

Topics	Content	Chapters in <i>McConnell and Brue</i>	Anticipated number of days	Percent of the Exam
Unit 1: Basic Economic Concepts	<ul style="list-style-type: none"> <input type="checkbox"/> Scarcity, choice, opportunity costs <input type="checkbox"/> Production Possibilities Curve <input type="checkbox"/> comparative advantage, absolute advantage, specialization, and exchange <input type="checkbox"/> Demand, supply, and market equilibrium <input type="checkbox"/> Macroeconomic issues: business cycle, unemployment, inflation, growth 	1-3, 6, 8	6 Anticipated Test Date: Jan. 20	8-12%
Unit 2: Measurement of Economic Performance	<ul style="list-style-type: none"> <input type="checkbox"/> National income accounts (circular flow, gross domestic product and their components, real v. nominal GDP) <input type="checkbox"/> Inflation measurement and adjustment (price indices, nominal v. real values, costs of inflation) <input type="checkbox"/> Unemployment (definition and measurement, types of unemployment, natural rate of unemployment) 	7-8	9 Anticipated Test Date: Feb. 6	12-16%
Unit 3: National Income and Price Determination	<ul style="list-style-type: none"> <input type="checkbox"/> Aggregate Demand (determinants of AD, multiplier and crowding out effects) <input type="checkbox"/> Aggregate Supply (short-run and long-run analyses, sticky v. flexible wages and prices, determinants of AS) <input type="checkbox"/> Macroeconomic equilibrium (real output and price level, short and long run, actual v. full-employment output, business cycle and economic fluctuations) 	11,16	7 Anticipated Test Date: Feb. 24	10-15%
Unit 4: Stabilization Policies	<ul style="list-style-type: none"> <input type="checkbox"/> Fiscal and Monetary policies (demand-side effects, supply-side effects, policy mix, government deficits and debt) <input type="checkbox"/> The Phillips curve (short run and long run Phillips curves; Demand pull v. cost push inflation; role of expectations) 	12, 15-16, 18	10 Anticipated Test Date: March 24	20-30%

Topics	Content	Chapters in <i>McConnell and Brue</i>	Anticipated number of days	Percent of the Exam
Unit 5: Financial Sector	<input type="checkbox"/> Money, banking, and financial markets (definition of financial assets: money, stocks, bonds; time value of money: present and future value; measures of money supply, banks and creation of money, money demand, money market and the equilibrium nominal interest rate) <input type="checkbox"/> Loanable funds market (supply of and demand for loanable funds, equilibrium interest rate, crowding out) <input type="checkbox"/> Central bank and the control of the money supply (tools of central bank policy, quantity theory of money, real v. nominal interest rates)	13	9 Anticipated Test Date: April 10	15-20%
Unit 6: Economic Growth	<input type="checkbox"/> Definition of economic growth <input type="checkbox"/> Determinants of economic growth (investment in human capital; investment in physical capital; research and development, and technological progress) <input type="checkbox"/> Growth policy	17	4	5-10%
Unit 7: Open Economy: International Trade and Finance	<input type="checkbox"/> Balance of payments accounts (balance of trade; current account; financial account) <input type="checkbox"/> Foreign exchange market (demand for and supply of foreign exchange; exchange rate determination; currency appreciation and depreciation) <input type="checkbox"/> Imports, exports, and financial capital flows <input type="checkbox"/> Relationships between international and domestic financial goods and markets	37-38	6 Unit 6 and 7 Anticipated Test Date: May 1	10-15%
	Full length Practice Exam: Saturday, 5/9	Total Review Days: 2 in-class review days (5/6 and 5/8)	Total Instructional Days: 51 Total Test days: 6	AP Exam: May 14 @12PM

Models to Know for the AP Exam:

- ✓ Production possibilities curve
- ✓ Aggregate demand and aggregate supply
- ✓ Aggregate demand and aggregate supply in recession
- ✓ Aggregate demand and aggregate supply: inflation
- ✓ Demand pull inflation
- ✓ Cost push inflation
- ✓ Money market
- ✓ Loanable funds market
- ✓ Phillips curve
- ✓ Foreign exchange market
- ✓ Economic Growth
- ✓ Circular Flow