

Name _____

Date _____

Balance of Payments (BOP) Assessment Worksheet

For each question, complete the blank or circle the correct answer.

1. In 2000, net exports were -375.7, net investment income was -14.9 and net transfers were -54.1. What was the balance of the current account? _____
2. In 2001, exports for the United States was 720.8 billion and imports were -1,147.4 billion. How much is net exports? _____
3. In 1980, the United States had net exports of -19.4 billion, investment income of 30.1 billion and transfer payments of -8.2 billion. Did the U. S. have a current account surplus or deficit?
4. Circle one: If a country is running a Current Account deficit, the Capital Account must be a (deficit/surplus).
5. If Alpha buys stock in a corporation in Omega, which account, Current or Capital, would the transaction be recorded?
6. When Alpha imports cheese from Omega, how is the transaction recorded for Alpha. Is it a debit or a credit?
7. If Omega has a Current Account surplus of \$100, Omega's Capital account must equal _____?
8. How is the trade balance calculated? _____
9. Circle the answer that completes the statement: Some residents of Alpha send money to charities in Omega. This transaction would be recorded as a debit to transfers (to the world/from the world).
10. TRUE or FALSE. Alpha has an underground market in illegal drugs. Because these activities are not reported on the balance of payments, the Current and Capital account would not balance.