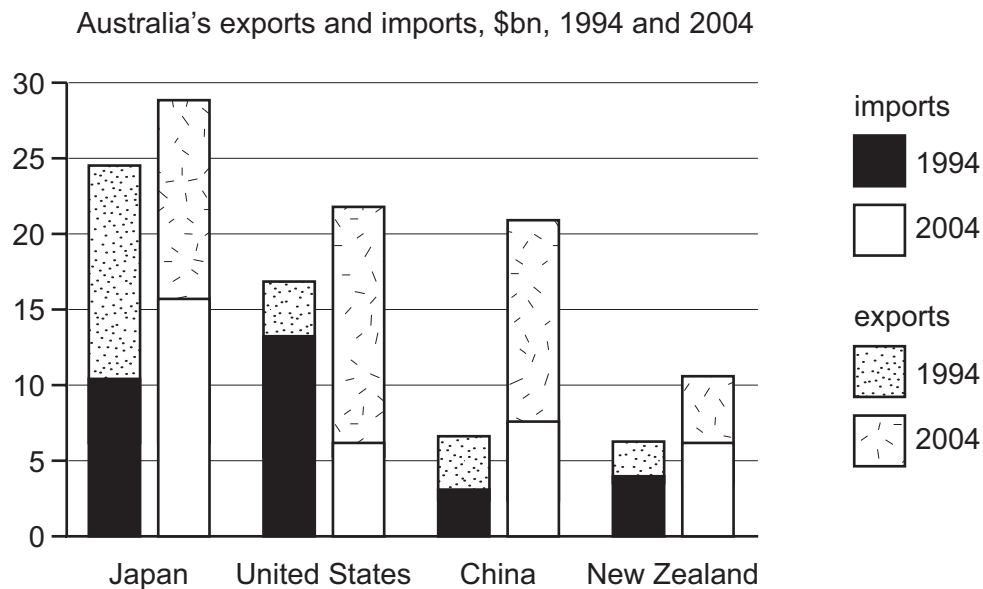


25 What is correct about the causes of inflation?

- A Cost-push inflation can be caused by a rising exchange rate.
- B Cost-push inflation can be caused by lower indirect taxes.
- C Demand-pull inflation can be caused by a rising exchange rate.
- D Demand-pull inflation can be caused by lower direct taxes.

26 The diagram shows Australia's exports to and imports from four trade partners in \$billion in 1994 and 2004.



With which country did Australia have a trade deficit in 1994 and a trade surplus in 2004?

- A Japan
- B United States
- C China
- D New Zealand