

2022_DSE_ECONOMICS_Mock Paper I (ANS)

1. A	2. A	3. C	4. B	5. A
6. C	7. A	8. C	9. B	10. C
11. D	12. D	13. C	14. C	15. B
16. A	17. C	18. B	19. C	20. A
21. C	22. C	23. Cancelled	24. A	25. A
26. A	27. B	28. D	29. Cancelled	30. C
31. A	32. B	33. C	34. D	35. C
36. B	37. C	38. B	39. D	40. A/D
41. C	42. D	43. D	44. B	45. A

2022_DSE_ECONOMICS_Mock Paper II (ANS)

1. (a) Nominal interest rate (N) = Realized real interest rate + Actual inflation rate (1 mark)

(b) No, N will be higher than real interest rate (r) only when the expected inflation rate is positive. But the existence of actual inflation does not imply that the inflation is expected.

OR

Yes, because people may expect inflation beforehand and an expected inflation will result in a nominal interest rate being higher than real interest rate.

OR

Yes, because the nominal interest rate will be higher than the realized (actual) real interest rate when there is actual inflation.

[Any one max: 3 marks]

2. - Higher rental costs because suitable premises are scarce and competition for premises would drive up rental costs.
- Higher labour costs because labour in that region becomes scarce and firms are forced to offer higher wages to attract high quality labour.
- Higher transportation costs because the high concentration of business activities in that region may cause traffic congestion.
- Market saturation because advertising become less effective, the marketing costs for boosting sales of new products may become very high.

[Any two max: 4 marks]

3. - Unemployment rate = number of unemployed \div labour force \times 100% (1 mark)
- Unemployed population will remain unchanged (1 mark)
- Labour force will increase (1 mark)
- The unemployment rate will fall (1 mark)

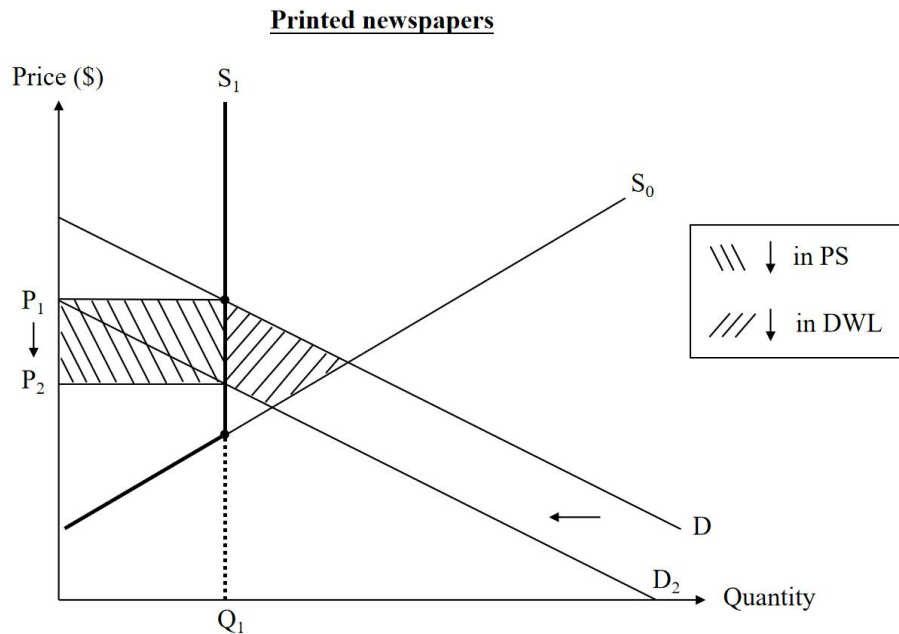
4. - In long run, when general price level increases, aggregate output supplied will remain unchanged. (1 mark)
- The full-employment output level is determined by the quantity and quality of factors of production which is not affected by price level. (1 mark)
- In long run, there is perfect adjustment of input and output prices / input prices are no longer fixed by contracts / price are fully flexible. (1 mark)
- When price level increases, output prices and input prices rise at the same rate, firms no longer find it more profitable to produce more output, aggregate output supplied remains unchanged as price level rises in the long run. (1 mark)

5. (a) Verbal elaboration:

- Yes (1 mark)
- As printed newspaper and electronic newspaper are substitute and demand for printed newspaper fall (1 mark)
- The gap between marginal benefit and marginal cost is narrower (1 mark)

Indicate in the diagram:

