1. **Stagflation**
   A situation in the economy where high inflation, stagnant economic growth, and high unemployment occur simultaneously.
2. **Quantitative Tightening (QT)**
   The process by which central banks reduce the money supply by selling off securities or letting them mature, reversing quantitative easing.
3. **Current Account Deficit (CAD)**
   A measurement of a country's trade where the value of goods and services it imports exceeds the value of exports.
4. **Fiscal Deficit**
   The difference between a government's total revenue and total expenditure, indicating the borrowing needs of the government.
5. **Debt-to-GDP Ratio**
   A metric comparing a country's public debt to its gross domestic product, indicating economic stability and fiscal health.
6. **Hot Money**
   Capital that moves quickly across borders to take advantage of short-term interest rate differentials or financial market conditions.
7. **Sovereign Wealth Fund (SWF)**
   A state-owned investment fund that invests in financial assets like stocks, bonds, and real estate to manage national wealth.
8. **Core Inflation**
   A measure of inflation that excludes volatile items like food and energy prices, providing a clearer view of underlying inflation trends.
9. **Trade War**
   An economic conflict in which countries impose tariffs or other trade barriers on each other to protect domestic industries.
10. **Capital Flight**
    The rapid movement of large sums of money out of a country, often due to economic instability or unfavorable policies.
11. **Balance of Payments (BoP)**
    A record of all economic transactions between residents of a country and the rest of the world over a specific period.
12. **Moral Suasion**
    A tactic used by central banks or governments to persuade financial institutions to follow policy guidelines without formal regulations.

13. **Twin Deficit**
    A situation where a country experiences both a fiscal deficit (government spending exceeds revenue) and a current account deficit (imports exceed exports).
14. **Disinvestment**
    The process of selling or liquidating government-owned stakes in public sector enterprises to raise funds.
15. **Yield Spread**
    The difference between yields on two different debt instruments, often used as an indicator of economic conditions.
16. **Crowding Out**
    A situation where increased government borrowing leads to reduced private investment due to higher interest rates.
17. **Foreign Direct Investment (FDI)**
    An investment made by a company or individual in one country into business interests in another country, typically involving ownership or control.
18. **Reverse Repo Rate**
    The rate at which the central bank borrows money from commercial banks, used to manage liquidity in the banking system.
19. **Giffen Goods**
    A type of inferior good where demand increases as the price rises, contrary to the typical law of demand.
20. **Protectionism**
    Economic policies implemented by a country to protect its domestic industries from foreign competition, often through tariffs or quotas.
21. **Purchasing Power Parity (PPP)**
    An economic theory that compares the relative value of currencies by assessing the cost of a specific basket of goods in different countries.
22. **Helicopter Money**
    A form of monetary stimulus where central banks or governments distribute money directly to the public to boost economic activity.
23. **Liquidity Trap**
    A situation where low interest rates and high savings rates fail to stimulate borrowing or investment in the economy.

24. **Base Rate**
    The minimum interest rate set by a central bank below which banks are not allowed to lend, ensuring fair borrowing costs.
25. **Sunk Cost**
    Costs that have already been incurred and cannot be recovered, often considered irrelevant for future financial decisions.
26. **Phillips Curve**
    An economic concept that shows an inverse relationship between inflation and unemployment in the short term.
27. **Rollover Risk**
    The risk that a borrower will not be able to refinance their debt upon maturity due to unfavorable market conditions.
28. **Decoupling**
    A phenomenon where the performance of one economy or market becomes independent of another, especially in global downturns.
29. **Trickle-Down Economics**
    An economic theory suggesting that benefits provided to the wealthy or businesses will eventually benefit all levels of society.
30. **Nominal GDP**
    The total value of all goods and services produced in a country without adjusting for inflation, measured at current market prices.
31. **Fiscal Consolidation**
    Policies aimed at reducing government deficits and debt accumulation by increasing revenue or cutting public spending.
32. **Quantitative Easing (QE)**
    A monetary policy where central banks buy securities to inject liquidity into the economy and encourage lending and investment.
33. **Trade Deficit**
    The economic condition where a country's imports exceed its exports, leading to a negative balance of trade.
34. **Venture Capital**
    Financing provided by investors to startups and small businesses with high growth potential in exchange for equity.
35. **Externalities**
    The costs or benefits of economic activities that affect third parties, such as pollution (negative externality) or education (positive externality).

36. **Dutch Disease**
    An economic phenomenon where a resource boom (like oil) causes currency appreciation, harming other sectors like manufacturing and exports.

37. **Sovereign Default**
    A situation where a country fails to meet its debt obligations or repay its loans to creditors.

38. **Laffer Curve**
    A theoretical representation of the relationship between tax rates and tax revenue, suggesting that higher tax rates can reduce revenue after a certain point.

39. **Hard Landing**
    A sudden and sharp economic slowdown, often resulting from tight monetary policies or external shocks.

40. **Debt Monetization**
    The process where a central bank purchases government debt, effectively financing public spending by creating money.

41. **Hyperinflation**
    Extremely high and typically accelerating inflation that quickly erodes the real value of currency and destabilizes the economy.

42. **Balance Sheet Recession**
    A type of economic recession caused by businesses and households prioritizing debt repayment over spending and investment, often leading to stagnation.

43. **Capital Adequacy Ratio (CAR)**
    A measure of a bank's financial strength, expressed as a ratio of its capital to its risk-weighted assets, ensuring stability and solvency.

44. **Zombie Company**
    A company that generates just enough revenue to cover operating expenses but cannot repay its debt, relying on external support to survive.

45. **Pegged Exchange Rate**
    A system where a country's currency value is fixed relative to another currency or a basket of currencies.

46. **Open Market Operations (OMO)**
    Activities by a central bank to buy or sell government securities in the open market to regulate money supply and interest rates.

47. **Deflation**
    A decrease in the general price level of goods and services, often associated with reduced consumer demand and economic contraction.
48. **Debt Restructuring**
    The process of negotiating new terms for a borrower's debt obligations to avoid default, often involving extended repayment periods or reduced interest rates.
49. **Inflation Targeting**
    A monetary policy framework where central banks aim to keep inflation within a specified range, typically 2%, to promote economic stability.
50. **Green Economy**
    An economic system that emphasizes sustainable development by minimizing environmental risks and ecological scarcities while enhancing human well-being.
51. **Dual Economy**
    An economy characterized by the coexistence of two distinct sectors: a modern, industrialized sector and a traditional, agrarian one.
52. **Crowdfunding**
    A method of raising capital through the collective effort of individuals, typically via online platforms, to fund projects or businesses.
53. **Financial Inclusion**
    The process of ensuring access to financial services like banking, credit, and insurance for all individuals, especially the underserved.
54. **Liberalization**
    The relaxation of government restrictions in economic policies, often to encourage private investment and international trade.
55. **Microeconomics**
    The branch of economics focused on individual consumers, households, and firms, analyzing supply, demand, and pricing mechanisms.
56. **Privatization**
    The transfer of ownership of a public sector entity to private hands to improve efficiency and reduce government burden.
57. **Remittances**
    Funds transferred by migrants to their home countries, often a significant source of income for developing economies.

