

EXERCISE

1. How does each of following transactions affect (if any) components of Vietnam GDP in accordance with expenditure approach? Explain.
 - a. Your family buys a refrigerator named Deawoo manufactured in Vietnam
 - b. Your family buys a newly-built house of 3 storeys
 - c. Ford company in Vietnam sells a car named Laser from the inventory

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- d. You buy a cake branded Kinh Do
- e. Hanoi Capital changes the system of light on the occasion of ASEM-V conference
- f. Honda has just expanded its factory in Binh Dinh
- g. Government increases unemployment benefit for the unemployed

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2. Assume that in 2006, Vietnam economy had following data: $GDP = 20.000$; $G = 5500$; $C = 4000$; $NX = 500$. Unit of measurement is billion VND

- a. Find the value of investment in 2006
- b. Assume that exports in 2006 reached 6000 billions VND. Find imports.
- c. If GDP_r 2006 calculated by the price in 1994 was 15.000 billions VND . Find D^{GDP} .

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d. If GDP_n 2006 was 15% greater than GDP of previous year and D^{GDP} 2005 was 120. Find the economic growth rate in 2006.

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3. Assume that in 2010, Vietnam produced only rice, fishes, clothes and motorbikes. In base year 2010, we had the following data:

	Yield	Price
Rice	10.000 tons	5.000VND/kg
Fishes	8.000 tons	30.000VND/kg
Clothes	2.000 pieces	100.000 VND/piece
Motorbikes	1000 motorbikes	8.000.000VND/ motorbike

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❖ In the current year of 2013, Vietnam's yield and its prices as following:

Rice	12.000 tons	10.000VND/kg
Fishes	9.000 tons	25.000VND/kg
Clothes	5.000 pieces	150.000VND/pieces
Motorbikes	700 motorbikes	5.000.000VND/motorbike

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- a. Find GDP_n in base year and current year
- b. Find GDP_r in base year and current year
Calculate the growth rate of GDP_r in base year compared to current year
- c. Find D^{GDP} in base year and current year. How many percentage did D^{GDP} increase or decrease compared to base year?
- d. Give reason(s) for the growth rate of GDP_n in current year compared to base year.

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4. How do following events affect CPI and D^{GDP} ?
- a. An increase of 20% in Login watch's price
 - b. An increase of 20% in imported motorbike's price
 - c. An increase of 10% in crude oil's price
 - d. Bird flu caused a rise of 10% in food's price

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5. In 2010, Vietnam economy had statistic data as following:

Total investment	150	Consumption	200
Net investment	50	Government purchases	100
Wage	230	Interest	25
Rent	35	Indirect tax	50
Profit	60	Net Factor Income from abroad	-50
Exports	100	Price index in 2009	120
Imports	50	Price index in 2010	150

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- a. Find GDP_n in 2010 by expenditure approach and income approach
- b. Find GNP in 2010
- c. Find GNP_r and the inflation rate in 2010