analysis and simulation studies.

The panel data section will cover panel data analysis focusing on issues that motivate the use of panel data, the main econometric models used to analyse panel data, and methods to handle issues that arise in such analysis. Topics expected to be covered are: static and dynamic linear models, and static non-linear models. Time permitting, dynamic non-linear models may also be discussed.

Readings

An understanding of the course material should enable you to read, understand and apply much of the basic material in standard econometric graduate texts such as:

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

Wooldridge, J. (2010) *Econometric Analysis of Cross Section and Panel Data*. The MIT Press, 2nd edition.

Additional more specialised references will be provided during the course when appropriate.

Materials and Equipment

The econometric softwares used in this course are R (<http://www.r-project.org/>) for time series and EViews for panel data analysis. Both are available in the University's computer labs.

Assessment

Assessment will be based on a combination of internal assessment (up to four assignments and a two-hour midterm test) and a two-hour final exam. The midterm test will be held soon after the mid-trimester break, at a time to be determined. The final exam will be scheduled by the University during the examination period.

The overall assessment will be:

- 20% from assignments
- 40% from the midterm test
- 40% from the final exam

Penalties

Coursework submitted late will not be graded.

Examinations

Students who enrol in courses with examinations are obliged to attend an examination at the University at any time during the formal examination period. The final examination for this course will be scheduled at some time during the following period:

Friday 25 October – Saturday 16 November (inclusive)

Mandatory Course Requirements

None.

If you cannot complete an assignment or sit a test or examination, in the first instance, contact the Course Administrator to discuss the options. In the case that you wish to consider applying for an aegrotat, refer to www.victoria.ac.nz/home/study/exams-and-assessments/aegrotat

Communication of Additional Information

Additional information will be conveyed to students via Blackboard. Sometimes you will also be sent emails. These will be sent to the address you supplied with your enrolment unless you advise otherwise.

Student feedback

Student feedback on University courses may be found at www.cad.vuw.ac.nz/feedback/feedback_display.php

Link to general information

For general information about course-related matters, go to <http://www.victoria.ac.nz/vbs/studenthelp/general-course-information>

Note to Students

Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and academic audit. The findings may be used to inform changes aimed at improving the quality of VBS programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.
