

City University of Hong Kong

Information on a Course
offered by the Department of Economics and Finance
with effect from Semester A in 2012 / 2013

Part I

Course Title: Econometrics

Course Code: EF5470

Course Duration: 1 semester (39 hours)

Credit Units: 3

Level: P5

Medium of Instruction: English

Prerequisites: Nil

Precursors: Background of basic statistics

Equivalent Courses: FB8902

Exclusive Courses: Nil

Part II

Course Aims

The aim of this course is to provide research degree students with basic econometric techniques applicable to empirical work. Students will apply these techniques and concepts to real life cases and examine the usefulness of various economic and finance models by testing them with case studies. By engaging in these exercises, students further strengthen their discovery skills.

Course Intended Learning Outcomes (CILOs)

Upon successful completion of this course, students should be able to:

No.	CILOs	Weighting (if applicable)
1.	Utilize basic probability and statistical theories to specification, estimation, and prediction with econometric models; Derive basic mathematical results that are useful in applications.	30%
2.	Formulate econometric models to perform empirical investigations in economics and finance	30%
3.	Compile economic and financial data for empirical analysis	20%
4.	Use econometric software packages for simple empirical analysis; make use of the knowledge acquired from the lectures and the software techniques to analyze real life issues and develop their problem solving skills.	20%

Teaching and Learning Activities (TLAs)

(Indicative of likely activities and tasks designed to facilitate students' achievement of the CILOs. Final details will be provided to students in their first week of attendance in this course)

CILO No.	TLAs	Hours/week (if applicable)
CILO 1	Lectures	2 hours lecture per week
CILO 2	Use real-world examples to illustrate the applications of econometric models. Students will solve real-world empirical issues by using econometric software. Empirical applications focus on underlying economic rationale and their mathematical interpretations.	1 hour lecture per week

Assessment Tasks/Activities

(Indicative of likely activities and tasks designed to assess how well the students achieve the CILOs. Final details will be provided to students in their first week of attendance in this course)

CILO No.	Type of Assessment Tasks/Activities	Weighting (if applicable)	Remarks
CILO 1	Final Exam (one 3-hr examination)	40%	
CILO 2	Midterm	20%	
CILO 3	Term Project	20%	
CILO 4	Assignments	20%	

Summary of how DEC is incorporated in Assessment Tasks, and Teaching and Learning Activities (TLAs)

DEC Elements	Assessment Tasks and TLAs
Develop students' attitude to discover and innovate	Lecture In-class discussion
Develop students' abilities to discover and innovate, accomplishments of Discovery and Innovation	Midterm examination Homework Assignment
Accomplishments of Discovery and Innovation	Final Exam

Grading of Student Achievement:

Letter Grade	Grade Points	Grade Definitions	Remarks
A+ A A-	4.3 4.0 3.7	Excellent	Strong evidence of knowing how to apply the concepts and theories in econometrics to applications in economics and finance. Students have demonstrated very strong overall ability to discover and innovate, and showed very strong evidence of accomplishments of discovery.
B+ B B-	3.3 3.0 2.7	Good	Evidence of knowing how to apply the concepts and theories in econometrics to applications in economics and finance. Students have demonstrated strong overall ability to discover and innovate, and showed strong evidence of accomplishments of discovery.
C+ C C-	2.3 2.0 1.7	Adequate	Some evidence of knowing how to apply the concepts and theories in econometrics to applications in economics and finance. Students have demonstrated some ability to discover and innovate, and showed satisfactory evidence of accomplishments of discovery.
D	1.0	Marginal	Sufficient familiarity with the subject of econometrics. Students have demonstrated marginal ability to discover and innovate, and showed marginal evidence of accomplishments of discovery.
F	0.0	Failure	Little evidence of familiarity with the subject of econometrics. Students have demonstrated little evidence of ability to discover and innovate, and showed little evidence of accomplishments of discovery.

Part III

Keyword Syllabus:

Ordinary Least Square, Heteroskedasticity, Autocorrelation, Generalized Least Square, Generalized Method of Moments, Maximum Likelihood Estimation, Autoregressive Moving Average, Vector Autoregression.

Recommended Reading Text(s)

Hayashi, F. (2000) *Econometrics*, Princeton University Press.