- Demand decrease (1 mark)
- Correct position of decrease in deadweight loss (1 mark)



(b) Indicate in the diagram:

- Correct position of decrease in producer surplus (1 mark)

(c) - Negative externality / divergence between private and social cost (1 mark)

- Mass spread of misinformation by printed newspaper publisher ruined the personal image and reputation of the politicians (external cost exist), and the printed newspaper publisher does not compensate to them. (1 mark)

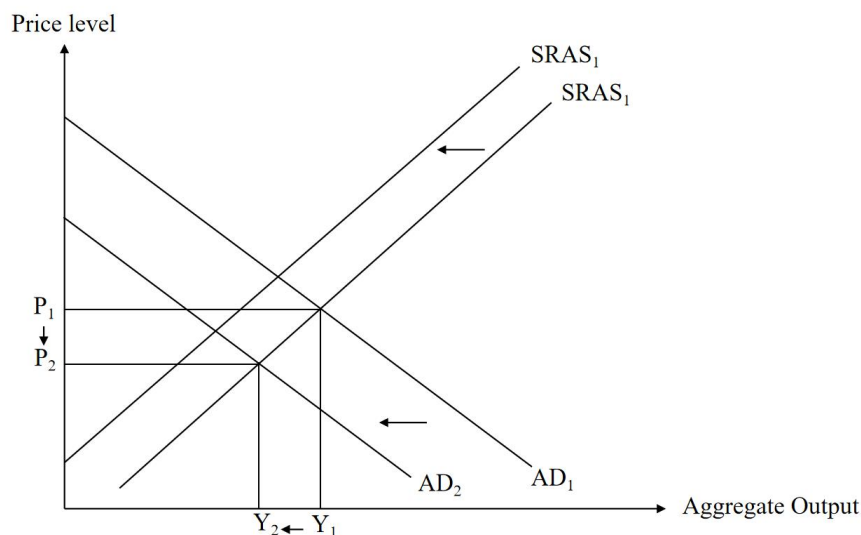
- At that current output, marginal social cost is greater than marginal social benefit, the quantity of fake news/misinformation is higher than the efficiency level. (1 mark)

6. (a) Verbal elaboration:

- Decrease in the export of services as foreign tourists is not allowed to travel abroad (1 mark)
- Aggregate demand decreases as net export falls. (1 mark)
- Short run aggregate supply decreases as firms expected the price level would increase in future (1 mark)
- If the magnitude of decrease in aggregate demand is larger than the decrease in short run aggregate supply, the price level will decrease in the short run. (1 mark)

Indicate in the diagram:

- AD shift leftward (1 mark)
- SRAS shift leftward (1 mark)
- Correct position of P_2 , with a bigger horizontal shift in AD than SRAS (1 mark)



7. (a) - Uncertain.

(1 mark)

- As the amount of resources owned by 2 countries is not given, their productivities can't be determined and compared. (1 mark)

(b) - In Country A, the opportunity cost of producing 1 unit of garment (G)

= $60 / 30 = 2$ units of shoes (S)

(1 mark)

- In Country B, the opportunity cost of producing 1 unit of garment

= $80 / 20 = 4$ units of shoes

(1 mark)

- (c) - No, there will not be mutually beneficial trade between the two countries. (1 mark)
- The range of mutually beneficial terms of trade for 1 unit of garment should lie between 2 units and 4 units of shoes ($2S < 1G < 4S$). (1 mark)
- The total gain from trade for trading 1 unit of garment is 2 units of shoes ($4S - 2S$) (1 mark)
- The transport cost of trading 1 unit of garment between the two countries is 2.2 units of shoes, which exceeds the total gain from trade. (1 mark)

- 8. - Import volume: decrease (1 mark)
- Local consumption: decrease (1 mark)
- Local production: increase (1 mark)
- Government tariff revenue: uncertain (1 mark)

- 9. (a) Division of labour (1 mark)
- Practice makes perfect
- Choose the most suitable persons for the job
- Save time in training

[Any two max: 2 marks]

- (b) Capital (1 mark)
- Because the trucks are man-made resources used in production. (1 mark)

- (ci) Public limited company/ Listed company (1 mark)

- (cii) Advantages: (1 mark)
- Wider sources of capital
- [Mark the FIRST point only.]

Disadvantages:

- Need to disclose the accounting information to public
- Higher risk of being taken over

[Mark the FIRST point only.]

