

**Goa Vidyaprasarak Mandal's Gopal Govind Poy Raiturcar College of
Commerce and Economics, Ponda Goa**

M.Com. Semester III

ISA I August 2024

COM 601: Basic Econometrics

Time: 1 hour

Marks: 20

Q.1. The data of different entities collected at the same point in time is called _____. (1 Mark, BL1 CO1)

Q.2. Answer the following questions

[2 marks each]

1. Develop an Econometric model and show a graphical representation of the same. [BL-3 CO1]
2. How would you interpret the P-value when it is greater than/ equal to/ lower than 0.05 at a 5% Significance level? [BL-2 CO1]

Q.3. Answer any three of the following.

[5 marks each]

1. Explain any 4 assumptions of CLRM
2. Explain the process of econometric analysis
3. Build a model and interpret the following result.

[BL2 CO2]

[BL1 CO1]

[BL5 CO2]

Y= consumption, X_1 = Income, X_2 = Wealth

Dependent Variable: CONSUMPTION

Method: Least Squares

Date: 09/07/23 Time: 16:24

Sample: 1 30

Included observations: 30

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	16222.97	5436.061	2.984324	0.0060
INCOME	0.641166	0.166878	3.842131	0.0007
WEALTH	0.148788	0.041327	3.600281	0.0013

R-squared	0.847738	Mean dependent var	52347.37
Adjusted R-squared	0.836459	S.D. dependent var	31306.54
S.E. of regression	12660.43	Akaike info criterion	21.82499
Sum squared resid	4.33E+09	Schwarz criterion	21.96511
Log likelihood	-324.3748	Hannan-Quinn criter.	21.86982
F-statistic	75.16274	Durbin-Watson stat	2.211726
Prob(F-statistic)	0.000000		

4. Why OLS is called BLUE? Elaborate.

[BL2 CO2]