Due: Apr. 11

Econ 4223 - Fall 2018 **Problem Set 5** **beginning of class**

Warm Up

1. Explain in detail why we care whether a time series process is covariance stationary.

Exercises

2. *Wooldridge*, 18.7
3. *Wooldridge*, 18.9

Computer Exercises You should use `R` to complete these exercises. Any data set referred to in the question should be available in the `wooldridge` package in `R`. You do not need to turn in an R-script for these questions, but you are welcome to do so if you would like to.

4. *Wooldridge*, 11.C10 (Chapter 11, Computer Exercise 10)
5. *Wooldridge*, 18.C3

Cool Down

6. *Wooldridge*, 10.1.

References