Q 1: Which of the following is NOT a function of money?

A. It is a means of production.

B. It is a unit of account.

C. It is a store of value.

D. It is a medium of exchange.

Q 2: A household spends money on _ and in exchange sells _ to firms.

A. Imports and exports; taxes and transfers

B. Goods and services; revenue

C. Goods and services; factors of production

D. Bonds; stocks

Q 3: Investment is

A. when we place our saving in the bank.

B. the purchase of capital equipment and structures.

C. the purchase of goods and services.

D. the purchase of stocks and bonds.

Q 4: Real GDP is measured in _ prices while nominal GDP is measured in _ prices.

A. base year; current year

B. foreign; domestic

C. domestic; foreign

D. current year; base year

Q 5: Suppose we know that gross domestic product (GDP) is $10, 000 and that consumption spending is $7000, investment spending is $1500, and government spending is $2500. We can determine that

A. Net exports are equal to $1000

B. Export spending is $1000 and import spending is $0

C. Export spending is $1000 and import spending is $1000

D. Net exports are equal to -$1000

Q 6: In a specified period of time, a nation's gross domestic product (GDP) is the

A. Total value of government spending, minus taxes collected

B. Total value of all final goods and services produced by a nation's citizens, regardless their geographic location

C. Total value of all final goods and services produced within the nation's borders

D. Total value of all intermediate goods and services produced within the nation's borders

Q 7: The labor force is best defined as

A. The ratio of unemployed persons to employed persons

B. The total number of employed persons plus the total number of unemployed persons

C. The total number of employed persons
D. The ratio of employed persons to unemployed persons

Q 8: A laptop computer purchased by you is _, and the same laptop computer purchased by the Vietnamese Ministry of Agriculture and Rural Develpoment is _.
A. Import spending; export spending
B. Consumption spending; government spending
C. Consumption spending; investment spending
D. Consumption spending; consumption spending

Q 9: Which of the following would be excluded from GDP of Vietnam for 2024? The sale of
A. the value of a lawyer's services.
B. a home built in 2023 and first sold in 2024.
C. a 2024 Honda made in Vietnam.
D. a haircut.

Q 10: Of all of the following that could be used as money, which would be most likely to be characterized as fiat money?
A. chocolate bars
B. salt
C.
D.

Q 18: Contractionary fiscal policy includes the decision to..........government expenditures and to..........tax revenues.
A. decrease; decrease
B. increase; decrease
C. decrease; increase
D. increase; increase

Q 19: Which of the following is a part of M1?
A. demand deposits.
B. currency and demand deposits.
C. savings deposits.
D. currency.

Q 20: If the marginal propensity to consume MPC is 0.75, the value of the multiplier is
A. 4
B. 0.75
C. 7.5
D. 5

Part 2 : Problems Solving (60 points)

Problem 1:

The data of Country as follows:

Year	Vehicle Price ($)	Vehicle Quantity	Bread Price ($)	Bread Quantity	Tablet Price ($)	Tablet Quantity
2023	31,000	300	3.0	6000	220	2000
2024	32,000	320	3.5	7000	225	2200

a. Compute nominal GDP of 2023 and 2024?

b. Compute real GDP of 2024 and its growth rae, using 2023 as the base year?

Problem 2:

The data of the simple economy as follows: C_0 = 150; mpc = 60%; I_0 = 420.

- Construct aggregate demand function and find the equilibrium output/income? Using diagram to support your answer.
- Calculate equilibrium output by using Saving-Investment method? Show related diagram to support your answer.

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