**Assignment for B. A. Fourth Semester Economics**

**Principles of Macroeconomics-II Course Code: CR -ECO-IV**

**Attempt Any Four (04) Questions and Questions carry equal weightage**

**Unit-I**

1. What are IS and LM curves? Derive IS and LM curves graphically?

2. Define aggregate demand? Discuss aggregate demand with the help of IS and LM

curves?

**Unit-II**

3. Define inflation. What are the various types of inflation? Explain the various factors behind the phenomenon of inflation?

4. There is a trade- off between inflation and unemployment. Discuss?

**Unit-III**

5. Discuss the various factors responsible for shift in aggregate demand curve?

6. Explain short run and long run supply curves diagrammatically?

**Unit-IV**

7. Define balance of payments? Differentiate between current account and capital account?

8. What is a foreign exchange market? How is foreign exchange rate determined?