





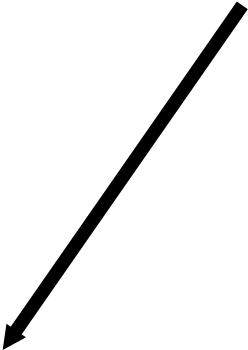
**U.S. imports  
electronics from China**





To buy 1 Yuan Americans

pay 1 dollar

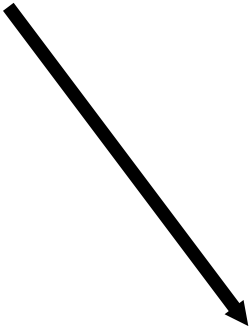


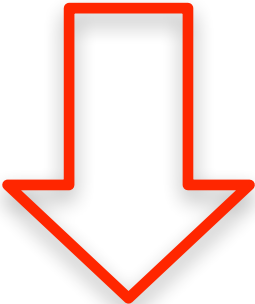
The U.S. Dollar becomes weaker

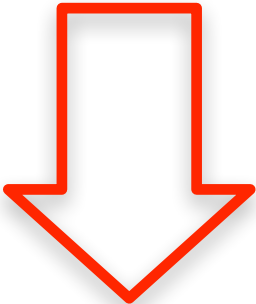
Price  $\equiv$  1 Yuan/unit

Americans pay US\$1 per unit of  
electronics









To buy 1 Yuan Americans pay

2 dollars

Americans pay U\$2 per unit  
of electronics



One  
dollar buys  
fewer Yuan

Chinese goods are now **more expensive** to Americans

# The U.S. Dollar becomes weaker

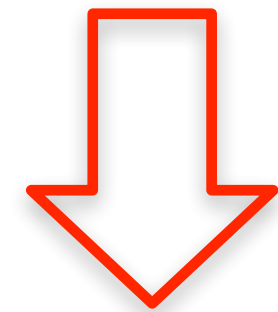


U.S. imports  
electronics from China



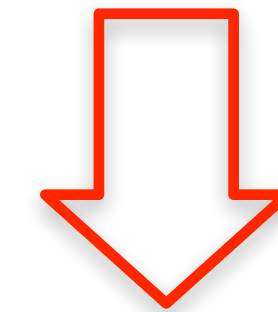
Price = 1 Yuan/unit

To buy 1 Yuan Americans  
pay 1 dollar



Americans pay U\$1 per unit of  
electronics

To buy 1 Yuan Americans pay  
2 dollars



Americans pay U\$2 per unit  
of electronics

Chinese goods are now more expensive to Americans