

## SYLLABUS for Principles of Econometrics

<b>Basic data for the course</b>	
<b>Academic unit:</b>	Economics Faculty
<b>Title of the course:</b>	<b>Principles of Econometrics</b>
<b>Level:</b>	Bachelor
<b>Status of the course:</b>	Obligatory
<b>Year of studies:</b>	Third Year – Fifth semester
<b>Number of hours per week:</b>	2+2
<b>ECTS credits:</b>	6
<b>Time/location:</b>	Faculty of Economics, University of Prishtina “Hasan Prishtina”
<b>Tutor:</b>	Valentin Toçi
<b>Tutor’s contact details:</b>	valentintoci@gmail.com
<b>Content of the course</b>	
	Econometrics I is a basic, but comprehensive, introduction to the empirical research of economic problems using regression analysis (mainly linear). The subject discusses the application of statistical methods for testing and evaluating economic hypotheses. The main topics covered include a review of the statistical analysis of data, probability and statistical inference, linear regression model, and the relevant specification problems that have to do with the regression analysis. Also, the use of a statistics/econometrics software (STATA and Microfit) to analyze data is important part of the course.
<b>Course’s objectives:</b>	
	The main goals of this course are: to provide a more detailed presentation of statistical concepts compared to those offered in the statistics course; providing insights on econometric analysis focusing on the two-variable- and multiple- regression analysis (mainly OLS method); providing comprehensive understanding of data analysis about economic issues; gaining knowledge on a statistics/econometrics software for data analysis. Understanding of key concepts in econometrics; formulation of an empirical model; data collection, interpretation, organization, and regression analysis applied in an economic problem.
<b>The expected outcomes:</b>	
	The course provides insights on econometric analysis focusing on the two-variable- and multiple- regression analysis (mainly OLS method); provides comprehensive understanding of data analysis about economic issues; students will gain knowledge on data analysis and empirical work and a

	statistics/econometrics software for data analysis.		
<b>The students' workload (hours per semester, ECTS)</b>			
<b>Activity</b>	<b>Week</b>	<b>Hours</b>	<b>Total</b>
Lectures	15	2	30
Seminars (theoretical and practical)	15	1	15
Case studies	5	1	5
Direct contact with tutor			
Field research			
Colloquiums			
Homework	15	6	90
Individual study (at library or at home)			
Final preparation for the exam	10	1	10
Evaluation			
Projects, presentation etc.			
<b>Total</b>			<b>150</b>
<b>Teaching methods:</b>	Method of work will focus on lectures, exercises and active participation of students in the learning process, individual and group presentations, etc. 2 hour lectures and 2 hour exercises will be held each week. During lectures a significant time will be devoted to class discussions. Every week students will have assignments, which will then be discussed at the subsequent class. Assignments will be important for grading.		
<b>Assessment methods:</b>	Student grading: active participation in lectures and exercises (15%) Colloquia (25%) and final exam (60%). Pass Criteria: 91-100 points = Grade 10; 81-90 points = Grade 9; 71-80 points = Grade 8; 61-70 points = Grade 7; 51-60 points = Grade 6; under 50 points = Grade 5.		
<b>Literature</b>			
<b>Basic literature:</b>	<i>Wooldridge J (2013), Introductory Econometrics: A Modern Approach, South-Western Cengage Learning.</i>		
<b>Additional literature:</b>			

<b>The detailed plan of work:</b>	
<b>Week</b>	<b>Topic</b>
<i>Week 1</i>	<i>Descriptive analysis of economic data</i>
<i>Week 2</i>	<i>Key concepts and the research process in econometrics</i>
<i>Week 3</i>	<i>Assumptions in the regression analysis</i>
<i>Week 4</i>	<i>Simple regression model: estimation methodology and</i>

	<i>specification problems</i>
<b>Week 5</b>	<i>OLS and assumptions of the CLRM</i>
<b>Week 6</b>	<i>Simple regression model: Interval estimation and hypotheses testing</i>
<b>Week 7</b>	<i>Multiple regression analysis: estimation methodology, specification problems and statistical inference</i>
<b>Week 8</b>	<i>Multicollinearity and Heteroscedasticity</i>
<b>Week 9</b>	<i>Autocorrelation and Normal Distribution</i>
<b>Week 10</b>	<i>Functional Form and Structural Stability of a model</i>
<b>Week 11</b>	<i>Using software for econometrics</i>
<b>Week 12</b>	<i>Regression models with dummy variables</i>
<b>Week 13</b>	<i>Other estimation problems</i>
<b>Week 14</b>	<i>Models with panel data, time series and other applied models</i>
<b>Week 15</b>	<i>Models with panel data, time series and other applied models</i>

**Academic policies and code of conduct:**

Any student who participates in cheating in ANY WAY including, but not limited to: (1) Using lecture/study notes or summaries in any form during examinations, (2) Copying examination answers, (3) Failing to cover answers on an examination, (4) Giving and/or receiving examination questions and/or answers, (5) Removing an examination from the classroom, and/or (6) Giving or receiving assistance on an assignment that goes beyond that allowed by your instructor, WILL RECEIVE A FAILING GRADE IN THIS COURSE. ALL ASSIGNMENTS AND EXAMINATIONS FOR THIS CLASS ARE TO BE DONE INDEPENDENTLY UNLESS STATED OTHERWISE BY YOUR INSTRUCTOR.