

**22** A country operates a floating exchange rate.

What will cause the demand curve for the country's currency to shift left in the foreign exchange market?

- A** a decrease in the country's interest rate
- B** a decrease in the country's money supply
- C** an increase in the country's export sales
- D** an increase in the country's import purchases

**23** The table shows the relative price of exports compared with imports expressed as an index number for an economy (2013 = 100).

date	index
2013	100
2014	97
2015	95

Which statement about the period 2013–2015 is correct?

- A** Export prices have increased each year.
- B** The general level of prices has fallen.
- C** The terms of trade have deteriorated.
- D** The volume of imports increasingly exceeds the volume of exports.

**24** The table shows an extract from a country's balance of payments.

	exports \$ billion	imports \$ billion
trade in goods	150	200
trade in services	70	50
primary (investment) income	120	100
secondary (transfer) income	15	20

What is the current account balance?

- A** -\$10 bn
- B** -\$15 bn
- C** -\$30 bn
- D** -\$50 bn