

# AQA Economics A-level

## Macroeconomics

### Topic 1 - The Measurement of Macroeconomic Performance

#### Flashcards

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# Availability of credit



# Availability of credit

Funds available for firms and households to borrow.



# Base year



# Base year

The first year in an economic or financial index



# Black (informal, shadow) market



# Black (informal, shadow) market

Economic activities that occurs beneath the government's radar



# Claimant count





# Claimant count

A method of measuring unemployment by counting all of those who claim the Jobseekers Allowance and other unemployment related benefits.



# Consumer prices index (CPI)



# Consumer prices index (CPI)

Official measure used to calculate the rate of consumer price inflation, using a basket of common goods.



# Credit crunch



# Credit crunch

Occurs when there is low availability of credit in the economy.



# Economic shock



# Economic shock

Unexpected events and their effects on economies; may be demand side or supply side.



# Exchange rate





# Exchange rate

Market value of all products produced per annum by the labour and property supplied by the citizens of one country



# Exports



# Exports

Domestically produced goods and services sold to residents of other countries.



# Full employment



# Full employment

All those willing and able to work are able to find jobs.



# Gross National Income (GNI)



# Gross National Income (GNI)

Sum of value added by all producers who reside in a nation, plus product taxes not included in the value of output, plus receipts of primary income from abroad.



# Gross National Product (GNP)





# Gross National Product (GNP)

Market value of all products produced per annum by the labour and property supplied by the citizens of one country.



# Imports



# Imports

Non-domestically produced goods and services sold to residents of this country.



# Index numbers



# Index numbers

Numbers allowing accurate comparisons over time to be made. The base year value is typically 100.



# Inflation rate target



# Inflation rate target

The CPI inflation rate target set by the government, which the Bank of England attempts to achieve; currently 2%.



# Job Seeker's Allowance (JSA)





# Job Seeker's Allowance (JSA)

Unemployment-related benefit.



# Labour Force Survey



# Labour Force Survey

A quarterly survey of UK households, recording information on the personal employment circumstances of the respondents.



# Liquidity



# Liquidity

The ease with which an asset can be turned into cash without loss or delay.



# Macroeconomics



# Macroeconomics

Involves the study of the whole economy at the aggregate level.



# Macroeconomic stability





# Macroeconomic stability

Occurs when there is low volatility of key macroeconomic indicators.



# Marginal propensity to consume (MPC)



# Marginal propensity to consume (MPC)

The proportion of an increase in disposable income that is spent on consumer goods.



# National wealth



# National wealth

The stock of all goods with value in an economy.



# Per capita



# Per capita

Per person/ per head.



# Performance indicator





# Performance indicator

Provides information used to judge success or failure of a government policy.



# Policy instrument



# Policy instrument

Tool or set of tools used to try and meet a policy objective.



# Policy objective



# Policy objective

Target or goal policy-makers aim to hit.



# Price index



# Price index

An index number showing the extent to which a set of prices has changed in comparison to the prices in the base year.



# Purchasing Power Parity (PPP)





# Purchasing Power Parity (PPP)

Adjustments of exchange rates to reflect the actual purchasing power of a currency.



# Retail prices index (RPI)



# Retail prices index (RPI)

An older measure used to calculate the rate of consumer price inflation.



# Wealth



# Wealth

## Stock of assets.



# Weighting



# Weighting

When certain data items in a set are assigned a higher or lower importance than other data items in the set.

