

THE HONG KONG POLYTECHNIC UNIVERSITY
HONG KONG COMMUNITY COLLEGE

Subject Title : Introduction to Economics

Subject Code : CCN2002

Session : Semester Two, 2017/18

Numerical Answers

Question C1

(c)(i) Net domestic product at factor cost: \$10,830 million
Gross Domestic Product (GDP) at market price: \$11,610 million

(c)(ii) Statistical discrepancy: -\$1,030million

Question C2

(a)

Year	Working Age Population	Labor Force	Unemployment rate (%)
2014	223,357	147,401	5.53%
2015	227,083	149,321	5.08%
2016	227,815	149,428	4.69%
2017	232,868	152,125	4.65%

(c)(i) Money Supply (M1): \$4,500 billion

(c)(ii) Maximum money supply (M1) : \$6,500 billion

Question D2

(a)(ii) The total profit is \$200,000.

(c) Economic profit of Jackson's accounting firm: – \$328,000 (Economic Loss)