

Basic Questions to Lecture 3

1. Go to <https://tradingeconomics.com/taiwan/indicators> and look for the graph of **Annual GDP Growth**. Explain what has happened during the last 20 years to Taiwan's annual GDP growth rate. Set the period as 1998 – 2018. Change to column view. Look at positive peaks and negative troughs in real economic growth. Are you optimistic about Taiwan's future growth?
2. Go to <https://tradingeconomics.com/taiwan/indicators> and look for the graph of **Unemployment Rate**. Define the unemployment rate. Explain what has happened during the last 20 years to Taiwan's unemployment rate. Look at the peaks and troughs. Are you optimistic about the unemployment rate?
3. Look at the **Youth Unemployment Rate** in Taiwan during 1998-2018 and make some general descriptive comments. Are you optimistic about this variable in the future?
4. What is the definition of the **Labor Force Participation Rate** in Taiwan. Look at its graph over the period 1998-2018. Briefly describe the time series and draw some general conclusions.
5. Turning now to inflation. Define **Inflation** and consider the graph of inflation in Taiwan 1998-2018. Briefly describe the time series and draw some general conclusions. Is inflation a very costly variable? When does inflation become a dangerous phenomenon?
6. Under Markets find **Currency**, which is the price of the USD in terms of NTD. Draw the graph 1998-2018. Briefly describe the time series and draw some general conclusions. Is the NTD rising or falling in value relative to the USD over this 20-year period?
7. Consider the **Interest Rate on the Ten-Year Bond** in Taiwan 1998-2018. Briefly describe the time series and draw some general conclusions. Why are interest rates so low? How might this affect the economy?
8. Look at **Consumer Confidence** in Taiwan 1998-2018. Briefly describe the time series and draw some general conclusions. Are consumers optimistic about Taiwan or not?
9. Consider Taiwan's **Government Budget** (as a % of GDP) from 1998-2018. Briefly describe the time series and draw some general conclusions. When was the deficit largest as a % of GDP? Can you explain why this occurred?
10. Look at the **Housing Index** in Taiwan during 1998-2018. What is the definition of Housing Index? Briefly describe the time series and draw some general conclusions. Is it a good time to buy a house?