

INTERNATIONAL MONETARY SYSTEM (Ch 19)

A. EXCHANGE RATES (fc/dc)

B. D, S of Domestic, Foreign Currencies

1. Market Determination
2. Shifts of D, S for fc

C. FACTORS AFFECTING FC/DC

1. Short Time Period
2. Medium Time Period
3. Long Time Period
4. Composite Effects

D. FIXED FC/DC [READING]

E. BALANCE OF PAYMENTS (BofP)

1. Statement
2. Significance of Trade, Capital Account Deficits, Surpluses

F. FIXED AND FLOATING FC/DC

1. Gold Standard
2. Transition to Floating FC/DC
3. Factors Affecting Floating fc/dc
4. Recent Trends in US fc/dc