

Pre-seminar

- Present the problem you want to analyse in the term paper
- Focus on
 - Problem
 - Data
 - Econometric methods
 - State an outstanding issues you want comments on
- You have max 5 minutes for the presentation
- You do not need to have any PP-slides to share

Typical term paper problems

- There are two families of problems for the term paper
 1. Use VAR and IRF for economic analysis
 2. Use VAR and ARIMA models to construct pseudo-out of sample forecasts that are evaluated and possibly compared with professional forecasts
- CASE (1):
 - Choose a problem from the most recent macro course.
 - Since IRF are used take care to formulated the identifying assumptions.
- CASE (2):
 - Focus should be on the forecast evaluation part.

Term paper

- The term paper should be written and submitted individually.
- Submission of the term paper should consist of a complete documentation of the project in the form of
 - the term paper itself in the form of a PDF file,
 - a script file that contains the econometric code and
 - the necessary data files.

About the pdf-file

- Max 3 pages plus additional 2 for graphs and tables.
- Should be able to read without having to go to the script. The summary should not refer to the script.
- The question should be clearly stated. A brief reference to any previous empirical results should be made.
- Data should be presented but the presentation should be brief.
- Describe the estimation strategy.
- Interpret your results statistically and economically.

About the script file

- Being a fully commented R script.
- The script file must contain all codes that produce the test statistics, graphs and tables that are presented in the term paper PDF file. This means that the script file should contain references to the documentation in the PDF file.
- The script file must be fully reproduce the econometric results presented in the PDF from the reading of data and definitions of variables and the production of all charts, tables, and results in running text.
- All the pre-processing of the data shall be documented in the script file. It means that no data management or other calculations than those documented in the script should be needed to reproduce your inquiry. It also means that the project data files must be unedited raw data files from the source.
- The script file should be able to be executed without error messages in the so-called batch mode with the software used no matter which it is.

Technical comments

- All files should be in the same folder.
 - Never anything like `> load("c:\Downloads\mydata.Rdata")`
 - Always: `> load("mydata.Rdata")`
- Since the script should be able to be executed in batch mode (=no interaction from the user!) never any interactive command.
 - `setwd()`, `View()`, `edit()`, `help()` or `getwd()`.
- No household work: The user installs packages from CRAN!
 - `install.packages("superpackage")`
- Test the script from the terminal/console with:
 - Mac: `r -vanilla < myscript.r >myscript_out.r`
 - Windows: `r.exe -vanilla < myscript.r >myscript_out.r`