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**Willetton Senior High School**

**Year 11 AEECO 2020**

**Assessment 6**

**Name: QUESTIONS Your Mark: \_\_\_\_\_\_\_\_\_/20**

**Teacher:**

**TYPE:** Extended Response

**OUTCOMES:** Outcome 1: Economic inquiry; Outcome 2: The operation of the economy

**WEIGHTING:** 8%

**CONTENT:** Circular Flow Model and Business Cycle

**Time allowed:** 50 minutes

**Conditions:**

This assessment is to be written in class without notes.

1. Draw the 5-sector circular flow model. Explain the impact on each of the five sectors of coronavirus crisis that effects most of the world. (8 marks)
2. Draw the business cycle. Explain the characteristics of the trough of the business cycle and state why the economy cannot remain at a trough forever. (6 marks)
3. Explain what leading, lagging and coincident indicators are. Provide three examples of each. (6 marks)