**TUTORIAL**

**CHAPTER 5: MONEY AND MONETARY POLICY**

**QUESTION 1**

“The methods used to measure money supply are called M1, M2 and M3.” Define M1, M2 and M3. **(7 marks)**

**QUESTION 2**

List the **THREE (3)** motives according to Keynes theory regarding the demand for cash in economy.

 (3 marks)

**QUESTION 3**

A banking institution includes all financial institutions that accept current deposit. Describe banking institution in Malaysia and give examples.

 **(8 marks)**

**QUESTION 4**

A central bank performs so many functions. Briefly discuss **FOUR (4)** functions of the central bank. **(8 marks)**

**TUTORIAL**

**CHAPTER 6: INFLATION AND UNEMPLOYMENT**

**QUESTION 1**

There are a few characteristics or features of Business Cycle. List those **FIVE** **(5)** of the features. **(5 marks)**

**QUESTION 2**

1. Define the following terms which relate to unemployment :
2. Unemployment **(2 marks)**
3. Discouraged Worker **(2 marks)**
4. Underemployment **(2 marks)**

**QUESTION 3**

How the unemployment affects individuals or society in terms of loss of income and self respect and loss of job skills? **(10 marks)**

**TUTORIAL**

**CHAPTER 7: INTERNATIONAL TRADE**

**QUESTION 1**

List **TWO (2)** disadvantages of having international trade

 **(2 marks)**

**QUESTION 2**

Define the Balance of Payment (BOP) and list **THREE (3)** major components in the BOP

 **(5 marks)**

**QUESTION 3**

Differentiate between a fixed exchange rate and floating exchange rate

 **(6 marks)**

**QUESTION 4**

“Protectionism is practiced only in the international trade where many countries want to protect their local industries from foreign competition.”

1. Define of international trade

**(2 marks)**

1. Describe any **THREE (3)** reasons for protectionism

**(6 marks)**

1. Analyze any **FOUR (4)** tools of protectionism policy

**(16 marks)**