[Any one max: 1 mark]

- (d) - Different services (e.g. some shops may provide better pre-sale / after sale services)
- Different production cost (e.g. more convenient location results in higher rent)
- Imperfect market information (e.g. customer don't know which shop sell at lower price)

[Any one max: 2 marks]

10. (a) - Equalizing opportunities (1 mark)
 - Organization of Youth Internship Programmes can enhance the chance for poor to learn more skills without being hindered by their background. This improves their productivity and increase their future income. (1 mark)
 - Thus, it reduces income inequality over time. (1 mark)

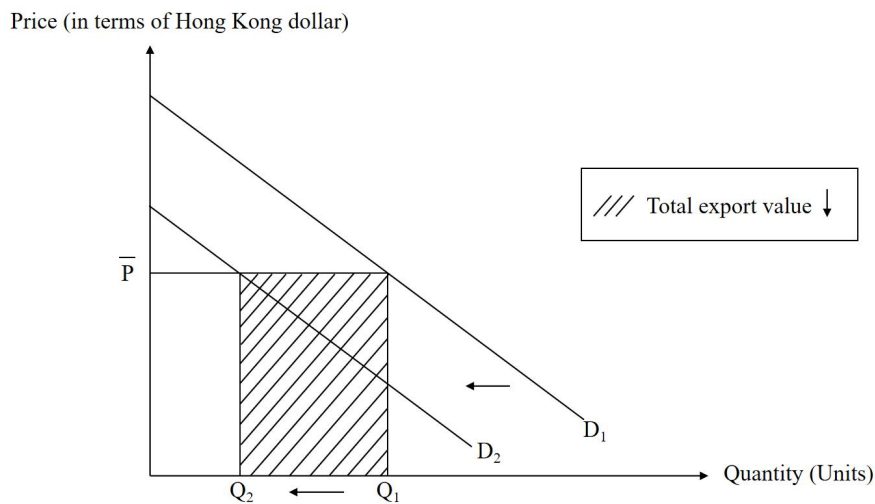
(bi) Negative relationship/ Inversely relationship (1 mark)

(bii) Verbal elaboration:

- USD appreciate against RMB, under the linked exchange rate system, Hong Kong dollars also appreciate against RMB. (1 mark)
- As the price of pearls, precious stones, metals, coins (PPMC) does not change, the PPMC become more expensive (in terms of RMB) and China importers will buy less PPMC. (1 mark)
- The demand for PPMC by China importers decreases. (1 mark)
- Quantity transacted decreases (1 mark)

Indicate in the diagram:

- Demand curve shifts to the left (1 mark)
- A lower quantity transacted (1 mark)
- Area of 'loss in total export value' (1 mark)



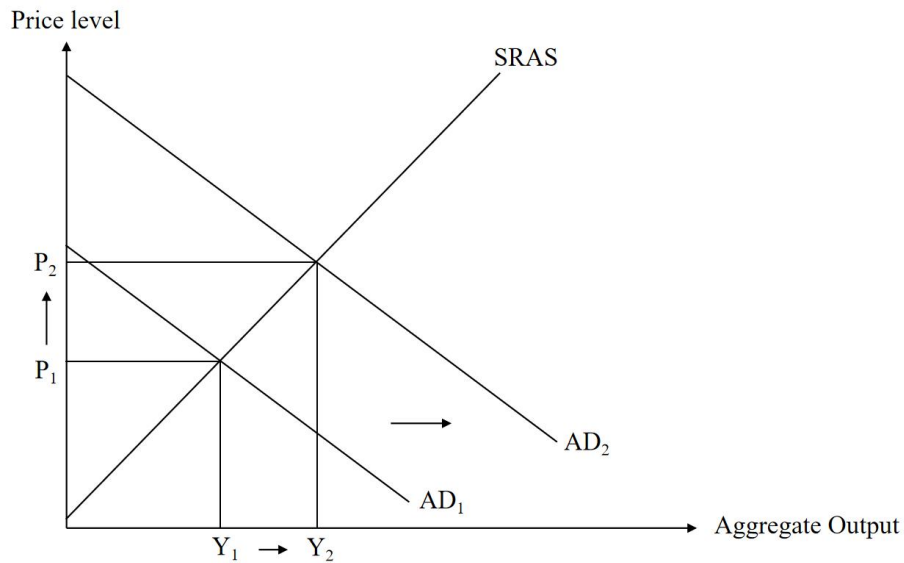
11. (a) - No (1 mark)
- The minimum reserve after withdrawal: $(2100-300) \times 25\% = \450 (1 mark)
 - The actual reserve after withdrawal: $(600-300) = \$300$ (1 mark)
 - Thus, there is \$150 reserve shortage.
- (b) - Old MS: $\$0 + 2100 = \2100 (1 mark)
- New MS: $\$0 + (\$300 \times 1/0.25) = \$1200$ (1 mark)
 - So the maximum possible change in money supply is $\$1200 - \$2100 = -\$900$ (1 mark)
- (c) Withdrawal of deposits:
- Banks have reserve shortage (1 mark)
 - Banks have to recall loan (1 mark)
 - Further withdrawal of deposits (1 mark)
 - The process goes on and on until there are no reserve shortage.
(i.e. the actual reserves are equal to the required reserves) * (1 mark)
- [* This 4th mark will be awarded only if the sequence of the above steps is correct.]
12. (a) - Total cost = Total fixed cost + Total variable cost (1 mark)
- After transforming to online operating mode, the fixed cost (e.g. rental payment) can be saved. (1 mark)
 - The fall in total cost cause online operating mode become more popular (1 mark)
- (b) - Orange (1 mark)
- It represents the value of services provided by the local online shop which is the resident producing units of Hong Kong. (1 mark)
- (c) - Widespread use of electronic payment lowers the transaction demand for money (1 mark)
- Money demand decreases (1 mark)
 - Nominal interest rate falls (1 mark)

