



Section 3: Guided Reading and Review

Measuring Trade

A. As You Read

As you read Section 3, supply likely consequences or solutions in the chart.

In Matters of International Trade

<i>If</i>	<i>Then</i>
1. a U.S. tourist wants to buy a newspaper in Beijing	1.
2. you want to learn current exchange rates	2.
3. a strong dollar makes American products more expensive in Japan	3.
4. the dollar is devalued	4.
5. an American firm needs to exchange yen for dollars	5.
6. low labor costs abroad result in lower prices for U.S. imports	6.

B. Reviewing Key Terms

Briefly explain the difference between the terms in each pair.

7. fixed exchange-rate system and flexible exchange-rate system _____

8. trade surplus and trade deficit _____

9. appreciation and depreciation _____
