

Question # 7 of 10 (Start time: 07:07:30 PM, 19 July 2023)

Total Marks: 1

Agents erroneously spend more than they should, because:

Sana Sheikh
03134385944

Select the correct option

☐	Government driven actual inflation in period $t-1$ as expected in period t
☐	Government is not driven actual inflation in period t as expected in period $t-1$
☒	Government driven actual inflation in period t as expected in period $t-1$
☐	None of the given options is true



Click to Save Answer & Move to Next Question

Sana Sheikh
03134385944

Select the correct option

☐ Increasing poverty

☒ Low level of growth of exports

☐ High level of infrastructural growth

☐ Low level of FDI

Purchasing Power Parity implies that an organization can trade goods and services of an economy to another economy on the basis of:

Sana Sheikh
03134385944

Select the correct option

- | | |
|----------------------------------|---------------------------------|
| ☐ | Gross domestic product |
| ☐ | Gross national product |
| ☒ | Real effective exchange rate |
| ☐ | Nominal effective exchange rate |

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The act of reducing the price of one country's currency in terms of other currencies by the government is known as:

Sana Sheikh

03134385944

Select the correct option

☐ Depreciation

☐ Appreciation

☐ Revaluation

☒ Devaluation



Click to Save Answer & Move to Next Question

Sana Sheikh
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Select the correct option

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Gross domestic product can be:

Sana Sheikh

03134385944

Select the correct option

☐ Negative

☐ All are true

☐ Zero

☒ Positive



Click to Save Answer & Move to Next Question

Potential GDP is an estimate of the economy's ability to produce goods and services if:

Sana Sheikh

03134385944

Select the correct option



Labor force is fully employed.



Price level is stable.



Trade balance is zero.



Federal budget is balanced.



Click to Save Answer & Move to Next Question

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