

HKDSE Economics

- **Objectives**
- **Curriculum (F.4-F.6)**
- **Public examination**

Objectives of Economics Curriculum

Teach students basic economics **knowledge**;

Cultivate their ability to apply knowledge in **real life** situations;

Enable students to make rational judgment and wise choices in their own life and **social issues**.

Economics Curriculum

1. Basic concepts (12 hrs)
2. Firms & Production (30 hrs)
3. Market & Price (32 hrs)
4. Competition & Market Structure (8 hrs)
5. Efficiency, Equity & the Role of Government (18 hrs)

Economics Curriculum

6. Measurement of Economic performance (12 hrs)
7. National Income Determination & Price Level (16 hrs)
8. Money & Banking (18 hrs)
9. Macroeconomic Problems & Policies (30 hrs)
10. International Trade & Finance (18 hrs)
11. Monopoly Pricing, Anti-competitive Behaviours & Competition Policies (22 hrs)

Public Examination (3 Hr. 30 Min.)

- Paper 1 MC Questions **1 Hr.**
(Weighting 30%)
- Paper 2 Short Questions **2 Hr. 30 Min.**
Structured / essay-type /
Data Response questions
(Weighting 70%)

Questions are based on Current News

- Business cycle (**Recession, recovery, etc.**)
- International trade (**Trade war**)
- Fiscal deficit Vs fiscal surplus
- Linked exchange rate system
- Property market (**stamp duty, interest rate**)
- Gini coefficient (**income disparity**)
- Inflation problem
- Unemployment problem



Recent HKDSE Questions

Local current issues

- Expansion of Ocean Park
- Toll adjustment in the two cross harbour tunnels
- Lantau Tomorrow Vision
- Cash handout by HK Billionaire & Government
- 2-tier profits tax system
- Aging population & Labour force



Recent HKDSE Questions

Macau's news

- Gaming industry
- Cash-sharing scheme



China's news

- Trade War between China & the US
- Trade surplus (Vs Trade deficit of the U.S.)
- Monetary policy by People's Bank of China

Recent HKDSE Questions

International news

- **Brexit**
- **Economic policies of the US & Japan**



Necessary Mathematical Skills

- Interpret statistical data (table-form)
- Analyse charts (graph)
- Draw diagrams (demand-supply)
- Calculate

E.g. Apply formulas

Handle percentages (GDP growth rate)

Ratio (Income distribution)

Convert data to diagram and vice versa

Frequently asked questions

- Interpret data
- Interpret chart
- Analyse trend
- Apply formulas to calculate answers
- Explain phenomenon with economic theories
- Predict effects of certain actions or policies
- Draw diagrams to support arguments

National Income Statistics

GDP by expenditure component	2007	2011	2012
Expenditure components at current market prices (HK\$ billion)			
Private consumption expenditure	982.4	1,240.80	1,325.70
Government consumption expenditure	139	168.5	185.4
Gross domestic fixed capital formation	340.4	455	537.4
Changes in inventories	12.8	11.7	-9.3
Exports of goods (f.o.b.)	2,698.90	3,411.40	3,580.80
Exports of services	664.1	936.5	985.8
Less : Imports of goods (f.o.b.)	2,852.50	3,848.20	4,116.40
Imports of services	334.2	439.7	449.4
GDP	1,650.80	1,936.10	2,040.10