58. **Speculation**
    The act of trading financial instruments or assets with the expectation of significant returns but involving substantial risk.
59. **Twin Balance Sheet Problem**
    A situation where banks are burdened with non-performing loans, and corporations are heavily indebted, restricting economic growth.
60. **Wage-Price Spiral**
    A cycle in which rising wages lead to higher production costs, causing inflation, which in turn leads to further wage increases.
61. **Circular Economy**
    An economic model focused on minimizing waste and making the most of resources by reusing, recycling, and regenerating products.
62. **Shadow Economy**
    Economic activities that operate outside official regulations and taxation, including black markets and informal work.
63. **Financial Derivatives**
    Contracts whose value is derived from underlying assets such as stocks, bonds, commodities, or interest rates.
64. **Currency Depreciation**
    A decrease in the value of a country's currency relative to other currencies due to market forces or economic conditions.
65. **Human Development Index (HDI)**
    A composite statistic used to measure a country's overall achievement in health, education, and income indicators.
66. **Moral Hazard**
    A situation where a party takes excessive risks because they do not bear the full consequences of their actions, often seen in financial bailouts.
67. **Terms of Trade (ToT)**
    The ratio between a country's export prices and its import prices, indicating the trade competitiveness of its economy.
68. **Inclusive Growth**
    Economic growth that creates jobs and ensures fair distribution of benefits across all segments of society.
69. **Forward Contract**
    A financial agreement to buy or sell an asset at a predetermined price on a specific date in the future, used to hedge against risks.

70. **Tobin Tax**
    A tax on short-term currency transactions to reduce speculation and promote financial stability.

71. **Economic Moat**
    A competitive advantage that allows a company to maintain profitability and market dominance over its rivals for an extended period.

72. **Seigniorage**
    The profit made by a government from issuing currency, calculated as the difference between the face value of money and its production cost.

73. **Currency Arbitrage**
    The simultaneous buying and selling of a currency in different markets to exploit price differences for a profit.

74. **Deadweight Loss**
    The inefficiency in resource allocation that occurs when market equilibrium is not achieved due to taxes, subsidies, or other distortions.

75. **Soft Currency**
    A currency that is not easily convertible into other currencies due to economic instability or lack of international demand.

76. **Hard Currency**
    A currency widely accepted for international transactions due to its stability and reliability, such as the US dollar or euro.

77. **Gig Economy**
    A labor market characterized by short-term contracts or freelance work rather than permanent jobs, often facilitated by digital platforms.

78. **Monetary Neutrality**
    The theory that changes in the money supply only affect nominal variables (like prices) and not real variables (like GDP or employment) in the long run.

79. **Base Erosion and Profit Shifting (BEPS)**
    Tax strategies used by multinational companies to shift profits to low-tax jurisdictions, reducing their tax liabilities in high-tax countries.

80. **Capital Account Convertibility**
    The freedom to convert local financial assets into foreign financial assets and vice versa, affecting cross-border investment and borrowing.

81. **Opportunity Cost**
    The cost of forgoing the next best alternative when making a decision, representing the benefits lost due to the chosen option.

82. **Pareto Efficiency**
An economic state where resources are allocated in a way that no one can be made better off without making someone else worse off.

83. **Gross National Income (GNI)**
The total income earned by a country's residents and businesses, including any income from abroad, minus payments to non-residents.

84. **Debt Ceiling**
The maximum borrowing limit set by a government, beyond which it cannot issue further debt without legislative approval.

85. **Libor (London Interbank Offered Rate)**
A benchmark interest rate at which major global banks lend to one another, often used as a reference rate for financial instruments.

86. **Elasticity of Demand**
A measure of how sensitive the quantity demanded of a good is to a change in its price, income, or other factors.

87. **Tragedy of the Commons**
An economic problem where individuals overuse shared resources, depleting them for the entire community.

88. **Sterilization**
A monetary policy operation by central banks to offset the impact of foreign exchange interventions on the domestic money supply.

89. **Sin Goods**
Products such as alcohol, tobacco, and gambling services that are taxed at higher rates due to their perceived negative impact on society.

90. **Double-Dip Recession**
A situation where the economy experiences a recession, briefly recovers, and then falls back into another recession.

91. **Quantitative Easing Tapering**
The gradual reduction of a central bank's quantitative easing program, signaling a shift in monetary policy.

92. **Phillips Curve**
An economic concept illustrating the inverse relationship between unemployment and inflation in the short term.

93. **Capital Controls**
Measures taken by a government to regulate the flow of foreign capital in and out of the country to stabilize the economy.

94. **Economic Multiplier**
The effect of an increase in spending that leads to a larger increase in national income and output due to re-spending.

95. **Rational Expectations**
The economic theory that individuals and firms use all available information to make decisions, often anticipating policy effects.

96. **Debt Overhang**
A situation where a country or company has so much debt that it discourages investment and growth due to the burden of repayment.

97. **Jobless Recovery**
An economic phase where GDP growth resumes after a recession, but employment growth remains stagnant or slow.

98. **Yield Curve Inversion**
A situation where short-term interest rates exceed long-term rates, often considered a predictor of economic recession.

99. **Trade Liberalization**
The process of reducing trade barriers like tariffs and quotas to encourage international trade and economic integration.

100. **Ricardian Equivalence**
The economic theory suggesting that consumers anticipate future taxation when the government increases debt and therefore reduce their spending.

101. **Current Account Surplus**
A situation where a country's exports of goods, services, and investments exceed its imports, indicating a net inflow of foreign currency.

102. **Inflation Indexation**
The adjustment of income, wages, or prices to account for inflation, preserving purchasing power over time.

103. **Economic Stagnation**
A prolonged period of slow economic growth, typically accompanied by high unemployment and low consumer demand.

104. **Deleveraging Cycle**
The process by which businesses or individuals reduce their overall debt levels, often resulting in reduced spending and slower economic growth.

105. **Protectionist Policies**
Economic measures such as tariffs, quotas, and subsidies designed to protect domestic industries from foreign competition.

106. **Deficit Financing**

The practice of funding government expenditure by borrowing rather than raising revenue through taxation.

107. **Hot Money Flows**

Capital that moves quickly between countries to take advantage of short-term financial opportunities, often contributing to volatility.

108. **Hard Landing Risk**

The danger of a sudden and severe economic slowdown, typically caused by abrupt policy changes or external shocks.

109. **Financial Contagion**

The spread of economic or financial instability from one market or country to others, often during crises.

110. **Liquidity Crunch**

A situation where businesses and individuals face difficulties accessing cash or credit due to tightened financial conditions.

111. **Fiscal Stimulus**

Government policy involving increased public spending or tax cuts to boost economic activity during slowdowns or recessions.

112. **Twin Speed Economy**

An economy where different sectors or regions experience different growth rates, often creating disparities.

113. **Gross Fixed Capital Formation (GFCF)**

A measure of investment in physical assets like infrastructure, machinery, and equipment, indicating economic development.

114. **Monetary Transmission Mechanism**

The process by which changes in monetary policy affect the broader economy, influencing variables like inflation and GDP growth.

