28 The table gives information about the trade between Singapore and New Zealand during 2001, the first year after they signed a free trade agreement. The values are given both in Singapore dollars (S$) and New Zealand dollars (NZ$).

	S$ m	NZ$ m	percentage change from 2000
Singapore exports to New Zealand	508	618	+20 %
Singapore imports from New Zealand	331	403	–17 %

What can be concluded from the table?

A New Zealand gained more than Singapore from the trade agreement.

B New Zealand's trade position with Singapore improved in 2001.

C Singapore had a trade surplus with New Zealand in 2001.

D The exchange rate in 2001 was approximately NZ$ 1 = S$ 1.2.

29 At present, one unit of a country's currency exchanges for US$1.2. The country aims to set its exchange rate at US$1.4.

Which combination of government actions in the foreign exchange market must achieve this aim?

A buying US currency and buying its own currency

B buying US currency and selling its own currency

C selling US currency and buying its own currency

D selling US currency and selling its own currency

30 The government wishes to encourage a rise in the external exchange rate of a currency in order to dampen inflationary expectations.

What should it do?

A discourage inward foreign direct investment

B raise interest rates

C raise the level of aggregate demand in the economy

D remove quotas on imported products