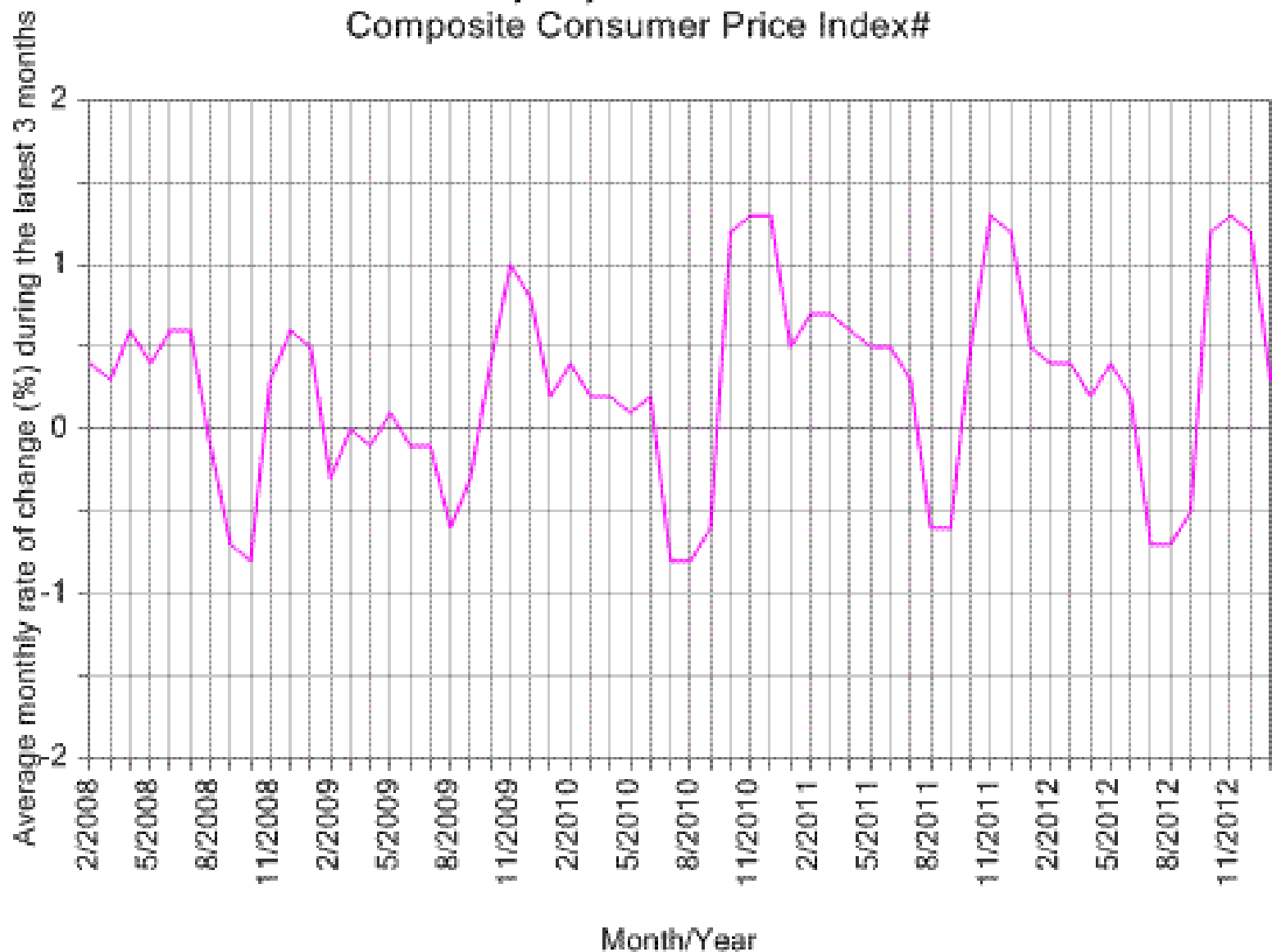
Aggregate merchandise trade (HK\$ billion)

Type of trade	2007	2011	2012
Imports	2,868.0	3,764.6	3,912.20
Domestic exports	109.1	65.7	58.8
Re-exports	2,578.40	3,271.60	3,375.50
Total exports	2,687.50	3,337.30	3,434.30
Total trade	5,555.50	7,101.80	7,346.50
Merchandise trade balance	-180.5	-427.3	-477.8
As percentage of imports (%)	6.3	11.4	12.2

Year-on-year rates of change in the Consumer Price Indices (%)

Types of CPI	2007	2011	2012
Composite Consumer Price Index	2	5.3	4.1
Consumer Price Index (A)	1.3	5.6	3.6
Consumer Price Index (B)	2.2	5.2	4.3
Consumer Price Index (C)	2.7	5.1	4.1