115. **Economic Resilience**

The ability of an economy to withstand shocks and recover quickly from disruptions, maintaining stability and growth.

116. **Sovereign Risk**

The risk that a government will default on its debt or fail to meet its financial obligations.

117. **Real Effective Exchange Rate (REER)**

A weighted average of a country's currency relative to a basket of other currencies, adjusted for inflation, to measure competitiveness.

118. **Inclusive Capitalism**
An economic philosophy emphasizing equitable distribution of wealth, opportunities, and resources to reduce inequality.

119. **Shadow Rate**
An estimated interest rate that reflects the impact of unconventional monetary policies like quantitative easing when official rates are near zero.

120. **Elasticity of Supply**
The responsiveness of the quantity supplied of a good or service to changes in its price, reflecting market flexibility.

121. **Capital Flight**
The rapid movement of financial assets or capital from one country to another, often in response to economic instability or unfavorable policies.

122. **Counter-Cyclical Policy**
Economic policies designed to counteract business cycle fluctuations by stimulating the economy during recessions and cooling it during booms.

123. **Gross Domestic Savings (GDS)**
The portion of a country's GDP that is saved rather than spent, including savings by households, businesses, and the government.

124. **Wealth Effect**
The tendency of people to spend more as the value of their assets, such as real estate or stocks, increases, boosting economic activity.

125. **Exchange Rate Pass-Through**
The degree to which changes in exchange rates affect domestic prices of imported and exported goods.

126. **Zombie Economy**
An economic environment where inefficient or debt-ridden firms survive due to low interest rates or external support, reducing overall productivity.

127. **Marginal Propensity to Consume (MPC)**
The fraction of additional income that households spend on consumption rather than saving, influencing economic growth.

128. **Base Year Effect**
The impact of the year chosen as a base for comparison on economic indicators, often influencing trends in growth or inflation rates.

129. **Structural Adjustment Program (SAP)**
Economic reforms implemented by countries, often under the guidance of international institutions, to stabilize and restructure their economies.

130. **Monopsony**

A market condition where there is only one buyer for a good or service, giving them significant control over pricing and terms.

131. **Terms of Trade (TOT)**

The ratio of a country’s export prices to its import prices, indicating the relative strength of its trade position.

132. **Quantitative Restriction (QR)**

Non-tariff trade barriers that limit the quantity of goods that can be imported or exported, often to protect domestic industries.

133. **Economic Scarring**

Long-term damage to an economy following a major downturn, such as reduced labor market participation or lower productivity.

134. **Okun’s Law**

An economic relationship that shows the inverse correlation between unemployment and GDP growth.

135. **Demographic Dividend**

Economic growth potential resulting from shifts in a population’s age structure, typically when the working-age population is larger than the non-working-age population.

136. **Fiscal Drag**

The negative impact of inflation or increased taxation on disposable income and consumer spending, slowing economic growth.

137. **Greenfield Investment**

Investment in building new facilities or operations from scratch in a foreign country, as opposed to acquiring existing ones.

138. **Twin Deficit Hypothesis**

The theory that a fiscal deficit (government spending exceeding revenue) often leads to a current account deficit (imports exceeding exports).

139. **Multiplier Effect**

The proportional increase in overall economic activity resulting from an initial injection of spending.

140. **Hard Currency**

A currency that is stable and widely accepted in international trade and finance due to the strength of its issuing country’s economy.

141. **Trade Elasticity**

The responsiveness of trade volumes (exports or imports) to changes in factors like exchange rates, prices, or income levels.

142. **Twin Track Economy**

An economy where different sectors or regions grow at significantly different rates, often leading to disparities.

143. **Fiscal Policy Multiplier**

The effect of changes in government spending or taxation on the overall economy, amplifying the initial impact.

144. **Currency War**

A situation where countries devalue their currencies competitively to boost exports and economic growth.

145. **Open Economy**

An economy that engages in international trade and financial transactions, allowing goods, services, and capital to move freely across borders.

146. **Debt Sustainability**

The ability of a country to manage its debt levels over time without resorting to excessive borrowing or defaulting.

147. **Monetary Aggregates**

Measures of the total amount of money in circulation within an economy, such as M1, M2, and M3, used to assess liquidity.

148. **Poverty Trap**

A situation where low income leads to low savings and investment, perpetuating poverty across generations.

149. **Negative Yield**

A scenario where investors receive less money back than they initially invested in a bond, often seen during economic uncertainty.

150. **Fiscal Prudence**

The practice of managing government spending and borrowing responsibly to ensure long-term economic stability.

151. **Bretton Woods System**

An international monetary system established post-World War II, where currencies were pegged to the US dollar, and the dollar was convertible to gold.

152. **Structural Inflation**

Inflation caused by long-term structural factors in an economy, such as supply chain inefficiencies or labor market rigidities.

153. **Currency Board**

A monetary authority that pegs the national currency's exchange rate to a foreign currency and backs it with foreign reserves.

154. **Financial Repression**

Policies that channel funds to the government by limiting the returns on savings and restricting capital flows, often through regulations.

155. **Stabilization Fund**

A reserve fund set aside by governments to stabilize the economy during periods of volatility, often funded by surplus revenues.

156. **Effective Demand**

The total demand for goods and services in an economy at a given time, accounting for actual purchasing power.

157. **Cross-Currency Swap**

A financial agreement to exchange interest payments and principal in different currencies between two parties to hedge currency risk.

158. **Labor Market Rigidity**

Restrictions or inefficiencies in the labor market, such as strict employment protection laws or wage inflexibility, affecting economic performance.

159. **Ricardian Rent**

The economic rent earned by land or resources due to their scarcity or superior productivity compared to alternatives.

160. **Non-Tariff Barrier (NTB)**

Trade restrictions, other than tariffs, such as quotas, embargoes, or stringent standards, used to control the flow of goods across borders.

161. **Pigovian Tax**

A tax imposed on activities that generate negative externalities, such as pollution, to correct market inefficiencies and discourage harmful behavior.

162. **Debt-to-Equity Ratio**

A financial metric that compares a company's total debt to its shareholder equity, indicating its financial leverage and risk level.

163. **Lender of Last Resort**

A role typically played by central banks to provide emergency funding to financial institutions facing liquidity crises.

164. **Pareto Optimality**

An economic state where resources are allocated efficiently, and no one can be made better off without making someone else worse off.

165. **Special Drawing Rights (SDR)**

An international reserve asset created by the IMF to supplement member countries' official reserves, based on a basket of major currencies.

166. **Negative Externality**

A cost incurred by third parties as a result of an economic activity, such as pollution from industrial production.

167. **Circular Debt**

A situation where multiple parties in an economy owe payments to one another, creating a cycle of unpaid debts.

168. **Regulatory Arbitrage**

The practice of exploiting differences in regulations between jurisdictions to reduce compliance costs or gain a competitive advantage.

169. **Decoupling Hypothesis**

The theory that emerging markets can maintain economic growth independently of slowdowns in advanced economies.

170. **J-Curve Effect**

A phenomenon where a country's trade balance initially worsens after a currency depreciation but improves over time as exports become more competitive.