(d) Verbal elaboration:

- No (1 mark)
- Drop in interest rate resulting in the rise in consumption & investment expenditure (1 mark)
- Aggregate demand increases. (1 mark)

Indicate in the diagram:

- AD shift rightward (1 mark)
- Rise in aggregate output (1 mark)



(e) Marks award for effective communication (EC: max 2 marks)

Marks	Performance
2	<ul style="list-style-type: none"> ● Supports arguments with the source/data and appropriate economic theories. ● Presents relevant material. ● Presents well-organised and coherent answers without repetition of ideas. ● Uses language that expresses ideas clearly and fluently with appropriate use of words/terms/symbols.
1	<ul style="list-style-type: none"> ● Presents arguments with some support of the source/data and economic theories. ● Present some irrelevant material. ● Presents answers in a less organised way with some repetition. ● Uses language that conveys a clear message with some inappropriate use of words/terms/symbols
0	<ul style="list-style-type: none"> ● Presents arguments with no support of the source/data and economic theories. ● Present material unrelated to the gist of the question. ● Presents inconsistent arguments. ● Express limited ideas with inappropriate use of words/terms/symbols

The maximum marks for content is 12 marks. Answers may include the following:

The owners of local online shop:

- Using electronic payment for the e-commerce transaction can save the time to deposit money into the bank. On the other hand, processing fee is needed for using electronic payment increase the transaction cost. If the time saved outweigh the money cost charged (i.e. processing fee), the owners of local online shop would prefer method II.

Using electronic payment for the e-commerce transaction can reduce the risk of cash being stolen. The owners of local online shop would prefer method II as higher security and lower risk of theft.

The HKSAR government who are concerned about the fiscal condition:

- Greater convenience by using electronic payment may encourage the consumers consume more frequently, the profit of firms increase. This increase the profit tax revenue of the government, and thus improve the fiscal balance in Hong Kong. The HKSAR government would prefer method II

- Greater convenience by using electronic payment for e-commerce transaction may encourage more potential sellers to set up their business in Hong Kong as they think that it is profitable to enter the market, More business registration fee received increase the government tax revenue. This improve the fiscal balance in Hong Kong and method II would be preferred.

The economist who are concerned about the deposit creation ability:

More widespread use of electronic payment causes less cash leakage in the economy, after the increase in actual banking multiplier, it would be closer to the maximum banking multiplier. Thus, it can create more loans with the same amount of reserves. The deposit creation ability increases and method II would be preferred.

Other stakeholders:

Internet service provider: as internet service and electronic payment system are complement. Without internet service, the e-commerce transactions can't be carried out. The rise in demand of e-payment increases the demand for internet service. Therefore, the total revenue of internet service provider rise and method II would be preferred.

Customer: By using electronic payment, customers don't need to use cash for face-to-face transaction, they have lower risk of being infected during pandemic and saved more time to meet with the shop assistant directly. E-payment reduce the transaction cost. The customer would prefer method II.

