

## Homework #2

Due 8am EST Wednesday Sept 17, 2014

Econ B2000, MA Econometrics

Kevin R Foster, CCNY

Fall 2014

Each student should submit a separate assignment, even if it is an identical computer file to the rest of your study group. When submitting assignments, **please include your name and the assignment number as part of the filename**. Please write the names of your study group members at the beginning of your homework.

1. What are the names of the people in your study group?
2. Work on the stats review – you must complete the diagnostic test by end of the day Sunday Sept 14. So the homework is short and mostly optional.
3. Use R to replicate the "stock price" example going from discrete to continuous time with the example of price changes. Can you take some steps to make it more realistic? Discuss.