171. **Crowding-In Effect**

A situation where increased government spending leads to higher private sector investment, contrary to the crowding-out effect.

172. **Import Substitution**

An economic policy aimed at reducing dependency on imported goods by promoting domestic production through tariffs and subsidies.

173. **Gini Coefficient**

A measure of income inequality within a population, ranging from 0 (perfect equality) to 1 (maximum inequality).

174. **Triffin Dilemma**

The conflict of interest faced by countries whose currencies are used as global reserves, balancing domestic economic goals and international demands.

175. **Monetary Overhang**

A situation where there is excess money supply in the economy relative to the availability of goods and services, potentially leading to inflation.

176. **Marshall-Lerner Condition**

A condition stating that a currency devaluation will improve a country's trade balance if the sum of the price elasticities of exports and imports is greater than one.

177. **Inclusive Wealth**

A measure of a country's wealth that includes manufactured, human, and natural capital, providing a broader view of economic well-being.

178. **Credit Crunch**

A situation where banks reduce lending due to increased risk or lack of funds, restricting access to credit for businesses and individuals.

179. **Debt Forgiveness**

The cancellation or reduction of a borrower's debt by a lender, often used for struggling nations to improve their economic stability.

180. **Velocity of Money**

The rate at which money circulates in the economy, measuring how often a unit of currency is used in transactions over a period.

181. **Inverted Yield Curve**

A situation where short-term interest rates are higher than long-term rates, often considered a predictor of economic recession.

182. **Opportunity Cost of Capital**

The potential return that is foregone by investing capital in one project instead of another with a potentially higher return.

183. **Stabilization Policy**

Government measures, such as fiscal or monetary policies, aimed at reducing fluctuations in the economy and maintaining stability.

184. **Global Value Chain (GVC)**

The full range of activities required to bring a product or service from conception to delivery, involving multiple countries.

185. **Minsky Moment**

A sudden collapse of asset values due to the build-up of excessive debt and speculative investment, named after economist Hyman Minsky.

186. **Countervailing Duty (CVD)**

A tariff imposed on imported goods to offset subsidies provided to producers in the exporting country, ensuring fair competition.

187. **Base Erosion**

The reduction of a taxable base by shifting profits or income to low-tax jurisdictions, often through transfer pricing or loopholes.

188. **Liquidity Preference**
A theory by John Maynard Keynes that suggests people prefer holding cash or liquid assets during uncertain times, influencing interest rates.

189. **Time Preference**
The concept in economics that people prefer to receive goods or benefits sooner rather than later, reflecting the value of present consumption.

190. **Precautionary Principle**
A risk management strategy that advocates caution in adopting policies or innovations that could cause harm, even if the risks are not fully understood.

191. **Absolute Advantage**
The ability of a country or entity to produce a good or service more efficiently than its competitors using the same resources.

192. **Creative Destruction**
An economic concept by Joseph Schumpeter describing the process where innovation leads to the replacement of outdated industries, fostering economic growth.

193. **Adverse Selection**
A market condition where buyers or sellers have asymmetric information, leading to inefficient outcomes, such as higher-risk individuals obtaining insurance.

194. **Moral Suasion**
The use of persuasion rather than mandates by a central bank or government to influence financial institutions or market behavior.

195. **Terms-of-Trade Shock**
A sudden change in the prices of exports relative to imports, which can significantly impact an economy's balance of payments.

196. **Peak Oil**
The hypothetical point at which global oil production reaches its maximum rate before declining, impacting energy markets and economies.

197. **Capital Account Liberalization**
The easing of restrictions on capital flows across borders to encourage foreign investment and economic integration.

198. **Eurodollar**
US dollars deposited in banks outside the United States, often used in international trade and finance.

199. **Anchor Currency**

A stable and widely accepted currency, such as the US dollar, used by countries to peg their own currency or as a reserve currency.

200. **Dynamic Pricing**

A pricing strategy where prices are adjusted in real-time based on demand, competition, or other market conditions, commonly used in industries like airlines or e-commerce.

201. **Fiscal Cliff**

A situation where a combination of expiring tax cuts and automatic spending reductions occur simultaneously, potentially leading to economic slowdown.

202. **Monetary Sterilization**

Central bank actions to offset the effects of foreign exchange interventions on the domestic money supply, maintaining monetary policy stability.

203. **Dead Cat Bounce**

A temporary recovery in the price of a declining asset or market, followed by a continued downward trend.

204. **Commodity Supercycle**

A prolonged period of rising demand and prices for commodities, driven by structural changes in global economic activity.

205. **Tax Incidence**

The analysis of the distribution of tax burdens between consumers and producers, determining who ultimately bears the cost of a tax.

206. **Taylor Rule**

An economic model used by central banks to determine interest rate levels based on inflation and economic output.

207. **Fiscal Neutrality**

A fiscal policy stance where government spending changes are offset by revenue adjustments to avoid influencing the overall economy.

208. **Debt Trap**

A situation where a borrower, such as a country, accumulates unsustainable levels of debt, leading to dependency on further borrowing.

209. **Liquidity Risk**

The risk that a financial institution or entity may not be able to meet its short-term obligations due to insufficient liquid assets.

210. **Cost-Push Inflation**

Inflation caused by rising production costs, such as wages or raw materials, leading to higher prices for goods and services.

211. **Trade-Off**

The concept of balancing two conflicting outcomes, such as inflation and unemployment, where improving one may worsen the other.

212. **Inclusive Growth**

Economic growth that ensures benefits are distributed across all sections of society, reducing inequality and poverty.

213. **Backdoor Listing**

A method where a private company becomes publicly traded by acquiring a publicly listed shell company, avoiding the traditional IPO process.

214. **Forward Guidance**

A communication strategy by central banks to provide expectations about future monetary policy to influence market behavior and economic decisions.

215. **Greenwashing**

The practice of misleading consumers or investors by falsely portraying a company's products or operations as environmentally friendly.

216. **Debt-to-Income Ratio (DTI)**

A financial metric used to assess a borrower's ability to repay debts by comparing their monthly debt payments to their income.

217. **Fiscal Anchor**

A specific rule or target, such as a debt-to-GDP ratio, that guides a government's fiscal policy to ensure long-term stability.

218. **Multiplier Effect**

The concept that an initial injection of spending (government or private) leads to a larger increase in overall economic output.

219. **Quantitative Tightening (QT)**

A monetary policy used by central banks to reduce liquidity in the economy by selling assets or not reinvesting maturing securities.

220. **Recessionary Gap**

The difference between actual economic output and potential output when an economy is operating below its full capacity.

221. **Core Competency**

A unique strength or advantage of a business or economy that provides competitive differentiation and value creation.

222. **Current Account Convertibility**

The freedom to use a country’s currency for international trade and transfers without restrictions.

223. **Zombie Lending**

The practice of banks providing loans to unprofitable or struggling businesses, preventing the efficient allocation of resources.

224. **Regressive Tax**

A tax system where lower-income individuals pay a higher percentage of their income compared to higher-income earners.

225. **Barter Economy**

An economic system where goods and services are exchanged directly without the use of money.