- (f) - Provide subsidy to the e-commerce owners by government (2 marks)
- Reduce the profits tax rate to attract more firms translate their operating mode (2 marks)
- Exempt the payment of business registration fee to attract more firms translate their operating mode (2 marks)

[Mark the FIRST point only]

1.

(a) 名義利率(N) = 實際通脹率 + 實際實質利率 (1 分)

(b) 不會，因為只有當預期通脹率是正數時，名義利率(N)高於實質利率(r)。實際通脹的出現並不意味著通脹是預期的。

或

會。因為人們可能預期了通脹的出現,而預期通脹會導致名義利率實質利率。

或

會。因為當實際通脹出現，名義利率會高於實際的實質利率。

[任何一項最高：3 分]

2.

- 租金成本較高：由於合適的舖位稀少，對舖位的競爭會推高租金
- 勞工成本較高：由於區內勞工變得稀少，廠商要付較高的工資才能吸納高質素的勞工
- 運輸成本較高：由於商業活動較集中於該地區，可能會引致交通擠塞
- 市場飽和：由於廣告效用下降，促銷新產品的營銷開支可能變得極高

[任何兩項最高：4 分]

3.

失業率 = 失業人口 ÷ 勞動人口 × 100% (1 分)

失業人口維持不變 (1 分)

勞動人口上升 (1 分)

因此失業率會下降 (1 分)

4.

- 在長期，當一般物價水平上升，產出的供應量維持不變 (1 分)

- 充分就業產出水平取決於生產要素的數量和質素，並不是取決於物價水平 (1 分)

- 在長期，投入及產出價格調整完全 / 投入價格不再被合約固定 (1 分)

- 當一般物價水平上升，產出價格和投入價格會上升相同比率，廠商生產更多產出也無利可圖，因此產出的供應量維持不變。 (1 分)

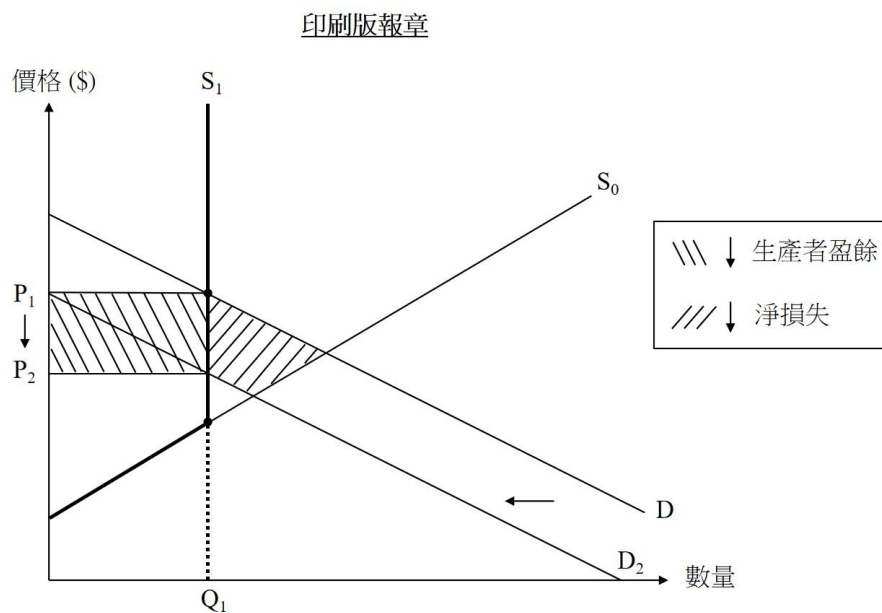
5.

(a) 文字解釋:

- 是 (1 分)
- 由於印刷版報章和電子報章屬代替品，印刷版報章的需求下降 (1 分)
- 邊際利益與邊際成本的差距收窄 (1 分)

在圖上顯示:

- 需求下降 (1 分)
- 淨損失 (DL) 下降的正確位置 (1 分)



(b) 在圖上顯示:

- 生產者盈餘下降的正確位置 (1 分)

(c) - 負面界外影響/私人成本與社會成本出現分歧 (1 分)

- 印刷版報章出版商廣泛散播錯誤資訊破壞了政客的個人形象和聲譽，但報章出版商沒有作出任何賠償（涉及界外成本） (1 分)

- 在該產出，由於邊際社會成本大於邊際社會得益，假新聞和錯誤資訊的數量高於有效率水平。 (1 分)

