

ASSIGNMENT

Q.1 Explain clearly what do you mean by specifications errors giving suitable illustrations.

Q.2 Explain the terms (i) under fitting a model and (ii) overfitting a model.

What will be the consequences in both these cases?

Q.3 How would you detect the specification error using DW test?

Q.4 Discuss in brief (a) Ramsey's test (b) LM test for dealing with the problem of specification.

Q.5 What are measurement errors? What will be the consequences due to measurement errors?

Q.6 Discuss in detail about the following

(a) Wald's test for method of Grouping

(b) Bartlett's test for method of Grouping