ECON 3001 APPLIED ECONOMETRICS

Credit Points 10

Legacy Code 200054

Coordinator Gulay Avsar (https://directory.westernsydney.edu.au/search/name/Gulay Avsar/)

Description This unit builds on the econometric methods of Economic Modelling. The focus is on the linear model in econometrics in its application to economic and financial time series. The emphasis is on learning by doing in small group workshops.

School Business

Discipline Econometrics

Student Contribution Band HECS Band 4 10cp

Check your HECS Band contribution amount via the Fees (https://www.westernsydney.edu.au/currentstudents/current_students/fees/) page.

Level Undergraduate Level 3 subject

Pre-requisite(s) MATH 2002 OR
ECON 3004

Learning Outcomes

On successful completion of this subject, students should be able to:
1. Choose the appropriate econometric model to estimate in terms of: a.The theoretical foundations of the model; b.The empirical questions to be addressed, and; c.The nature of the data used to estimate the model
2. Identify variations on the classical linear model when using data which is both cross sectional and time series.
3. Explain issues of modelling with endogenous regressors.
4. Estimate and interpret and test models with limited dependent variables.
5. Estimate and interpret linear econometric models using modern time series methods.
6. Estimate models with panel data and show how they are related to modern policy evaluation.
7. Have developed proficiency in the use of STATA for econometric modelling.

Subject Content

Review of Topics in Regression Analysis
Discrete Dependent Variables:
Binary Response Model
The Tobit Model
Instrumental Variable Estimation:
Omitted Variables/Two Stage Least Squares
Errors in Variables Problem
Testing for Endogeneity and Overidentification
Regression Analysis with Time Series:
OLS, Serial Correlation and Heteroscedasticity
Distributed Lag Models/Unit Root
Spurious Regression/Error Correction Model

Teaching Periods