226. **Cost Disease**

A phenomenon where wages increase in industries without corresponding productivity growth, leading to higher costs for goods and services.

227. **Carry Trade**

A financial strategy where investors borrow in a low-interest-rate currency to invest in higher-yielding assets or currencies.

228. **Sovereign Wealth Fund (SWF)**

A state-owned investment fund established to manage national reserves and invest in various assets for long-term economic benefits.

229. **Structural Unemployment**

Unemployment caused by a mismatch between workers' skills and the demands of the labor market, often due to technological or economic changes.

230. **Veblen Goods**

Luxury goods for which demand increases as prices rise because they are perceived as symbols of wealth or status.

231. **Core Competency**

A unique strength or advantage of a business or economy that provides competitive differentiation and value creation.

232. **Current Account Convertibility**

The freedom to use a country’s currency for international trade and transfers without restrictions.

233. **Zombie Lending**

The practice of banks providing loans to unprofitable or struggling businesses, preventing the efficient allocation of resources.

234. **Regressive Tax**

A tax system where lower-income individuals pay a higher percentage of their income compared to higher-income earners.

235. **Barter Economy**

An economic system where goods and services are exchanged directly without the use of money.

236. **Cost Disease**

A phenomenon where wages increase in industries without corresponding productivity growth, leading to higher costs for goods and services.

237. **Carry Trade**

A financial strategy where investors borrow in a low-interest-rate currency to invest in higher-yielding assets or currencies.

238. **Sovereign Wealth Fund (SWF)**

A state-owned investment fund established to manage national reserves and invest in various assets for long-term economic benefits.

239. **Structural Unemployment**

Unemployment caused by a mismatch between workers' skills and the demands of the labor market, often due to technological or economic changes.

240. **Veblen Goods**

Luxury goods for which demand increases as prices rise because they are perceived as symbols of wealth or status.

241. **Economic Rent**

The excess payment received by a factor of production over and above its opportunity cost, often due to scarcity or exclusive control.

242. **Real Interest Rate**

The nominal interest rate adjusted for inflation, representing the true cost of borrowing or return on investment.

243. **Phillips Curve**

An economic concept illustrating the inverse relationship between inflation and unemployment in the short run.

244. **Capital Flight**

The rapid outflow of financial assets or capital from a country due to political instability, economic downturns, or unfavorable policies.

245. **Sunk Cost**

Costs that have already been incurred and cannot be recovered, often considered irrelevant for future decision-making.

246. **Lorenz Curve**

A graphical representation of income or wealth distribution within a population, showing inequality levels.

247. **Hot Money**

Short-term capital flows that move quickly across borders to take advantage of differences in interest rates or economic conditions.

248. **Baumol's Cost Disease**

A phenomenon where wages rise in low-productivity sectors (e.g., arts) because of competition with high-productivity sectors, driving up costs without proportional productivity increases.

249. **Twin Track Approach**

A policy framework addressing both short-term economic needs and long-term structural changes simultaneously.

250. **Trade Creation**

The economic benefit from reduced tariffs or trade barriers, leading to increased trade between participating countries.

251. **Primary Surplus**

The difference between a government's revenue and its non-interest expenditures, indicating fiscal health before accounting for debt servicing costs.

252. **Balance Sheet Effect**

The impact of exchange rate changes on the value of a company's or country's assets and liabilities, often affecting financial stability.

253. **Neutral Interest Rate**

The theoretical interest rate at which monetary policy neither stimulates nor restrains economic growth.

254. **Factor Price Equalization**

An economic theory suggesting that free trade leads to the equalization of wages and returns on capital across countries.

255. **Stochastic Modeling**

A statistical approach used to predict outcomes by accounting for randomness and uncertainty in economic or financial systems.

256. **External Diseconomies**

Negative effects on third parties caused by an economic activity, such as environmental pollution, not reflected in market prices.

257. **Resource Curse**
A paradox where countries rich in natural resources experience slower economic growth due to over-dependence, corruption, or poor governance.

258. **Purchasing Power Parity (PPP)**
An economic theory that compares currencies based on the relative price of a standard basket of goods in different countries.

259. **Inflation Targeting**
A monetary policy strategy where central banks aim to keep inflation within a specified range to maintain economic stability.

260. **Deadweight Loss**
The loss of economic efficiency caused by market distortions, such as taxes, subsidies, or monopolies, that prevent optimal resource allocation.

261. **Shadow Banking**
Financial activities conducted by non-bank entities that operate outside regular banking regulations, such as hedge funds and money market funds.

262. **Pareto Improvement**
A change in allocation where at least one individual is better off without making anyone else worse off, indicating a more efficient outcome.

263. **Quantitative Easing Spillover**
The impact of a country's quantitative easing policies on other economies, such as capital inflows or exchange rate fluctuations.

264. **Trade Diversion**
The shift of trade from a more efficient exporter to a less efficient one due to the formation of a trade agreement or tariff changes.

265. **Cascading Effect**
A situation where a tax levied on a product at every stage of its production or distribution leads to tax on tax, increasing the final price.

266. **Output Gap**
The difference between an economy's actual output and its potential output, indicating whether it is underperforming or overheating.

267. **Decoupling**
A phenomenon where one economy or sector becomes independent of others, often seen when emerging markets grow despite stagnation in developed economies.

268. **Capital Deepening**

An increase in the capital-to-labor ratio in an economy, leading to higher productivity and potentially economic growth.

269. **Hedonic Pricing**

A method used to estimate economic value for goods or services by considering the characteristics and qualities that affect pricing.

270. **Thin Market**

A market with low trading volume and liquidity, often leading to higher price volatility and difficulty in executing large transactions.

271. **Carry Forward Loss**

A tax provision allowing businesses or individuals to apply current period losses to future periods to reduce taxable income.

272. **Seigniorage**

The profit made by a government from issuing currency, calculated as the difference between the face value of money and its production cost.

273. **Monetary Base**

The total amount of a country's currency in circulation, including physical money and reserves held by the central bank.

274. **Elasticity of Supply**

The responsiveness of the quantity supplied of a good to a change in its price, reflecting market adaptability.

275. **Rent-Seeking**

The practice of individuals or entities trying to gain economic benefits through manipulation or exploitation of the political or legal environment.

276. **Fiscal Marksmanship**

The accuracy of government fiscal estimates, including revenue collection and expenditure forecasts.

277. **Ad Valorem Tax**

A tax based on the assessed value of an item, such as property tax or import duties expressed as a percentage of the good's value.

278. **Financial Disintermediation**

The process of bypassing traditional financial intermediaries like banks, often using direct lending platforms or financial technology.

279. **Velocity of Circulation**

The rate at which money is exchanged in an economy, indicating the efficiency of monetary transactions.

280. **Supply Shock**

A sudden and unexpected change in the supply of goods or services, often leading to price volatility and economic disruption.

281. **Creative Accounting**

The use of accounting practices to manipulate financial statements to present a desired financial position without technically violating rules.

282. **Externality**

A cost or benefit arising from an economic activity that affects third parties not directly involved, such as pollution or education.

283. **Debt Restructuring**

A process where a borrower and lender agree to modify the terms of a loan, often to avoid default and make repayment manageable.

