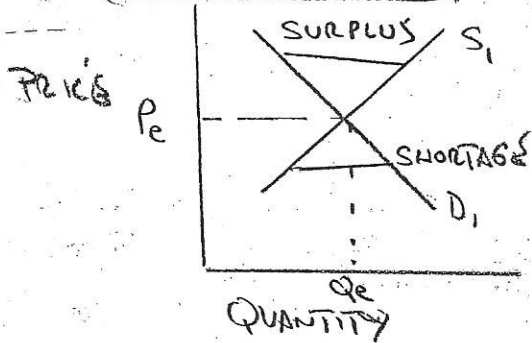
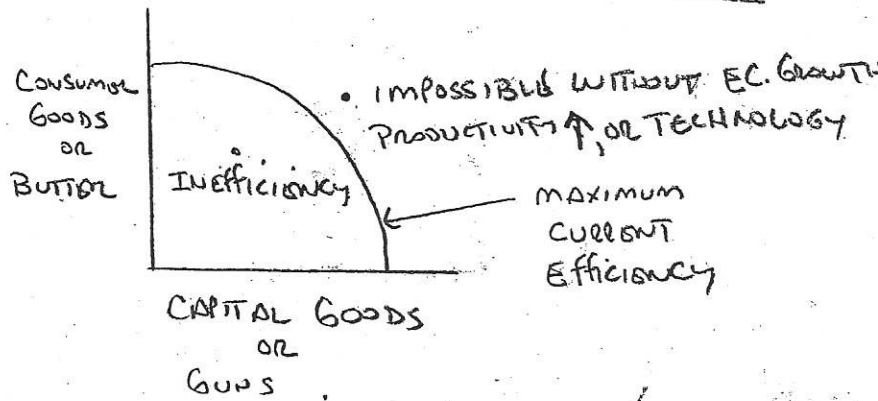


GRAPHS & FORMULAS FOR A.P. EXAM

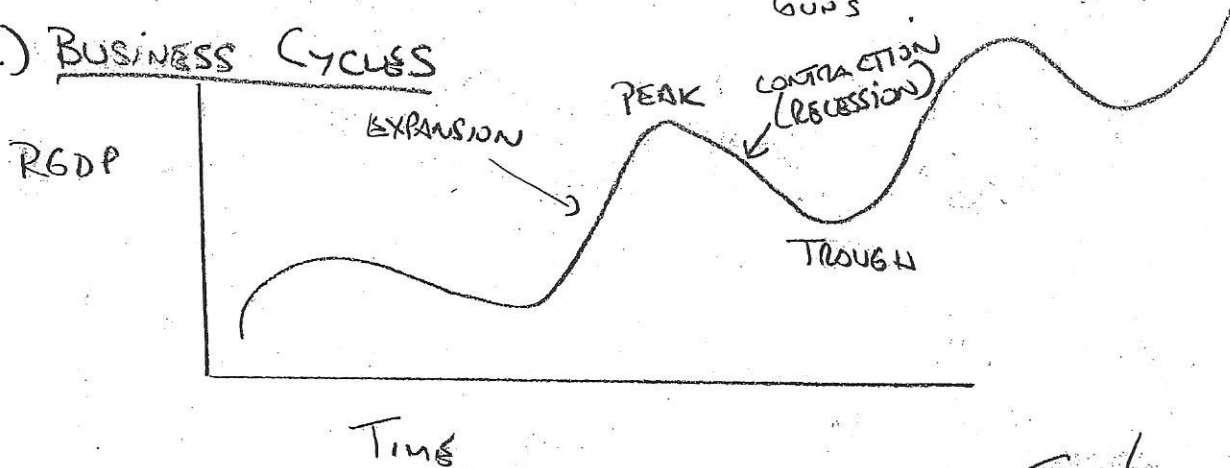
1.) SUPPLY & DEMAND



2.) PRODUCTION POSSIBILITIES CURVE



3.) BUSINESS CYCLES

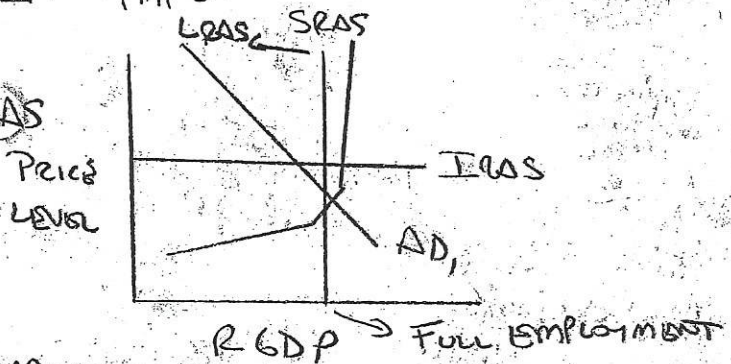


4.) Real Gross Domestic Product = C_t (consumption) + I_g (Gross Private Domestic Investment) + G (Govt Purchases) + X_{net} (Exports - Imports)

