

Quiz 1

ANSWERS

1. The correct answer is d. We did this on the first day of classes in conjunction with 1A.
2. This is almost identical to question 10 in the textbook on p. 41. The answer is on reserve at the Library.
3. The correct answer is b. We did this in class. It's also covered in chapter 3.
4. We did this in class when I introduced the structure of a balance sheet.
5. This is almost identical to question 3 on p. 39 of the textbook. The answer is on reserve at the Library.
6. We did a version of this in class. The correct answers are 163.3 and 3.86%.
7. We did a version of this in class. The correct answer is \$1,216.65.
8. We did this in class. An example for (a) would be a U.S.-made military tank; for (b) it would be an iPhone imported from China and bought by a U.S. consumer.
9. We did a similar version of this in class.
10. I walked you through a similar question (number 2, p. 65 of the textbook) in class. The answers are: (a) 4000, (b) no change in the *level* of inventories because demand for goods and services, Z , is equal to Y , (c) 260 [for the equation for personal saving see p. 62 of the textbook], (d) 10, (e) 40; the Secretary of the Treasury issues, and sells, \$40 worth of new bonds.
11. (a) This is based on question 5, p 65, of the textbook. (b) This is based on question 8, p. 66 of the textbook. I walked you through both in class. The answers to (a) and (b) are on reserve at the Library.
12. We thoroughly covered this in class. $\Delta M^s = +2000$.



Statistical Report for Quiz 1 Grades

100	84	67
100	83	65
96	82	64
95	82	60
95	80	53
93	80	49
91	80	49
89	77	48
88	75	40
88	69	32
87	68	31
85	67	26



