

Australian economy and you need to understand the causes of changes in their value, along with potential economic effects of those changes.

- When identifying information from data found in articles, tables and graphs, ensure that all aspects of the required information are stated in your answer. That is, if the answer is 'less than 2 per cent' then '2 per cent' is incorrect.

Advice for teachers

- When covering the economic skills component of the syllabus, ensure that students pay particular attention to the mathematical techniques and micro and macroeconomic models listed in the syllabus.
- A sound understanding of recent (the last ten years) trends in Australia's current account, terms of trade, exchange rate, foreign direct investment and foreign debt is vital for students to be able to fully respond to data interpretation/short answer and extended answer questions.
- A sound understanding of contemporary (the last three years) fiscal and monetary policy stances is vital for students to be able to fully respond to data interpretation/short answer and extended answer questions.

Comments on specific sections and questions

Section One: Multiple-choice (24 Marks)

Section One had the highest mean (68.58%) of the three sections on the paper. Candidates found Questions 4 and 13 to be the easiest and Questions 9, 15 and 22 to be the most difficult.

Section Two: Data interpretation/Short answer (36 Marks)

This section of the paper consisted of three questions, all of which were required to be answered. The three questions each had a mean of close to 60%, indicating that the questions were of similar difficulty.

Section Three: Extended answer (40 Marks)

In this section of the paper candidates were required to provide an extended answer to two of four questions provided. Very few candidates attempted Question 29 (just over 11%) possibly because it was focused on the trade weighted index (TWI), a topic that is relatively new in the syllabus.