Macroeconometrics
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Materials in Bookstore

Books on Reserve

Requirements and Grading
The course will emphasize a number of important issues in Macroeconometrics. You will have access to the RATS (Regression and Time Series) software package in the Economics Computer Lab. RATS is a powerful time series package that can perform all of the techniques covered in the course. You will also have access to several data sets containing key macroeconomic variables. There will be approximately six problem sets. Each will require you to demonstrate your knowledge of a particular econometric technique and/or to analyze your data.

OUTLINE and READINGS

1. Background: Difference Equations
   Enders, *AETS*, chapter 1 (This section will not be covered in class)

2. ARIMA Models:
   Enders, *RATS*, chapters 1 and 2
   Enders, *AETS*, chapter 2
   Also see: Campbell, Lo, and MacKinlay, Chapter 1, Sections 2.4, 2.8

3. ARCH-Type Models
Theoretical Background and Applications
Campbell, Lo, and MacKinlay, Section 12.2.

4. Non-stationary Time Series
Enders, *RATS*, chapter 4
Enders, *AETS*, pp. 166 - 185, chapter 4

Technical Background and Applications

5. Vector Autoregressions
Enders, *RATS*, chapter 5
Applications
Campbell, Lo, and MacKinlay, Subsection 7.2.3

6. Cointegrated Systems
Enders, RATS, chapter 6
Enders, AETS, chapter 6

Applications
Campbell, Lo, and MacKinlay, pp. 253 - 258. Subsections 10.1.1, 10.2.2.

Technical Background

7. Univariate and Multivariate Decompositions
Enders, AETS, pp. 185 - 196 and Appendix to Chapter 4.
Theory and Applications


8. Asymmetric Adjustment

Granger and Tirasvirta, Sections 1.3 - 1.4, 2.3, 3.1, 3.3, 4.1 - 4.3, Chapter 6.

Applications


Technical Background