5.) SPENDING MULTIPLIER = $\frac{1}{MPS}$ (Marginal Prop. to Save) or $\frac{1}{1-MPC}$

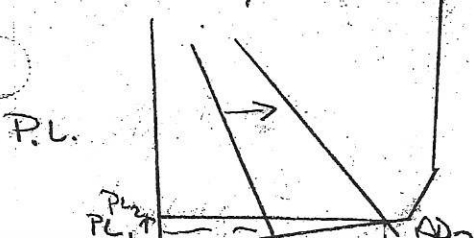
6.) AD/AS CURVES

- IMMEDIATE RUN (IRAS)
- LONG RUN (LRAS)

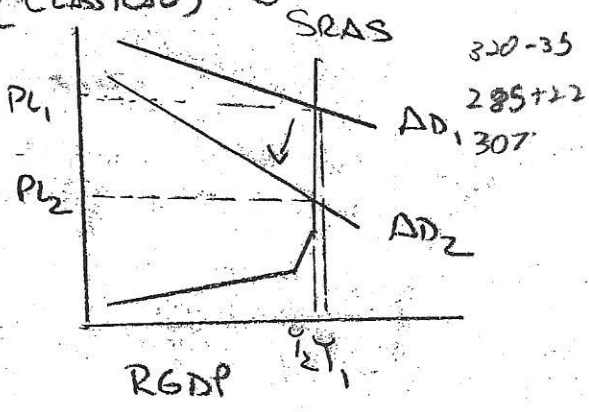


7.) AD/AS CURVES

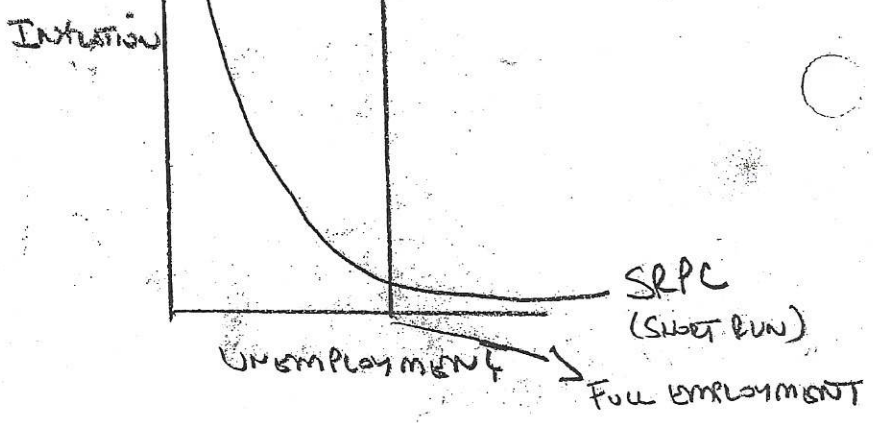
- RECESSION w/ EXPANSIONARY Policy
- SRAS (KEYNESIAN)



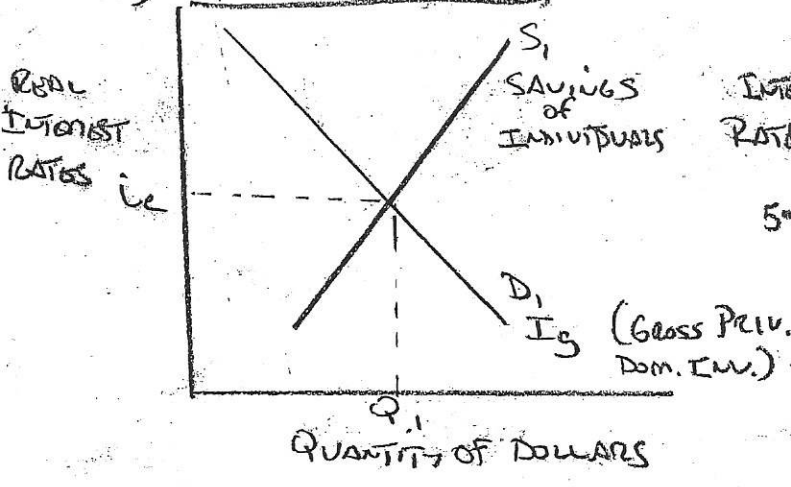
8.) AD/AS CURVE
CONTRACTOR (INFLATION)
(CLASSICAL)



