Guidelines for the empirical project

- It is recommended to work on the empirical project in small groups of two to three persons. You can also do the project on your own. In any case, please submit only one report per project.
- The topic of the project should be related to the contents of the course. This course covers methods such as ARMA models, vector autoregressions, unit-root tests, cointegration, impulse-response functions. This means that you can analyze a set of two to three time-series variables jointly, or at least three time-series variables individually. Static regression analysis does not qualify as a topic, even if the residuals/errors are subjected to ARMA modeling.
- Your project can be motivated by economic theory, but this is not required. You can also use comparable variables that are not even economic. If you rely on a full-fledged theory model, please keep its description short and refer to the source literature.
- You can use data from various sources. The world is full of data. Most macroeconomic data is free. It is not recommended to analyze data from standard textbooks. Kindly indicate the source in your report.
- All methods have been explained in the course on the basis of Stata. You can also use other software, such as EViews, R, Gauss, as long as it contains time-series and cointegration modules.
- It is difficult to provide rules on the length of your report; this depends on type font and writing style. Ten pages are a reasonable guideline. The report should contain all information on what you have been doing and why you have been doing it. Pure software print-outs without comments are not acceptable.
- Avoid plagiarism. Please consider that even the technical description of procedures is copyrighted when it comes from a software manual. Avoid long citations. Avoid footnotes. List all referenced sources at the end of your report, in alphabetical order. Make your data and source codes accessible.
- Please submit your project report by **June 30, 2015.**