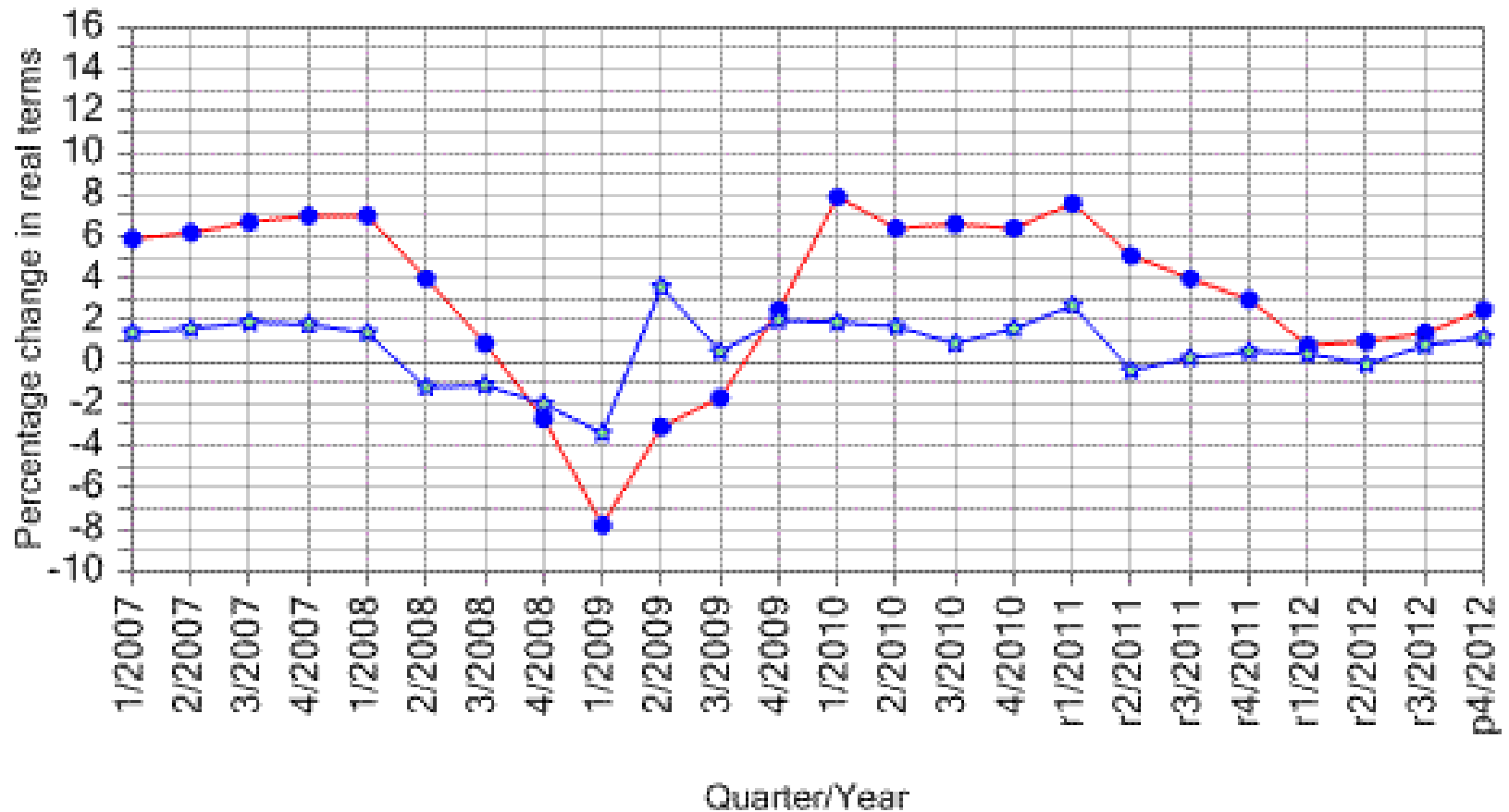
Seasonally Adjusted Composite Consumer Price Index#



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The seasonally adjusted indices are subject to revision up to 3 years after original publication.

