Aram Aziz - 305

Q10: Gross Domestic Product (GDP): The main indicator of SNA (System of National Accounts) because it summarizes the overall economic activity of a country.

* It connects the key elements of SNA: - Production - Income - Expenditure
* It measures the total value of all final goods and services produced within a country during a specific period.
* GDP can be calculated by 3 approaches:
    1. Production approach - Sum of value added by all industries
    2. Income approach - Total incomes in production (wages, profits, rent, taxes)
    3. Expenditure approach - Total spending on final goods and services

· Nominal GDP: Calculated using current prices of the reporting year
  - Reflects both changes in production volume and changes in the general price level.
  - Growth in nominal GDP may result from inflation

· Real GDP: Calculated using constant (base-year) prices
  - It removes the effect of price changes and shows the actual growth of goods and services produced
  - It is more suitable for time comparisons and for analyzing economic growth

Q34: Types of insurance for individuals:

1) Life insurance - Protects family against loss of income after death
2) Health insurance - Covers medical expenses
3) Accident insurance - Provides compensation for injuries from accidents
4) Disability insurance - Replaces income if the person cannot work due to disability
5) Personal property insurance - Protects belongings like home or valuables

Insurance contracts for individuals:

1) Agreement between the insurer and insured
2) Insurer promises to pay compensation for specific risks
3) Insured pays a premium in return
4) Common contracts: Life insurance policies, Health insurance policies, Accident policies, Property insurance contracts
5) Contracts specify coverage, duration, and obligations of both parties