**Agricultural Economics 2350**

**Introduction to the Economics of Developing Countries –**

**Exchange Rates and Net Exports**

**DUE November 22 !!!!!!!!!!!**

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Pick a country that qualifies as “low” or “middle income” by the World Bank’s definitions and answer the following questions:

1. What are top 4 exports of this country in value terms (US Dollars)?

2. What share of total exports do they represent?

3. What is growth rate of total exports?

4. What are top 4 imports of this country in value terms?

5. What share of total imports do they represent?

6. What is growth rate of total imports?

7. What are net exports over the past 20-30 years (X-M)?

8. What has inflation (CPI is OK) done over the past 20-30 years?

9. What has the exchange rate vis a vis the dollar or euro or yen done over the past 20-30 years?

10. What has the real exchange rate done over the past 20-30 years? Use the following for the real exchange rate: e.g (pesos/dollar)/(CPIMEX/CPIUS)

11. Plot the real exchange rate and net exports on the same graph. Any pattern?