



Name: .....

**Q1/ Define the followings items:**

- 1- Macroeconomics    2- nominal exchange rate    3- Interest rate (9 Marks)

**Q2/ Choose the correct answer from each of the following items:**

(10Marks)

1	..... is defined as the money value of all the final goods and services produced in an economy during an accounting period of time, generally one year.	A) Imports	B) National income
		C) Exports	D) Nondurable goods
2	$(X-M)$ =difference between spending on imports and receipts from export is .....	A) Wealth Effect	B) real interest rate
		C) nominal interest rate	D) Balance of Payment
3	..... consists of economic rules and principles in making decisions under certain conditions.	A) Economic theory	B) Economic policies
		C) Economic Model	D) nominal interest rate
4	..... are actions taken by government to influence economic actions.	A) Exchange-Rate Effect	B) Interest-Rate Effect
		C) Economic Model	D) Economic policies
5	..... are goods produced by one firm for use in further processing by another firm.	A) Durable goods	B) Nondurable goods
		C) Intermediate goods	D) Final goods

**Q3/ If you have the following information,** The Volume of automatic consumption (5) units and the volume of automatic investment (20) units and government expenditure (5) units and rate of tax (0.2) units and the marginal propensity to consumption (0.5) units.    (11 Marks)

The requested are:

- 1- Find the equilibrium of National income for (Income, Consumption and Tax)?
- 2- Find the multiplier of (Income, Consumption and Tax)?

Good luck