**Mekdla Amba University College of Natural and computational science**

**Department of Statistics**

**Attention!! Submission date March, 25/2012**

Individual Assignment

1. What are the objectives of macroeconomics?
2. Discuss about the instruments that enables the government to attain its objectives.
3. Discuss briefly about the four types of unemployment?
4. What are the causes and effects of inflation?
5. How macroeconomics Evolve through time?
6. Define the following terms?
7. GDP
8. GNP
9. Hyper inflation
10. Deflation
11. GDP gap
12. Business cycle
13. Balance of payment
14. National income account
15. Why should the aggregate final expenditure of an economy be equal to the aggregate factor payments? Explain.
16. Consider an economy that produces and consumes bread and automobiles. In the following table are data for two different years.

|  |  |  |
| --- | --- | --- |
| **Year** | **2000** | **2013** |
| Price of Automobile | Birr 60,000 | Birr 160,000 |
| Price of Loaf of bread | Birr 10 | Birr 20 |
| No\_ of Automobile produced | 200 | 300 |
| No of loaves of bread produced | 500,000 | 400,000 |

Using the year 2000 as the base year, compute the following statistics for each year:

1. Nominal GDP
2. Real GDP,
3. The implicit price deflator for GDP, and
4. The fixed-weight price index or CPI.