284. **Import Quota**

A restriction placed on the quantity of a specific good that can be imported into a country, often used to protect domestic industries.

285. **Fiscal Drag**

The effect of inflation and income growth pushing taxpayers into higher tax brackets, increasing tax revenue without legislative changes.

286. **Sweat Equity**

Ownership shares or equity given to individuals in exchange for their effort and work, rather than monetary investment.

287. **Trade Facilitation**

Measures aimed at reducing the complexity and cost of trade processes to improve the movement of goods across borders efficiently.

288. **Moral Hazard**

A situation where one party engages in risky behavior because they do not bear the full consequences of their actions, often due to insurance or guarantees.

289. **Sterilized Intervention**

A central bank action to stabilize the exchange rate by offsetting foreign exchange interventions with domestic monetary adjustments.

290. **Idle Capacity**

The unused production potential of a business or economy, reflecting inefficiencies or a lack of demand.

291. **Forward Premium**

The difference between the forward exchange rate and the spot exchange rate, often reflecting interest rate differentials between two currencies.

292. **Monopsony**

A market structure where there is only one buyer for a good or service, giving the buyer significant power over pricing.

293. **Fiscal Illusion**

A situation where the true cost of government spending is obscured, often leading taxpayers to underestimate the burden of public expenditures.

294. **Hollowing Out**

The process where industries or economies lose their middle-skilled jobs, leaving only low-skilled and high-skilled employment opportunities.

295. **Green Economy**

An economic framework that emphasizes sustainability and environmentally friendly practices while promoting growth and reducing inequalities.

296. **Terms of Credit**

The conditions agreed upon between lenders and borrowers, including interest rates, repayment schedules, and penalties.

297. **Balance of Trade (BOT)**

The difference between a country's exports and imports of goods, reflecting trade surplus or deficit.

298. **Customs Union**

An agreement among a group of countries to eliminate tariffs on trade within the union while maintaining a common external tariff.

299. **Overcapacity**

A situation where production facilities have more capacity than the demand for goods or services, leading to inefficiencies.

300. **Liquidity Trap**

A situation where interest rates are low, and savings rates are high, rendering monetary policy ineffective in stimulating the economy.

301. **Tax Buoyancy**

The responsiveness of tax revenue growth to changes in GDP or national income, indicating the efficiency of a tax system.

302. **Reflation**

Economic measures taken to stimulate growth and bring inflation back to a healthy level after a period of deflation or stagnation.

303. **Capital Adequacy Ratio (CAR)**

A measure of a bank's financial strength, calculated as the ratio of its capital to its risk-weighted assets, ensuring solvency and risk management.

304. **Golden Handshake**

A large financial compensation offered to employees, usually as part of a voluntary retirement or severance package.

305. **Import Parity Price (IPP)**

The price at which an imported good can be sold in the domestic market, including costs such as transportation, insurance, and tariffs.

306. **Endogenous Growth**

Economic growth driven by internal factors, such as human capital, innovation, and policy decisions, rather than external forces.

307. **Fiscal Neutrality**

A policy approach where changes in taxation and spending offset each other, leaving the overall fiscal position unchanged.

308. **Structural Adjustment**

Economic reforms, often recommended by international organizations like the IMF, aimed at restructuring and stabilizing an economy.

309. **Hot Money**

Short-term capital flows that move quickly across countries to take advantage of interest rate differences or financial opportunities.

310. **Disguised Unemployment**

A situation where more workers are employed than necessary, with marginal productivity close to zero, often seen in rural or agricultural economies.

311. **Multiplier Effect**

The process by which an initial injection of spending (e.g., government investment) leads to a larger overall increase in economic output.

312. **Crowding-Out Effect**

A situation where increased government borrowing raises interest rates, reducing private sector investment and spending.

313. **Invisible Hand**

A concept from Adam Smith, describing how individual self-interest in a free market leads to economic efficiency and societal benefit.

314. **Opportunity Cost**

The cost of choosing one option over another, measured by the benefits foregone from the next best alternative.

315. **Speculative Bubble**

A situation where asset prices are driven to unsustainable levels due to excessive demand, often followed by a market crash.

316. **Decentralized Finance (DeFi)**

A financial ecosystem built on blockchain technology that operates without intermediaries like banks, enabling peer-to-peer transactions.

317. **Economic Convergence**

The theory that poorer economies will grow faster than richer ones, reducing the income disparity over time.

318. **Nominal vs. Real Values**

Nominal values are measured in current prices without adjusting for inflation, whereas **real** values are adjusted for inflation to reflect true purchasing power.

319. **Dutch Auction**

A bidding process where the price starts high and decreases until a buyer accepts, often used for selling securities or IPO pricing.

320. **Backward Integration**

A business strategy where a company acquires or merges with its suppliers to gain control over its supply chain and reduce costs.

321. **Base Rate**

The minimum interest rate set by a central bank, below which commercial banks are not allowed to lend, influencing the overall lending market.

322. **Horizontal Integration**

A business strategy where a company acquires or merges with competitors in the same industry to increase market share and reduce competition.

323. **Twin Deficit**

A situation where a country experiences both a fiscal deficit (government spending exceeds revenue) and a current account deficit (imports exceed exports).

324. **Transfer Pricing**

The pricing of goods, services, or intellectual property exchanged between divisions of the same company, often used to optimize taxes.

325. **Dollarization**

The process where a country adopts a foreign currency, such as the US dollar, as its legal tender or primary medium of exchange.

326. **Financial Intermediary**

An entity, like a bank or mutual fund, that facilitates financial transactions between savers and borrowers.

327. **Yield to Maturity (YTM)**

The total return an investor can expect to earn if a bond is held until maturity, accounting for interest payments and price differences.

328. **Tragedy of the Commons**

An economic problem where individuals overuse shared resources, depleting them for everyone due to lack of regulation or incentives for conservation.

329. **Non-Tariff Barriers (NTBs)**

Restrictions on trade that do not involve tariffs, such as quotas, licensing requirements, and regulatory standards.

330. **Capital Gains Tax**

A tax levied on the profit realized from the sale of a capital asset, such as stocks, bonds, or real estate.

331. **Repo Rate**

The rate at which a central bank lends money to commercial banks, often used to control liquidity and inflation in the economy.

332. **Giffen Goods**

Inferior goods for which demand increases as prices rise, contrary to the standard law of demand, due to the income effect outweighing the substitution effect.

333. **Hawala System**

An informal method of transferring money without physical movement, often operating outside traditional banking channels.

334. **Zero-Coupon Bond**

A type of bond that does not pay periodic interest but is issued at a discount and redeemed at face value upon maturity.

335. **Piggyback Loan**

A secondary loan taken alongside a primary mortgage, often used to avoid private mortgage insurance (PMI) or cover down payments.

336. **Debt Equity Swap**

A financial arrangement where a company’s debt is exchanged for equity, often used during restructuring to reduce leverage.

337. **Current Account Deficit (CAD)**

A situation where a country’s total imports of goods, services, and transfers exceed its total exports, indicating net outflows of foreign currency.

