

## Quiz 4

## Macroeconomics: (Term 2, 2017)

Roll No.

Q1: Use the following data for Big Mac prices across different countries and determine the exchange rates. (10 points)

Country	Price of A Big Mac	Predicted Exchange Rate	Actual Exchange Rate
South Korea	3,000 won		1,218 won/\$
Spain	375 pesetas		155 pesetas/\$
Mexico	19.9 pesos		9.54 pesos/\$
Netherlands	5.45 guilders		2.05 guilders/\$
Indonesia	15,900 rupiah		9,015 rupiah/\$

Q2: How would the following transactions affect Indian net exports? (10 points)

- An Indian economics professor spends her September vacations touring museums in Zurich.
- Students in Paris flock to watch the latest Kangana Ranaut movie.
- Your aunt buys a new BMW.
- The student bookstore at Oxford University sells a pair of Levi's 501 jeans.
- A Canadian citizen shops at an antique store in Chor Bazaar, Mumbai.