

**Question 25****(12 marks)**

This question refers to the table below, which shows Australia's terms of trade data from 2016 to 2022.

<b>Year</b>	<b>Export price index (2011 = 100)</b>	<b>Import price index (2011 = 100)</b>	<b>Terms of trade index</b>
2016	91.2	103.3	88.2
2017	91.1	103.5	88
2018	98.9	110.3	89.6
2019	111.5	113.2	98.4
2020	108.3	109.2	99.1
2021	138	112.1	123.1
2022	182.3	131.5	

- (a) (i) Calculate Australia's terms of trade index for 2022. (1 mark)

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- (ii) Identify the year in which Australia's terms of trade experienced its most favourable movement. (1 mark)

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- (b) Outline **two** reasons for the trend in the terms of trade index since 2018. (4 marks)

One: \_\_\_\_\_

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Two: \_\_\_\_\_

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- (c) Explain **two** impacts on Australia's economic activity of the change in the terms of trade index since 2018. (6 marks)

One: \_\_\_\_\_

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Two: \_\_\_\_\_

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