

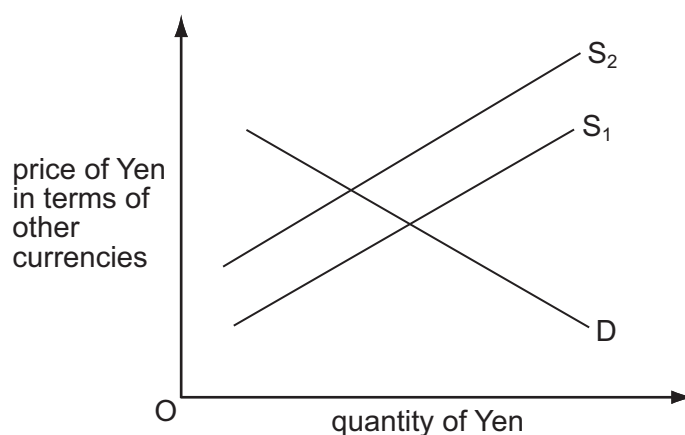
26 The table shows indicators of a country's economic performance over a two-year period.

year	exchange rate index	volume of exports index	volume of imports index	balance of trade in goods and services (\$)
1	100	100	100	zero
2	100	90	100	+500 million

What is consistent with the above information?

- A** There has been a fall in the price of exports.
- B** There has been an improvement in the terms of trade.
- C** There has been an increase in the level of real income per head.
- D** There has been an increase in the price of imports.

27 The diagram shows the market for Japanese Yen.



What could have caused the change in the supply of Yen from S_1 to S_2 ?

- A** a reduction in the level of international investment into Japan
- B** a reduction in the level of Japanese tariffs
- C** a reduction in the value of foreign goods imported into Japan
- D** a reduction in the value of Japanese goods exported