Gross Domestic Product (GDP) In chained (2010) dollars



● Year-on-year % change
in the original GDP series

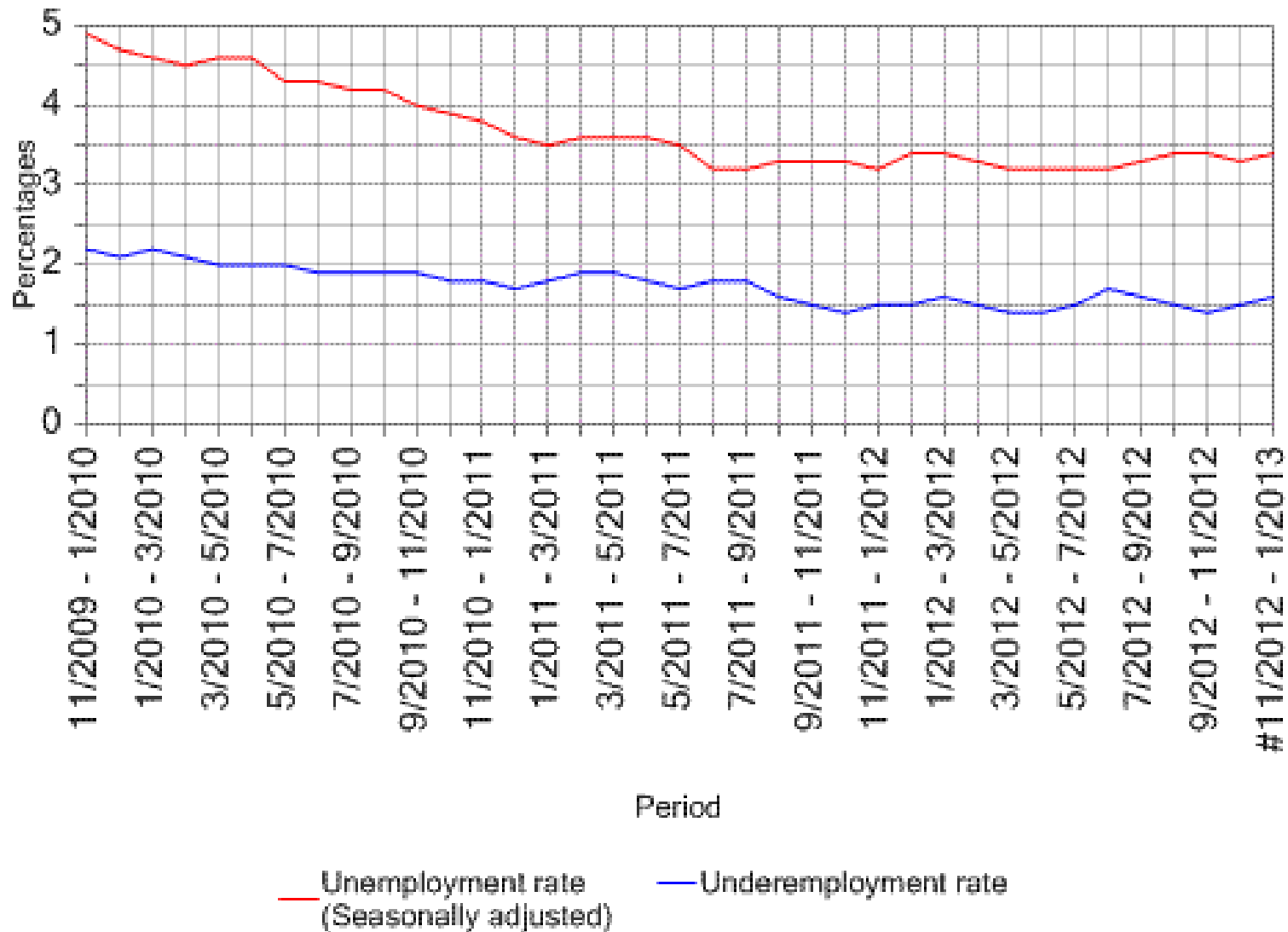
◆ Quarter-to-quarter % change
in the seasonally adjusted GDP series

r Revised figures.

p Preliminary figures.

