27 A country experiences changes in the value of its exports and imports of goods and services and its inflow of incomes and transfers. These are shown in the table.

Which set of changes is most likely to cause a depreciation in its floating exchange rate?

	export value	import value	net inflow of incomes and transfers
A	fall	fall	fall
B	fall	rise	fall
C	rise	fall	rise
D	rise	rise	rise

28 What is likely to happen if there is a rise in the international value of a country's currency?

A a fall in the foreign currency price of its exports

B a fall in the volume of its exports

C a rise in the domestic currency price of its imports

D a rise in the domestic price level

29 The table shows observations of the exchange rate of an economy and its current account balance over six years.

year	exchange rate (US dollars per unit of domestic currency)	current account balance (billions of US dollars)
1	2.0	–3
2	1.5	–5
3	1.5	–4
4	1.5	–3
5	1.5	0
6	1.5	+3

Which concept does the data in the table illustrate?

A exchange rate appreciation

B purchasing power parity

C the J-curve effect

D trade-weighted exchange rates