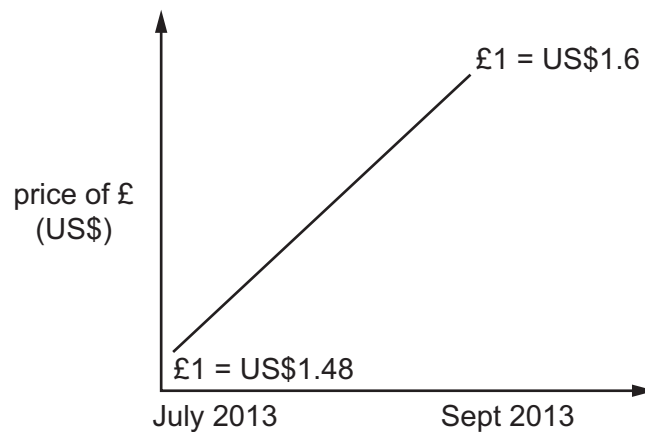


- 29** The graph shows the movement of the £ sterling against the US\$ over a three-month period in 2013.



What could explain this change?

- A** an increase in confidence about the UK economy
 - B** an increase in productivity in the US
 - C** an increase in UK Government debt
 - D** an increase in US interest rates
- 30** China had US\$155 billion current account surplus in 2012.
- Which combination of policies might the Chinese Government use to restore equilibrium?
- A** Decrease income tax and raise the value of the Chinese currency, the Yuan.
 - B** Increase income tax and lower the value of the Chinese currency, the Yuan.
 - C** Increase subsidies to Chinese firms and reduce income tax.
 - D** Increase tariffs on imports and increase income tax.