

YLIOPISTOTENTTI - UNIVERSITY EXAM

Opiskelijan nimi / Student name:	Opiskelijanumero / Student number:
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Opettaja täyttää / Lecturer fills in:

Opintojakson koodi and nimi / The code and the name of the course: Koodi / Code 721317S Tentin nimi / Exam name International Macroeconomics	
Tiedekunta / Faculty:	OBS
Tentin pvm / Date of exam: 20.2.2018	Tentin kesto tunteina / Exam in hours: 3 h
Tentaattori(t) / Examiner(s): Marko Korhonen	Opintopistemäärä / Credit units: 6 Sisäinen postios. / Internal address: 6 OyKKK
Sallitut apuvälineet / The devices allowed in the exam: <input type="checkbox"/> Funktiolaskin / Scientific calculator <input type="checkbox"/> Ohjelmoitava laskin / Programmable calculator <input type="checkbox"/> Muu materiaali, tarkennettu alla / Other material, specified below:	
Tenttiin vastaaminen / Please answer the questions: <input checked="" type="checkbox"/> Suomeksi / in Finnish <input checked="" type="checkbox"/> Englanniksi / in English <p>Suomenkielisessä tutkinto-ohjelmassa olevalla opiskelijalla on oikeus käyttää arvioitavassa opintosuorituksessa suomen kieltä, vaikka opintojakson opetuskieli olisi englanti. Tämä ei koske vieraan kielen opintoja. (Kts. <u>Koulutuksen johtosääntö 18 §</u>)</p> <p>In a Finnish degree programme a student has a right to use Finnish language for their study attainment, even though the language of instruction is English, (excluding language studies) even when the language of instruction is other than Finnish. (See <u>the Education Regulations 18 §</u>)</p>	
Kysymyspaperi on palautettava / Paper with exam questions must be returned: <input checked="" type="checkbox"/> Kyllä / Yes <input type="checkbox"/> Ei / No	

If you have given the student presentation and would like to have the presentation points then answer only questions 1 and 2.

Otherwise, answer all four questions.

1. Answer

- a. Explain briefly the trilemma. (5p)
- b. Give a graphical analysis of Dornbush's overshooting model. Explain. (20p)

2. Answer

- a. What does the current account tell us? (30p)
- b. Define exchange rate pass-through. What is the difference between partial exchange rate pass-through and complete exchange rate pass-through? (20p)

Questions 3 and 4 are related to Paul De Grauwe book "Economics of Monetary Union".

3. The challenge of enlargement of EMU. (25p)
4. Sustainability of government budget deficits. (25p)