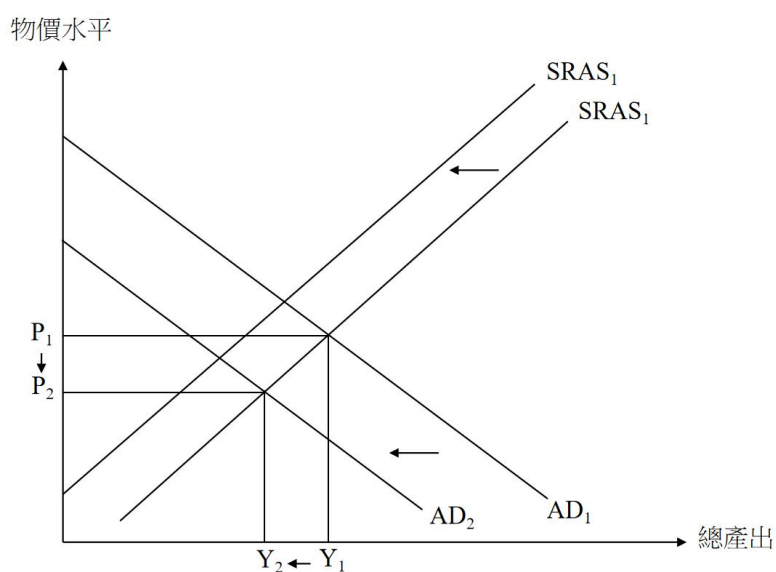
6.

(a) 文字解釋:

- 不允許外國遊客入境會減少服務出口 (1 分)
- 淨出口下跌令總需求下跌 (1 分)
- 企業預計未來物價水平會上升令短期總供應下跌 (1 分)
- 當總需求下跌的幅度大於短期總供應下跌的幅度，物價水平在短期會下降 (1 分)

在圖上顯示:

- 總需求曲線向左移 (1 分)
- 短期總供應曲線向左移 (1 分)
- P_2 的正確位置，總需求的水平移動幅度大於短期總供應 (1 分)



7.

- (a) - 未能判斷 (1 分)
- 因為並不知道兩國擁有的資源數量，故未能找出兩國的生產力作比較。 (1 分)

- (b) - 甲國生產 1 單位成衣的機會成本是 $= 60 / 30 = 2$ 單位鞋 (1 分)
- 乙國生產 1 單位成衣的機會成本是 $= 80 / 20 = 4$ 單位鞋 (1 分)

- (c) - 兩國之間沒有可能進行互惠互利的貿易 (1 分)
- 互惠互利的貿易範圍(以 1 單位成衣計算)應介乎 2 單位至 4 單位鞋之間
($2S < 1G < 4S$). (1 分)
- 兩國交易 1 單位成衣的總貿易得益為 2 單位鞋 ($4S - 2S$) (1 分)
- 兩國交易 1 單位成衣的運輸成本為 2.2 單位鞋，超過總貿易得益 (1 分)

8.
- 進口量：下降 (1 分)
- 本地消費量：下降 (1 分)
- 本地生產量：上升 (1 分)
- 政府的關稅收入：不確定 (1 分)

9.
(a) 分工 (1 分)
- 熟能生巧
- 用最適人選來工作
- 節省員工訓練的時間

[任何兩項最高：2 分]

- (b) - 資本 (1 分)
- 因為這些貨車是人造資源用以協助生產 (1 分)

- (ci) 公眾有限公司 / 上市公司 (1 分)

- (cii) 優點：
- 資金來源較廣 (1 分)
[只批閱首項]

缺點：

- 須向公眾披露會計資料
- 被收購的風險較高
[只批閱首項]

[任何一項最高：1 分]

- (d) - 不同的服務 (例如：有些商店提供較佳的售前或售後服務)
- 不同的生產成本 (例如：位置較佳的商店租金較高)
- 不完全資訊 (例如：顧客不知道哪間商店售價較低)

[任何一項最高：2 分]

10.