338. **Derivatives Market**

A financial market where securities such as futures, options, and swaps are traded, deriving their value from underlying assets.

339. **Rollover Risk**

The risk that a borrower may not be able to refinance their debt when it matures due to unfavorable market conditions.

340. **Eminent Domain**

The right of a government to acquire private property for public use, with compensation to the owner, often for infrastructure projects.

341. **Haircut**

The reduction in the value of an asset or loan during negotiations, often seen in debt restructuring or financial bailouts.

342. **Trade Imbalance**

A situation where a country's imports and exports are not equal, leading to a trade surplus or deficit.

343. **Quantitative Tightening (QT)**

A monetary policy where central banks reduce liquidity by selling government securities or not reinvesting maturing bonds.

344. **Stagflation**

An economic condition characterized by slow growth, high unemployment, and high inflation occurring simultaneously.

345. **Blue Ocean Strategy**

A business approach focusing on creating new, uncontested markets rather than competing in existing, saturated markets.

346. **Shadow Pricing**

An estimate of the monetary value of goods or services that are not typically priced in the market, like environmental resources.

347. **Exit Load**

A fee charged by mutual funds when investors exit or redeem their units before a specified period.

348. **Foreign Portfolio Investment (FPI)**

Investments in a country’s financial assets, such as stocks and bonds, by investors who do not have direct control over the companies.

349. **Base Erosion and Profit Shifting (BEPS)**

Tax avoidance strategies used by multinational companies to shift profits to low-tax jurisdictions, reducing their tax liabilities.

350. **Liquidity Coverage Ratio (LCR)**

A regulatory requirement for banks to hold sufficient high-quality liquid assets to cover their net cash outflows for 30 days.

351. **Sovereign Default**

A situation where a government fails to meet its debt obligations, such as not repaying bonds or loans.

352. **Anchor Borrower**

A key borrower in a lending scheme who links smaller borrowers or suppliers to financial institutions or markets, often seen in agricultural finance.

353. **Liquidity Trap**

A situation where monetary policy becomes ineffective because interest rates are low and savings rates remain high, dampening economic activity.

354. **Debt Monetization**

The process of converting government debt into money by having the central bank purchase it, potentially leading to inflation.

355. **Green Bonds**

Debt instruments issued to raise funds specifically for projects aimed at environmental sustainability or combating climate change.

356. **Trade War**

An economic conflict where countries impose tariffs or other trade barriers on each other to protect domestic industries.

357. **Capital Account Surplus**

A situation where the inflows of foreign investments and financial capital exceed the outflows, indicating net capital inflows.

358. **Fiscal Deficit**

The gap between a government’s total revenue and its total expenditure, reflecting its borrowing needs.

359. **Investment Multiplier**

The proportional increase in total income or GDP resulting from an initial increase in investment spending.

360. **Circular Economy**

An economic model focused on minimizing waste and maximizing resource use through recycling, reuse, and sustainable practices.

361. **Non-Performing Asset (NPA)**

A loan or advance for which the principal or interest payment remains overdue for a specific period, typically 90 days in banking terms.

362. **Forward Contract**

A financial agreement to buy or sell an asset at a predetermined price on a future date, often used for hedging or speculation.

363. **Phillips Curve**

An economic theory suggesting an inverse relationship between unemployment and inflation in the short run.

364. **Basel Norms**

International banking regulatory frameworks set by the Basel Committee on Banking Supervision to ensure financial stability and risk management.

365. **Terms of Trade (TOT)**

The ratio of a country's export prices to its import prices, reflecting its trade competitiveness.

366. **Dollar Peg**

A fixed exchange rate system where a country ties its currency's value to the US dollar to stabilize trade and economic conditions.

367. **Indexation**

The adjustment of income, wages, or taxes to reflect changes in the cost of living or inflation, ensuring real value remains unchanged.

368. **Sovereign Credit Rating**

An assessment of a country's ability to repay its debts, influencing its borrowing costs and investor confidence.

369. **Quantitative Easing (QE)**

A monetary policy where central banks inject liquidity into the economy by purchasing government securities or other assets.

370. **Rollover Relief**

A tax provision allowing individuals or businesses to defer capital gains tax by reinvesting the proceeds into similar assets.

371. **Exchange Rate Pass-Through**

The degree to which changes in the exchange rate affect domestic prices of imported goods, impacting inflation and trade balances.

372. **Debt Servicing**

The payment of interest and principal on borrowed funds, critical for maintaining a borrower's creditworthiness.

373. **Hard Peg**

A strict fixed exchange rate regime where a country's currency is permanently tied to another currency or commodity, like gold.

374. **Fiscal Responsibility and Budget Management (FRBM)**
A framework designed to ensure responsible fiscal policies by limiting budget deficits and controlling public debt.

375. **Zombie Firms**
Companies that generate just enough revenue to cover operating expenses but are unable to pay down debt or invest in growth.

376. **Trade Facilitation Agreement (TFA)**
A global trade agreement aimed at simplifying and speeding up customs processes to enhance international trade efficiency.

377. **Debt-to-GDP Ratio**
A metric that compares a country's public debt to its gross domestic product, indicating the economy's ability to repay its debt.

378. **Sovereign Risk**
The risk that a country will default on its financial obligations or alter its terms of repayment, affecting investors and lenders.

379. **Inverted Yield Curve**
A situation where short-term interest rates are higher than long-term rates, often seen as a predictor of economic recession.

380. **Base Currency**
In a currency pair, the currency against which the exchange rate is quoted, often used as a reference in forex trading.

381. **Treasury Bills (T-Bills)**
Short-term government securities issued to meet short-term funding requirements, typically with maturities of less than a year.

382. **Fiscal Multiplier**
The ratio of change in national income to the change in government spending, reflecting the effectiveness of fiscal policies.

383. **Core Inflation**
A measure of inflation that excludes volatile items like food and energy prices, providing a clearer view of underlying inflation trends.

384. **Debt Ceiling**
The maximum amount of money a government is authorized to borrow to meet its financial obligations.

385. **Helicopter Money**
An unconventional monetary policy where central banks distribute money directly to the public to stimulate the economy.

386. **Negative Externality**

A cost imposed on third parties by an economic activity, such as pollution, not accounted for in the market price.

387. **Capital Controls**

Measures taken by governments to regulate the flow of foreign capital in and out of the country to protect the economy.

388. **Moral Hazard**

The risk that a party will take excessive risks because the negative consequences are borne by another party, such as bailouts.

389. **Commodity Futures**

Financial contracts obligating the buyer to purchase or the seller to sell a commodity at a predetermined price and date.

390. **Purchasing Power Parity (PPP)**

An economic theory that compares the relative value of currencies based on the cost of a standard basket of goods in different countries.

391. **Special Economic Zone (SEZ)**

A designated area within a country where economic regulations differ from the rest of the country to attract foreign investment and boost trade.

392. **Anchor Investor**

Large institutional investors who buy substantial stakes in an IPO before it opens to the public, boosting market confidence.

393. **Trade Liberalization**

The removal or reduction of trade barriers like tariffs and quotas to promote free trade and economic integration.

394. **Debt Overhang**

A situation where a country or company's debt burden is so high that it discourages new investment or growth.

