



NATIONAL OPEN UNIVERSITY OF NIGERIA
FACULTY OF SOCIAL SCIENCES
DEPARTMENT OF ECONOMICS
2025_2 EXAMINATIONS

COURSE TITLE: APPLIED ECONOMETRICS

COURSE CODE: ECO 713

UNITS: 3

TIME ALLOWED: 3 HOURS

INSTRUCTION: ANSWER QUESTION ONE (1) AND ANY OTHER THREE (3).

1. Enumerate and explain the objectives of applied econometrics to a researcher (10 Marks)
- 1b. Based on the theoretical postulation of Demand and Supply, specify a functional model that depicts the idea of the existing relationship. (15 Marks)
2. Certain conditions have to be satisfied for a model in a system of equations to be identified. Discuss these conditions with clarity, and use equations to justify your claim where necessary. (15 Marks)
3. Itemize step-wise, and discuss the iteration of performing unit-root tests in E-views software. (15 Marks)
4. Discuss the concept of cointegration and enumerate its importance in economic research analysis. (15 Marks)
- 5a. Explain vividly the basic assumption concerning stochastic random variable **(10 marks)**
- 5b. Differentiate between economic and econometric models **(5 marks)**