Sondra Zorkot 2-59

1/ Multiply quantity x market price

Item	quantity	Price	Value
Automobiles	1.000.000	$ 10000	$ 10.0 B
Clothing	5.000.000	$ 100	$ 0.5 B
Food	10.000.000	$ 20	$ 0.2 B
Dwelling units	2.000.000	$ 200.00	$ 400 B
Attorney services	1.000.000 hrs	$ 50/hrs	$ 0.05 B
Medical services	2.000.000 hrs	$ 30/hrs	$ 0.06 B
Wheat	20.000.000 hrs	$ 1	$ 0.02 B
National Security	3.000.000 hrs	$ 30/hr	$ 0.09 B

Total nominal GDP = 410.14 billion

2) No.
A rise in nominal GDP from $ 5000 billion to $7.500 billion does not necessarily mean that aggregate production income or job opportunities increased.
Because
→ Nominal GDP is affected by price changes (~~[illegible]~~ (inflation)

3/ GDP measures the market value of all final goods and services produced in an economy. If we include intermediate goods so will GDP becomes overestimated
Reason: double counting.

4/ Given
→ Total market value of all values (including intermediate goods) = $10.000 billion
→ Market value of intermediate good = $ 6.000 billion

Formula :
Value added (GDP) Total sales - Intermediate goods

Calculation
10 000 billion − 6 000 billion = 4 000 billion

Q7 To find gross private domestic investment
GDP expenditure formula.

$$GDP = C + I + G + NX$$

GDP = \$ 4500 billion
Consumption (C) = \$ 3500 billion
Net exports (NX) = 0.

Substitute into the formula
4,500 = 3,500 + I + 1,500 + 0
4,500 = 4,000 + I

I = 4,500 − 4 000 = \$500 billion