- (a) - 機會均等化 (1 分)
- 舉辦青年實習計劃可增加令窮人接受更高教育的機會，不會因為其背景所限制。這改善他們未來的生產力及將來的收入。 (1 分)
- 故此長遠有助收窄收入差距。 (1 分)

(bi) 反比關係 (1 分)

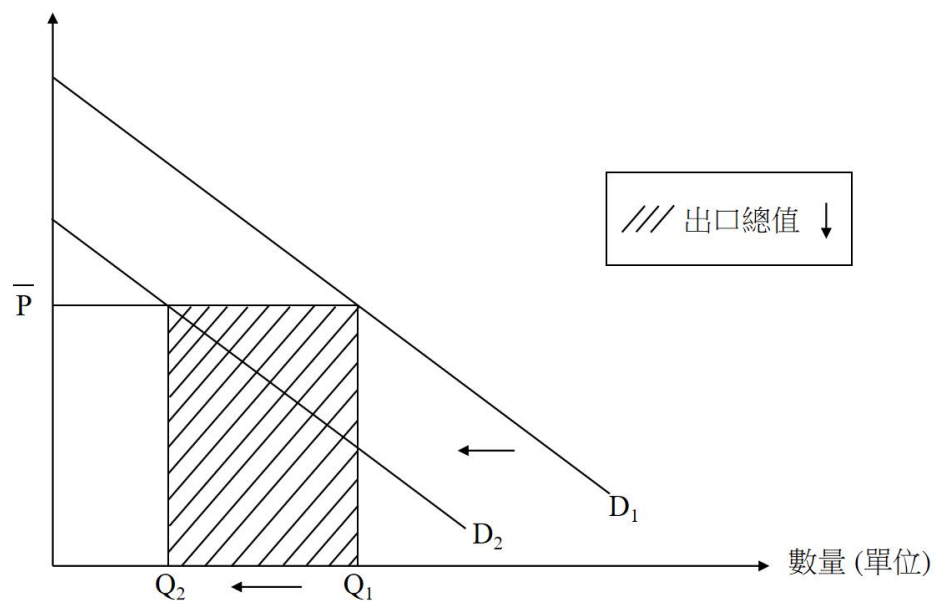
(bii) 文字解釋:

- 美元兌人民幣升值，在聯繫匯率制度下，港元兌人民幣升值 (1 分)
- 珍珠、寶石、金及鑄幣的價格不變，珍珠、寶石、金及鑄幣（以人民幣計算）變得較昂貴，中國進口商會購買更少珍珠、寶石、金及鑄幣 (1 分)
- 對中國出口珍珠、寶石、金及鑄幣的需求下降 (1 分)
- 交易量下降 (1 分)

在圖上顯示:

- 需求曲線向左移 (1 分)
- 較少的交易量 (1 分)
- 出口總值減少的面積 (1 分)

價格 (以港元計算)



11.

(a) - 否

- 提取現金後的法定儲備： $(2100-300) \times 25\% = \450 (1 分)

- 提取現金後的實際儲備： $(600-300) = \$300$ (1 分)

- 因此有\$150 儲備短缺 (1 分)

(b) - 舊貨幣供應： $\$0 + 2100 = \2100 (1 分)

- 新貨幣供應： $\$0 + (\$300 \times 1/0.25) = \$1200$ (1 分)

- 貨幣供應的最大可能變動： $\$1200 - \$2100 = -\$900$ (1 分)

(c) 提取存款：

銀行儲備不足 (1 分)

銀行要收回貸款。 (1 分)

有人再從銀行系統提取存款 (1 分)

上述過程會一直持續，直至沒有儲備不足（即實際儲備等於法定儲備）。 (1 分)

[*只有當上述各步驟的順序正確，方能獲得此 1 分]

12.

(a) - 總成本 = 總固定成本 + 總可變成本 (1 分)

- 轉型線上營運模式後，可以節省固定成本（例如：租金） (1 分)

- 總成本下降令線上營運模式會變得更受歡迎 (1 分)

(b) - 香橙 (1 分)

- 因為它代表了本地網店所提供服務的價值，而這本地網店是香港的常住生產單位 (1 分)

(c) - 廣泛使用電子支付減少交易性貨幣需求 (1 分)

- 貨幣需求下降 (1 分)

