



***“Investing in Africa’s future”***

**COLLEGE OF BUSINESS PEACE LEADERSHIP GOVERNANCE (CBPLG)**

**NMEC402: INTERNATIONAL ECONOMICS**

**END OF SECOND SEMESTER EXAMINATIONS**

**MAY 2020**

**LECTURER: MR. GABRIEL MUZAH**

**DURATION: 3 HRS**

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**INSTRUCTIONS**

- The paper contains only two (3) questions.
  - Answer only **ONE** question
  - Africa University will check all submitted final exams for plagiarism, excessive referencing and for exams which are identical or in which evidence of copying is apparent. Failing to acknowledge and cite other people’s work or ideas, close paraphrasing, using passages verbatim without referencing, extreme referencing (without any original work done by the student), and copying other students’ work is considered academic dishonesty by AU
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**Question 1:**

The trade balance is the net sum of a country's exports and imports of goods without taking into account all financial transfers, investments and other financial components. A country's trade balance is positive (meaning that it registers a surplus) if the value of exports exceeds the value of imports.

Discuss a 10-year trade balance analysis of a selected country and examine the import and export trends.

**[50 Marks]**

**Question 2:**

With reference to Zimbabwe's macroeconomic policies (fiscal and monetary) discuss their impact on the country's balance of payments.

**[50 Marks]**

**Question 3:**

- a) Discuss the effectiveness of Zimbabwe's Foreign Exchange Auction System.

**[25 Marks]**

- b) Discuss a 10-year trade balance analysis of Zimbabwe and examine the import and export trends.

**[25 Marks]**

**END OF EXAMINATION**

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