

ECON 178 -- SYLLABUS (Fall 2014)

Foster, UCSD, October 23, 2014

| Teaching Staff and Consultation Hours | | | |
|--|--|------------------------------------|--|
| Name/Position | Times | Room | Contact Info |
| Carroll B. Foster (PhD/Lecturer) | MWF 10 ³⁰ -11 ³⁰ am | Price Center at Tapioca Express | cfoster@ mail.ucsd.edu |
| Chen Liu (50%) Aniela Pietrasz (25%) Yana Morgulis (R) | Th, 4-5 ³⁰ pm ----- na | SEQ 232 ECON 123 ECON 125 | chl110@ ucsd.edu apietrasz@ ucsd.edu ymorgulis@ ucsd.edu |

Course Information

- Course Title: ECONOMIC & BUSINESS FORECASTING [n_{max} = 146]
- Lecture A00 (814209) – MWF, 12-1 pm, CENTER 212
- Description: Intro to forecasting (including simultaneous-equation and Box-Jenkins methods) used for sales/marketing forecasts and macroeconomic policy simulation. Covers methods of forecast evaluation. Computer practice exercises use STATA program.
- Prerequisite: Ec 120C (may be taken concurrently)

Books, Webpage, and Materials

- Diebold, *Elements of Forecasting* (4th ed.), Thomson South-Western [**bookstore, required**]
- The Stock & Watson Ec 120C text has sections on forecasting in several places.
- Advanced time-series analysis is in W. Enders, *Applied Econometric Time Series*, Wiley (1995).
- Course webpage: <http://Ted.ucsd.edu>

Calendar

- Holidays: Tuesday, 11 NOV (Veterans Day); Thursday-Friday, 27-28 NOV (Thanksgiving)
- Midterm: Friday, 14 NOV, (in class)
- Final: Thursday, 18 DEC, 11³⁰-2³⁰ pm _____

| Course Outline | Diebold |
|--|-------------------|
| 1 Intro to Forecasting | Ch. 1 |
| 2 Statistics Review | Ch. 2 |
| 3 Choosing a Forecast Method | Ch. 3 |
| 4 Plots and Graphs | Ch. 4 |
| 5 Trend Forecasting | Ch. 5 |
| 6 Seasonal Forecasting & Decomposition | Ch. 6 |
| 7 ARMA I (Stationarity) | Ch. 7 |
| 8 ARMA II (Identification) | Ch. 8 |
| 9 ARMA III (Estimation & Forecasting) | Ch. 9-10 |
| 11 Forecasting with Causal Models | §11.4, 11.6, 11.7 |
| 12 Model Evaluation & Combination | §10.3, Ch. 12 |
| 13 ARMA IV (Stochastic Trends, Unit Roots, Differencing) | Ch. 13 |

Examinations and Grading

- Exams are open notes/closed book; calculator required. Bring EXCEL stat tables (at TED).
- Midterm = 40 points; cumulative final = 150; graded homework = 10 (adjusted).
- No bathroom breaks during midterms. One person at a time during finals; you leave your paper with a TA before leaving the room.
- Late homework penalty = 1/2 score. No papers accepted after answers posted (in 2-3 days), and none will be accepted via e-mail.
- Regrade period (for midterm and homework) is 1 week after papers first returned in class. Bring all regrade requests to me, not the TAs.
- If you arrive late to an exam, I will allow you to take the exam in the time that remains *as long as no one has turned in an exam and left the room*. Once a paper has been turned in, you will get a zero if you arrive late.
- No rescheduled or make-up exams. You MUST take the final with the rest of the class at the UCSD-mandated time during finals week. (Make travel/wedding plans accordingly, and if you will have too many finals on one day, drop one of the courses.¹) If you miss midterm for a verifiable medical, legal or sports reason, your midterm grade will be your grade on the final. Notify me promptly that you will miss the midterm or I will give you a zero. Unexcused absences also result in a zero.

About Cheating

1. There is a LOT of it at UCSD (21 cases on my SPRING 2014 Ec 120B midterm, for example).
2. I hate it!
3. I routinely give multiple versions of tests. Only the TAs know which version you have.
4. If I suspect a violation of academic integrity, I withhold your score and/or grade and send your paper to AIC for resolution. AIC will contact you and tell you what to do.
5. If you are found guilty by AIC, they impose their penalties, and I give you an F in the course.

NOTES TO MY 2014-15 STUDENTS

1. The textbook is required, not “recommended.”
2. Homework assignments are graded, not optional.
3. My exams have a new multiple-choice format.

¹ I teach three courses this term, with three finals on three days, and I have NO FLEXIBILITY whatsoever.