

Economics 8185
Advanced Topics in Macroeconomics–Computation
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Homework 3.

1. Use the simulated time series from Homework 2, question 2 and write *your own* code to compute maximum likelihood estimates for *any* subset of parameters.
2. Generate actual examples in the laboratory to see if you can in fact recover the parameters that you used as inputs. Vary the subset of parameters and the sample sizes and repeat the exercises.