

- 4 After hyperinflation, the Zimbabwe dollar was no longer used and instead the country used US dollars. A coin collector in Europe bought an old Zimbabwe 100 trillion dollar note at an auction in the hope that it would later become rare and increase in value.

If that happened, which function of money would the Zimbabwe dollar note fulfil?

- A a generally accepted means of payment
- B a medium of exchange
- C a store of value
- D a unit of account

- 5 In 2009, demand for second-hand used cars in Venezuela increased.

What could have explained this?

- A a decrease in the number of Venezuelans passing their driving test
- B a decrease in the price of public transport
- C an increase in restrictions on new cars imported into Venezuela
- D an increase in the domestic production of cars

- 6 The price elasticity of demand for a product is unitary for all price ranges.

What will be the effect of an increase in its price?

- A an equal proportionate decrease in the amount demanded
- B an equal proportionate decrease in expenditure on the product
- C an increase in the product's percentage of total consumer expenditure
- D no change in the amount of the product demanded

- 7 A fall in the price of cars causes the demand for petrol to rise by 20%. The cross-elasticity of demand between cars and petrol is  $-2$ .

Which change in car prices has brought this about?

|   | from   | to     |
|---|--------|--------|
| A | \$6000 | \$5000 |
| B | \$5500 | \$4500 |
| C | \$5000 | \$4500 |
| D | \$5000 | \$4000 |