

## Understanding Exchange Rates Quiz (A)

### Question 1

At the end of February 2007, the exchange rate for the Japanese Yen was 118.33 JPY/USD. By the end of February 2008, the exchange rate had shifted to 104.19 JPY/USD.

- A. Which statement is correct?
- a. The Japanese Yen had appreciated by 11.95%
  - b. The US Dollar had appreciated by 13.57%
  - c. The Japanese Yen had depreciated by 13.57%
  - d. The US Dollar had depreciated by 11.95%
- B. If the Japanese Yen were to return back to its value in 2007, what would have to happen?
- a. The Japanese Yen would have to appreciate by 11.95%
  - b. The US dollar would have to depreciate by 11.95%
  - c. The Japanese Yen would have to appreciate by 13.57%
  - d. The US dollar would have to appreciate by 13.57%
- C. If the Japanese Yen appreciated by 12% since the end of February 2008, what would the new exchange rate be?
- a. 91.68 JPY/USD
  - b. 118.40 JPY/USD
  - c. 93.03 JPY/USD
  - d. 116.70 JPY/USD
- D. At the end of February 2008, the exchange rate for the Euro was 1.519 USD/EUR. What would the JPY/EUR exchange rate be?
- a. 68.59
  - b. 0.0145
  - c. 0.0063
  - d. 158.26



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