

					Zhai	Bech
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Question 1				2	2	
Question 2	(a)	RealGDP and	TbillRate	3	3	
	(b)		In-sample	0.5	0.5	
			Out-of-sample	0.5	0.5	
	(c)	Cointegration				
Question 3	(a)	beta		0.5	0.5	
		Change parameters		1	0.5	rho=0.972 is not studied
		Comments		0.5	0.5	
	(b)	Two-step	beta	0.5	0.25	Didn't compare with true coef
			Stdev	0.5	0.5	
		Four-step	beta	0.5	0.25	Didn't compare with true coef
			Stdev	0.5	0.5	
		Analytical variance		1	0.5	2-step ahead (+0.5), 4-step (+0)
Question 4			Size	2	2	
			Power	2	2	
Question 5	(a)		Mean	0.5	0.25	Just one replication
		MLE	stdev	0.5	0	
	(b)		Mean	0.5	0.25	Just one replication
		QMLE	Stdev	0.5	0	
			Comment	0.5	0.5	
	(c)		Test	0.5	0.5	
			In-sample	0.5	0.25	Ljung-Box (+0.25)
			Out-of-sample	1		
	(d)		Riskmetrics	0.5	0.5	
				20.00	15.75	15.75