



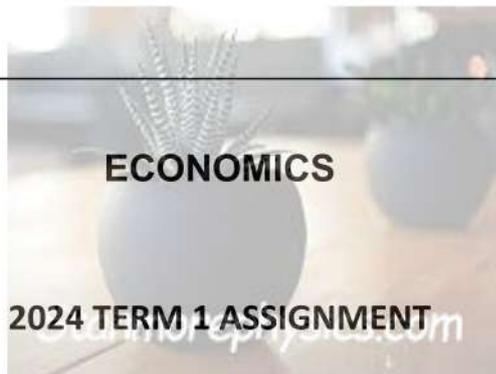
LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF
EDUCATION

VHEMBE EAST DISTRICT



GRADE 12



ECONOMICS

2024 TERM 1 ASSIGNMENT

MARKS: 50

TIME: 1 HOUR

This question paper consists of 4 pages including the cover page.

INSTRUCTIONS AND INFORMATION



1. This task should be written under controlled conditions.
2. The task must be written under the guidance of the teacher.

3. Write clearly and legibly



4. Answer all questions

QUESTION 1

Give one term for each of the following descriptions. Write only the term next to the question numbers. (1.1.1 to 1.1.5) in the answer book. Abbreviations, acronyms and examples will not be accepted.

- 1.1.1. The sector that need to be included in the economy to be regarded as open-economy. (2)
- 1.1.2. The point where the economic expansion is at its highest. (2)
- 1.1.3. The market at which one currency is traded for another currency. (2)
- 1.1.4. A negative economic growth rate for at least two consecutive quarters. (2)
- 1.1.5 Primary participants and owners of factors of productions. (2)

[10]

QUESTION 2

Study the table below and then answer the questions that follow.

NATIONAL ACCOUNT AGGREGATES – SOUTH AFRICA	
SUMMARY OF GROSS DOMESTIC PRODUCT (AT CURRENT PRICES)	R million 2016
Compensation of employees	2 051 326
Net operating surplus	1 130 210
Consumption of fixed capital	613 605
Gross value added at factor cost	3 795 141
Other taxes on production	86 008
Other subsidies on production	9 935
Gross value added at basic prices	3 871 214
Taxes on products	484 059
Subsidies on products	16 415
Gross domestic product at market prices	(A)?

[Source: Quarterly Bulletin SARB, June 2019]

- 2.1. Which method was used to calculate the figures above? (1)
 - 2.2. Name any other method used to calculate GDP. (1)
 - 2.3. Briefly describe gross domestic product. (2)
 - 2.4. Why is GDP always higher than GNP? (2)
 - 2.5. Calculate the value of A. Show all calculations. (4)
- [10]

QUESTION 3

Study the extract below and answer the questions that follow.

SOUTH AFRICA'S ECONOMY IS IN SEVERE RECESSION

South Africa's Gross Domestic Product (GDP) has fallen for the fourth consecutive quarter, putting the country in severe recession, Statistics SA announced on Tuesday.

The GDP fell by just over 16.4% between the first quarter and the second quarter, resulting in an annualised growth rate of -50%.

The plummet has been attributed to the COVID-19 lockdown, which hit the economy the hardest during April, May and June. Stats SA said the second quarter would be known as "pandemic" quarter.

Data from 1960 showed the second quarter of 2020 experienced a great fall in GDP than the annualised decline of 6.1% during global financial crisis and was "far steeper than the annualised 8.2% decline in the fourth quarter of 1982" according to the Stats SA.

Source: Mail and Guardian 8 September 2020

- 3.1. Name one factor that contributed to the poor performance of the South African economy in the above extract. (1)
- 3.2. In which phase of the business cycle is the economy above? (1)
- 3.3. Briefly explain the term business cycle. (2)
- 3.4. How can the trend line be used in forecasting of business cycle? (2)
- 3.5. How can the government through fiscal policy stabilize the economy in a recession period? (4)

[10]

QUESTION 4

- 4.1. Explain the leading and coincident Indicators used in forecasting of a business cycle. (8)
- 4.2. Explain the interactions of household and government in the circular flow. (8)
- 4.3. Calculate the multiplier and its effect if the marginal propensity to consume (MPC) is 0,5 and the investment increases by R10bn. Show all calculations. (4)

[20]

TOTAL MARKS: 50