

- 21** A government statistical office measured changes in income from employment, pensions and benefits, then subtracted income tax and welfare contributions and adjusted for inflation.

What did the final figure represent?

- A** changes in nominal income
- B** changes in nominal net earnings
- C** changes in real disposable income
- D** changes in real gross earnings

- 22** The table shows all of the items on the current account of a country's balance of payments.

	\$ million
exports of goods	143
imports of goods	156
exports of services	75
imports of services	72
net transfers	+5

What is the value of the current account balance?

- A** \$5 m deficit
- B** \$10 m deficit
- C** \$13 m deficit
- D** \$3 m surplus

- 23** Following a long period of depreciation of the US\$, both the US and UK monetary authorities raised their domestic interest rate.

What will happen to the value of the exchange rate of the US\$ in terms of UK£?

- A** It will fall.
- B** It will remain unchanged.
- C** It will rise.
- D** The outcome is uncertain.