395. **Green Tax**

A tax levied on activities or goods that harm the environment, aiming to incentivize sustainable practices.

396. **Automatic Stabilizers**

Economic policies, such as progressive taxes or unemployment benefits, that automatically adjust to stabilize the economy without new legislation.

397. **Counterparty Risk**

The risk that the other party in a financial transaction will fail to fulfill their contractual obligations.

398. **Repatriation**

The process of converting foreign earnings or investments back into the investor's home country's currency.

399. **Non-Tariff Barriers (NTBs)**

Trade restrictions that do not involve tariffs, such as licensing requirements, import quotas, and quality standards.

400. **Marginal Utility**

The additional satisfaction or benefit gained from consuming one more unit of a good or service.

401. **Initial Coin Offering (ICO)**

A fundraising method where new cryptocurrencies or tokens are sold to investors to raise capital for blockchain projects.

402. **Convertible Bond**

A type of bond that can be converted into a predetermined number of shares in the issuing company, offering flexibility to investors.

403. **Debt Forgiveness**

The cancellation or reduction of a borrower's debt by the lender, often used in cases of sovereign or personal financial crises.

404. **Current Account Surplus**

A situation where a country's total exports of goods, services, and transfers exceed its imports, resulting in a net inflow of foreign currency.

405. **Crowding-In**

An economic situation where increased government spending encourages private sector investment, opposite of crowding-out.

406. **Weighted Average Cost of Capital (WACC)**

The average rate of return a company must earn on its investments to satisfy its stakeholders, including equity and debt holders.

407. **Import Substitution**

An economic strategy focused on reducing dependency on imports by promoting domestic production of goods and services.

408. **Securitization**

The process of pooling various financial assets, such as mortgages or loans, and selling them as tradeable securities to investors.

409. **Cryptocurrency Mining**

The process of validating cryptocurrency transactions and adding them to the blockchain ledger, typically rewarded with new coins.

410. **Hot Money**

Short-term capital that flows quickly across borders to take advantage of high returns, often contributing to financial volatility.

411. **Stochastic Oscillator**

A momentum indicator in technical analysis that compares a security's closing price to its price range over a specific period, signaling overbought or oversold conditions.

412. **Contingent Liability**

A potential financial obligation that may arise depending on the outcome of a future event, such as lawsuits or guarantees.

413. **Credit Default Swap (CDS)**

A financial derivative allowing investors to swap credit risk, often used as insurance against default by a borrower.

414. **Macroprudential Regulation**

Policies aimed at ensuring the stability of the financial system as a whole by addressing systemic risks.

415. **Capital Flight**

The rapid movement of large sums of money out of a country due to economic instability or unfavorable policies.

416. **Asset Bubble**

A situation where the price of an asset, such as real estate or stocks, rises significantly above its intrinsic value, driven by speculation.

417. **Foreign Direct Investment (FDI)**

Investment by a company or individual in one country into business interests in another country, involving ownership or control.

418. **Credit Line**

A flexible loan arrangement provided by a financial institution, allowing a borrower to access funds up to a pre-approved limit as needed.

419. **Black Swan Event**

An unpredictable, high-impact event that lies outside the realm of normal expectations, such as the 2008 financial crisis.

420. **Disinflation**

A slowdown in the rate of inflation, indicating that prices are rising, but at a decreasing pace.

421. **Treasury Yield**

The return on investment for US government bonds, often used as a benchmark for interest rates and economic health.

422. **Current Account Convertibility**

The ability to freely convert domestic currency into foreign currency for trade and current transactions without restrictions.

423. **Credit Rating**

An evaluation of a borrower's creditworthiness by agencies like Moody's or S&P, influencing borrowing costs and investment decisions.

424. **Economic Moat**

A competitive advantage that allows a company to maintain profitability and fend off competition over the long term.

425. **Decoupling**

The process where one economy or sector grows independently of others, breaking away from global or regional trends.

426. **Import Elasticity**

The responsiveness of import volumes to changes in factors like price, income, or exchange rates.

427. **Fiscal Consolidation**

Policies aimed at reducing government deficits and debt accumulation to stabilize the economy.

428. **Evergreening of Loans**

A practice where banks extend new loans to help borrowers repay old ones, masking bad debts and inflating asset quality.

429. **Bail-In**

A financial mechanism where a bank's creditors and depositors bear some of the losses during a financial crisis, as opposed to taxpayer-funded bailouts.

430. **Derisking**

The process of reducing exposure to high-risk investments or business operations, often to enhance financial stability.

431. **Systemic Risk**

The risk of collapse in the entire financial system or market due to the failure of a single entity or group of entities.

432. **Open Market Operations (OMO)**

Central bank activities, such as buying or selling government securities, to regulate liquidity and influence monetary policy.

433. **Sovereign Bond**

A debt security issued by a national government to finance public spending, often considered low-risk investments.

434. **Market Capitalization**

The total value of a company's outstanding shares, calculated as share price multiplied by the number of shares.

435. **Free Float**

The portion of a company's shares that are publicly traded and not held by insiders or controlling entities.

436. **Efficient Market Hypothesis (EMH)**

The theory that asset prices reflect all available information, making it impossible to consistently outperform the market.

437. **Fractional Reserve Banking**

A banking system where banks keep a fraction of deposits as reserves and lend out the rest, creating money through credit.

438. **Countervailing Duty (CVD)**

A tariff imposed to counteract subsidies provided by foreign governments to their exporters, ensuring fair competition.

439. **Inflation Hedging**

An investment strategy designed to protect against the loss of purchasing power caused by inflation, often involving assets like gold or real estate.

440. **Gross Fixed Capital Formation (GFCF)**

A measure of investment in physical assets like machinery, infrastructure, and buildings, indicating economic development.

441. **Capital Account Deficit**

A situation where the outflows of financial assets from a country exceed the inflows, indicating a net financial loss in the capital account.

442. **Weighted Average Price Index (WAPI)**

A measure of price changes across a basket of goods and services, where each item is weighted by its relative importance.

443. **Repo Market**

A market where participants borrow or lend short-term funds using securities as collateral, with agreements to repurchase them later.

444. **Demographic Dividend**

The economic growth potential that arises from changes in a country's age structure, primarily when the working-age population grows larger than dependents.

445. **Special Drawing Rights (SDR)**
An international reserve asset created by the IMF, representing a basket of major currencies to supplement countries' official reserves.

446. **Interest Rate Corridor**
The range between the central bank's lending rate (repo rate) and borrowing rate (reverse repo rate) to manage liquidity.

447. **Backwardation**
A market condition where the spot price of a commodity is higher than its futures price, often signaling supply shortages.

448. **Debt Sustainability**
The ability of a borrower, typically a government, to manage its debt load over time without defaulting or requiring significant restructuring.

449. **Fiscal Policy Stance**
The direction of fiscal policy—expansionary, contractionary, or neutral—depending on whether the government is stimulating or restraining the economy.

450. **Real Effective Exchange Rate (REER)**
A weighted average of a country’s currency relative to a basket of other currencies, adjusted for inflation, reflecting trade competitiveness.