

- | | | | |
|------------------------|----|------------------------|----|
| 8. ANS: D | PT | 1. ANS: A | PT |
| SKL: Critical Thinking | | SKL: Definitional | |
| 9. ANS: C | PT | 2. ANS: B | PT |
| SKL: Definitional | | SKL: Critical Thinking | |
| 10. ANS: E | PT | 3. ANS: D | PT |
| SKL: Critical Thinking | | SKL: Fact-Based | |
| 11. ANS: D | PT | 4. ANS: B | PT |
| SKL: Critical Thinking | | SKL: Concept-Based | |
| 12. ANS: A | PT | 5. ANS: B | PT |
| SKL: Critical Thinking | | SKL: Critical Thinking | |
| 13. ANS: A | PT | 6. ANS: A | PT |
| SKL: Analytical Thinki | | SKL: Concept-Based | |
| 14. ANS: D | PT | 7. ANS: C | PT |
| SKL: Definitional | | SKL: Critical Thinking | |

#7 US: current account deficit
 imports > exports
 \$ flowing to Japan
 → buy US bonds,
 US companies would incur a liability

Asset / liability.
 A sells asset to B.
 B has an asset
 A has a liability
 ⇒ A has obligation to pay back the liability in future.
 A is a corporation
 A could sell bonds to B.