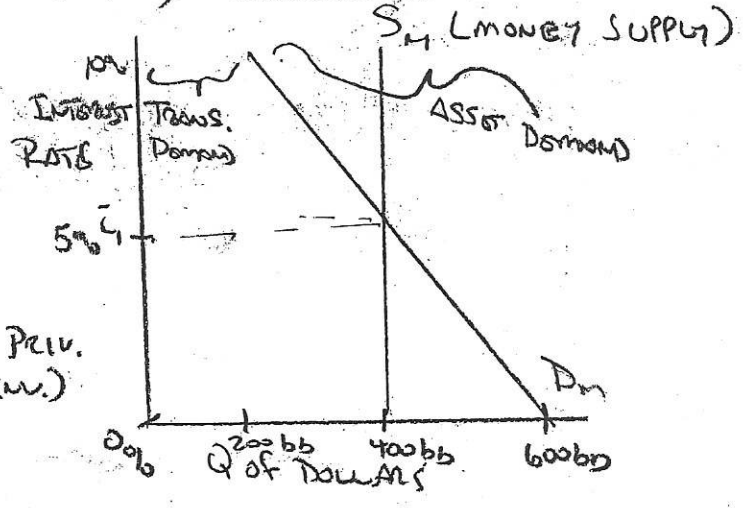
9.) PHILLIPS CURVE
LRPC (LONG RUN)
SRPC (SHORT RUN)



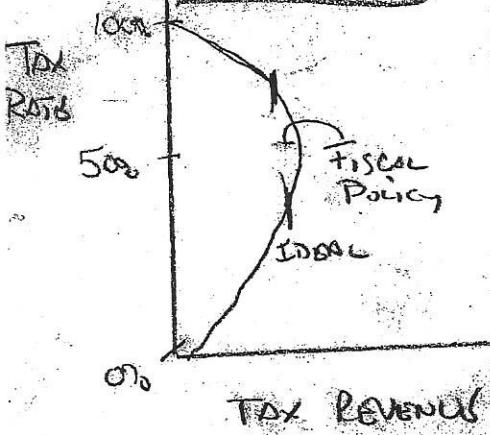
9.) LOANABLE FUNDS MKT



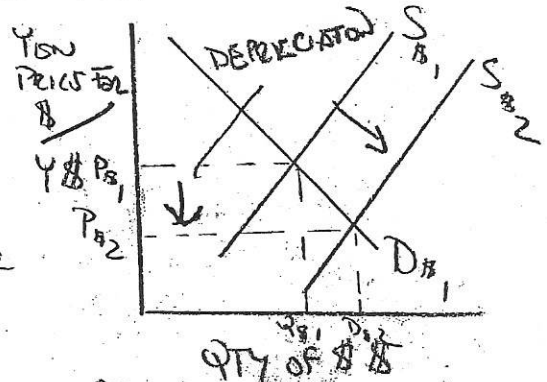
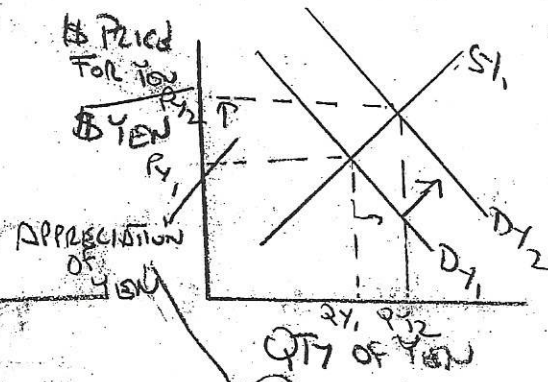
10.) MONEY MARKET



11.) LAFFER CURVE



12.) CURRENCY EXCHANGE -
Problem -> U.S. BUYING JAPANESE CARS



APPRECIATION STRONG YEN
Imports Increased
Trade Deficit
AD ↓
RGDP ↓

DEPRECIATED & WEAK \$
Exports Increased
Trade Surplus
AD ↑
RGDP ↑

13. COMPARATIVE ADVANTAGE

