

21 The table refers to a particular country.

year	index of import prices (2000 = 100)	index of export prices (2000 = 100)
1995	48.1	57.0
2005	122.4	120.8

Which statement about the period 1995 to 2005 is correct?

- A** The balance of trade improved.
- B** The balance of payments worsened.
- C** The terms of trade worsened.
- D** The exchange rate appreciated.

22 What will improve Cuba's current account balance immediately?

- A** a Cuban buying sports equipment produced in the US
- B** a US resident investing in property in Cuba
- C** a US multi-national company building a new factory in Cuba
- D** Cubans working in the US sending money to their relatives in Cuba

23 What will cause an immediate rise in the size of a country's labour force?

- A** an increase in the birth rate
- B** an increase in the age of retirement
- C** an increase in the school leaving age
- D** an increase in the number of redundancies