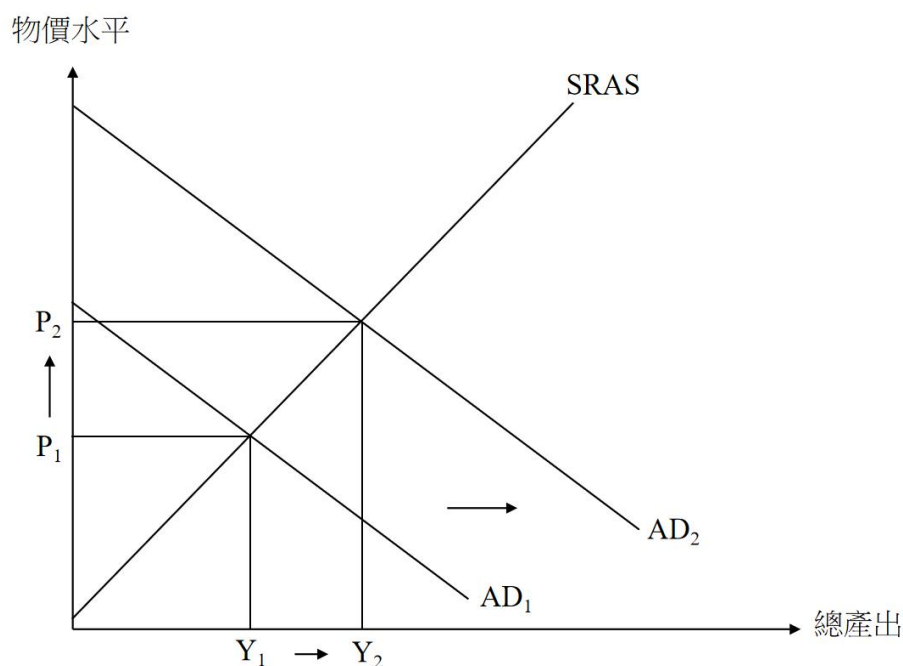
- 名義利率下降 (1 分)

(d) 文字解釋:

- 不同意 (1 分)
- 利率下降導致消費及投資支出上升 (1 分)
- 總需求上升 (1 分)

在圖上顯示:

- 總需求曲線向右移 (1 分)
- 總產出上升 (1 分)



(e) 有效傳意評分 (EC: 最高 2 分)

分數	表現
2	<ul style="list-style-type: none">● 運用資料/數據及適當的經濟理論支持論點。● 答案切合題旨。● 能以清晰流暢的語文表達意思，並恰當地使用術語或符號。● 答案組織良好，並且前後連貫一致，概念沒有重複。
1	<ul style="list-style-type: none">● 從一些資料/數據和經濟理論支持論點。● 部分答案並不切題。● 能運用語文清晰地傳遞訊息，但間中用詞不當/誤用術語或符號。● 答案組織一般，有些概念重複。
0	<ul style="list-style-type: none">● 沒有以資料/數據和經濟理論支持論點。● 答案無關題旨。● 表達有限的意思，有用詞不當/誤用術語或符號的情況。● 答案組織鬆散欠連貫。

內容最高 12 分。答案可以包括下列各點：

本地網店店主：

- 在電子交易中使用電子支付能節省將現金存入銀行的時間。然而，使用電子支付需支付交易處理費，增加了交易成本。如果節省的時間超過所收取的金錢成本（即：處理費），本地網店店主會偏好方法 II。
- 在電子交易中使用能降低現金被盜的風險。由於電子支付較高安全性和較低的盜竊風險，故本地網店店主會偏好方法 II。

關注財政政況的香港特區政府：

- 使用電子支付更加方便可能鼓勵消費者購買更頻密，廠商的利潤上升，這能增加政府的利得稅收入，從而改善香港的財政差額。香港特區政府會偏好方法 II。
- 使用電子支付更加方便可能鼓勵更多潛在賣家在香港設立業務，他們因而覺得進入市場是有利可圖的。收取更多商業登記費能增加政府的稅收。這改善香港的財政差額，故香港特區政府會偏好方法 II。

關注存款創造能力的經濟學家：

電子支付普及化導致經濟減少出現現金流失的情況，實際銀行乘數增加後會更貼近最大銀行乘數。因此，相同金額的儲備可創造更多的貸款。存款創造能力增加，故經濟學家會偏好方法 II。

其他持份者：

互聯網供應商：由於互聯網服務及電子支付系統屬輔助品，沒有互聯網服務，電子交易就無法順利進行。電子支付需求增加增加了互聯網服務的需求。因此，互聯網供應商的總收入增加，並會偏好方法 II。

消費者：使用電子支付作交易，消費者不需要使用現金進行面對面交易，他們在疫情期間被感染的風險較低，並節省更多與店員直接交收的時間，電子支付減少了交易成本，故消費者會偏好方法 II。

(f)

- 政府補貼進行電子商貿的店主 (2 分)
- 降低利得稅率以吸引更多企業轉型為線上營運模式 (2 分)
- 豁免網店東主繳交商業登記費以吸引更多企業轉型為線上營運模式 (2 分)

[只批閱首項，2 分]