

List of Topics in Textbook that you are NOT responsible for on the Exam

As discussed in the lectures, I did not have time in my 15 lecture hours to cover everything in the textbook. I think your best way of figuring out what you are responsible for is to look at the lecture slides (available on the course website). If a topic is covered there, you are responsible for it. If it is not covered there, you are not. Furthermore, the course website also has a sample exam which should give you a good feeling for the material you will be responsible for on the exam.

The following topics you will NOT be responsible for on the exam:

1. Chapters 8 through 10
2. Appendices to any chapter and Appendix C at the end of the book (but Appendices A and B at the end of the book provide basic background material on maths and probability you should know)
3. The discussion of maximum likelihood estimation in chapter 3.
4. In chapter 5, the Breusch-Pagan test, Durbin-Watson statistic, Durbin's h-statistic, the Hausman test and the Sargan test.
5. The simultaneous equations model in chapter 5
6. The autocorrelation function in chapter 6.
7. Using information criteria to select a model in chapter 6
8. Modelling volatility in Chapter 6
9. The error correction model, Granger causality and Vector autoregressions in Chapter 7

Other thoughts:

Statistical tables will not be provided on the exam. You will either be provided with P-values or critical values for statistical tests will be provided.

You WILL be expected to know the properties of the expected value and variance operator (see Theorem B.2 in Appendix B).