Class Project:

Two people per report
Comparison of two countries

- Your report should begin with a 1-page synopsis of each country which refers to the EIU table of country indicators - basic economic and financial numbers that you will have in the appendix.

- 4 questions to cover:

  1. What kind of Exchange rate regime does each country have?
  2. Did this exchange rate regime help or hurt the economy during and after the world financial crisis (started in 2008 in the US)?
  3. Given the country’s exchange rate regime, what will the effect be on the country’s economy if/when the US Federal Reserve raises interest rates?
  4. What would be the effect if the world price of oil drops to $30/barrel? What would be the effect if the world price of oil rises to $80/barrel

For each of these 4 areas you should compare and contrast the two countries you’re reporting on.

- Finally, your report should end with a forecast on economic growth prospects for each country for the next few years (2016 and 2017) in terms of their exchange rate and trade policies. What possible world financial shocks should the policy-makers in the country’s you’re reporting on be most aware of? Put another way, what are the known unknowns they should plan for?

Total length of the main text: 8 pages (not including tables and graphs).