

ECO 2408 F1H (L0101): Econometrics (MA)

Department of Economics, University of Toronto

Fall 2014

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Lectures: Tuesday 1:00 pm – 3:00 pm, GB119
Thursday 2:00 pm – 3:00 pm, GB119
Tutorials: Thursday 3:00 pm – 4:00 pm, GB119

Course Description

Econometrics combines elements of economic theory, statistics, probability theory, and mathematics. The primary objective of the course is to provide students with a solid theoretical and practical foundation for the interpretation of empirical evidence in economics. As such there is a dual focus on econometric theory and “hands-on” experience working with economic data. The centerpiece of the course is an empirical term paper on a topic of the student’s choice. At the end of the course, students should be able to conduct their own empirical investigations, and critically evaluate econometric and other statistical evidence.

Textbooks

1. A. Colin Cameron and Pravin K. Trivedi, *Microeconometrics: Methods and Applications*, 2005, Cambridge University Press, freely available online via U of T library access
2. Kenneth Train, *Discrete Choice Methods with Simulation*, Second Edition, 2009, Cambridge University Press, available at <http://elsa.berkeley.edu/books/choice2.html>
3. Ruey S. Tsay, *Analysis of Financial Time Series*, Second Edition, 2005, Wiley, available at <http://onlinelibrary.wiley.com.myaccess.library.utoronto.ca/book/10.1002/0471746193>

Software

The course involves a considerable amount of computing, and students must learn and use a sophisticated statistical software package. STATA is highly recommended, and is the only package that will be supported by the instructor and TAs. Students should purchase **Intercooled Stata**, available online at: <http://sites.utoronto.ca/ic/software/detail/stata.html>.

Course Website

The course website on Blackboard is accessible through: <https://portal.utoronto.ca>

We will be using Blackboard to manage class communications, distributing problem sets, the accompanying data, outlines of the lectures, etc. It is important that you regularly check the announcements posted there.

A front-cover page containing basic course information and link to the Blackboard course website is at: <http://www.economics.utoronto.ca/mburda/teaching/ECO2408-14/>

Evaluation

The final grade is based on the following:

Task	Weight	Due date
Midterm exam	25%	October 16, 2014
Term Paper	35%	December 2, 2014
Final Exam	40%	Final Exam Period (Dec 4-19)

The **midterm** will take 1 hour, short-answer format.

- A grade of zero will be given to students who do not write the test, unless an appropriate note is received within one week of the missed test explaining why the test was missed. The note must state that on the date of the test, the student was too sick to write the test. Only original notes will be accepted. It is an academic offence to feign illness to avoid a test.
- If a student has been excused from a test on medical grounds, he or she will be permitted to write a **make-up test** to be held on Tuesday, October 21, at 3:30 pm in GE 234. Consistent with university policy, there is no “make-up” test for the make-up test. A grade of zero will be applied if the make-up test is requested but missed.
- If students wish to appeal a grade, they must provide a written explanation of why they believe their grade is mistaken, and submit it to me within one week of the midterm being returned to the class.

The **final exam** will take 2 hours, short answer format. The applicable rules and regulations of the Graduate School and the Department of Economics govern its conduct.

Problem sets will be distributed throughout the semester, and form the basis of the tutorials. They will consist of both theoretical and computer- based problems. The problems sets will not be graded, but serve to prepare students for the graded components of the course (midterm and final exam).

Term Paper will be assigned in more detail during the semester. It will entail an empirical investigation of a question in economics and a critical reading of relevant articles related to the question. It must be no longer than 15 pages in length (double-spaced). An outline (statement of topic) is due on October 24. I strongly encourage students to work in pairs. If you wish instead, you can work alone. The maximum group-size is two.

Disclaimer concerning Turnitin.com:

In ECO2408 we will be using turnitin.com. Normally, students will be required to submit their course essays to Turnitin.com for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of the Turnitin.com service are described on the Turnitin.com web site.

Accessibility Needs: If you require accommodations for a disability, or have any accessibility concerns about the course, the classroom or course materials, please contact Accessibility Services as soon as possible: disability.services@utoronto.ca or <http://studentlife.utoronto.ca/accessibility>.