

- 21** During one year the national output of a country valued in terms of money prices increased by 8% while the index of the prices of all goods and services produced in the country increased by 3%.

By how much did the real national output increase?

- A** 3% **B** 5% **C** 8% **D** 11%

- 22** The table shows the CPI rate of inflation (%) in the United States from 2006 to 2013.

2006	2007	2008	2009	2010	2011	2012	2013
2.5%	4.1%	0.1%	2.7%	1.5%	3.0%	1.7%	2.0%

What can be concluded from the figures about the period 2006 to 2013?

- A** There was one year of constant prices.
B There were three years of deflation.
C There were only four years of inflation.
D There were eight years of rising living costs.
- 23** In 2014 Australia and China negotiated a trade agreement. This removed Chinese tariffs on 95% of Australian exports in exchange for greater access to the Australian economy for Chinese investors.

How would the agreement be expected to affect the Australian balance of payments in the short run?

	current account	financial account
A	greater inflow	greater inflow
B	greater inflow	greater outflow
C	greater outflow	greater inflow
D	greater outflow	greater outflow