Figures are the latest data released on 27 February 2013.

Unemployment Rates (Seasonally Adjusted) and Underemployment Rates

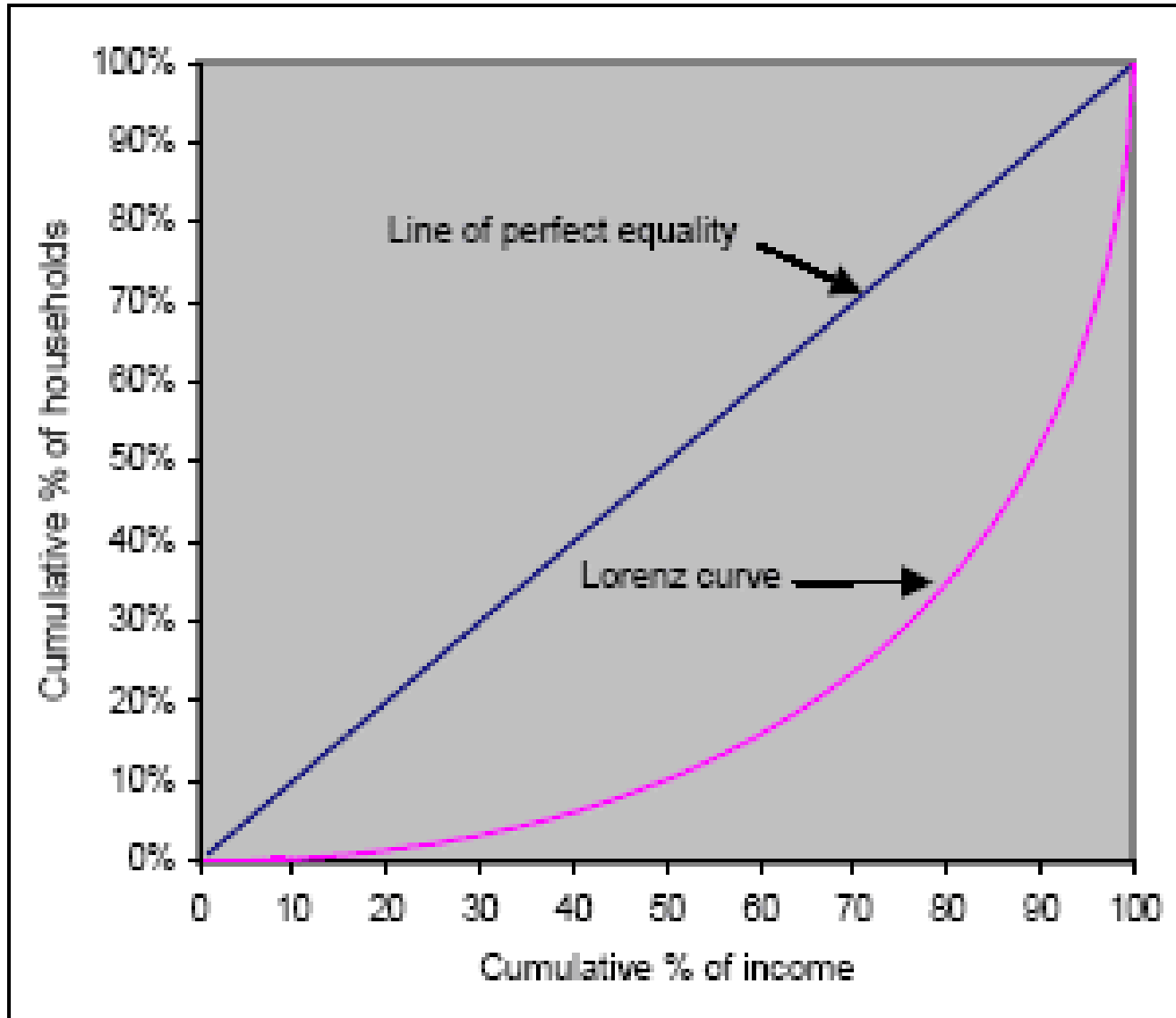


Provisional figures

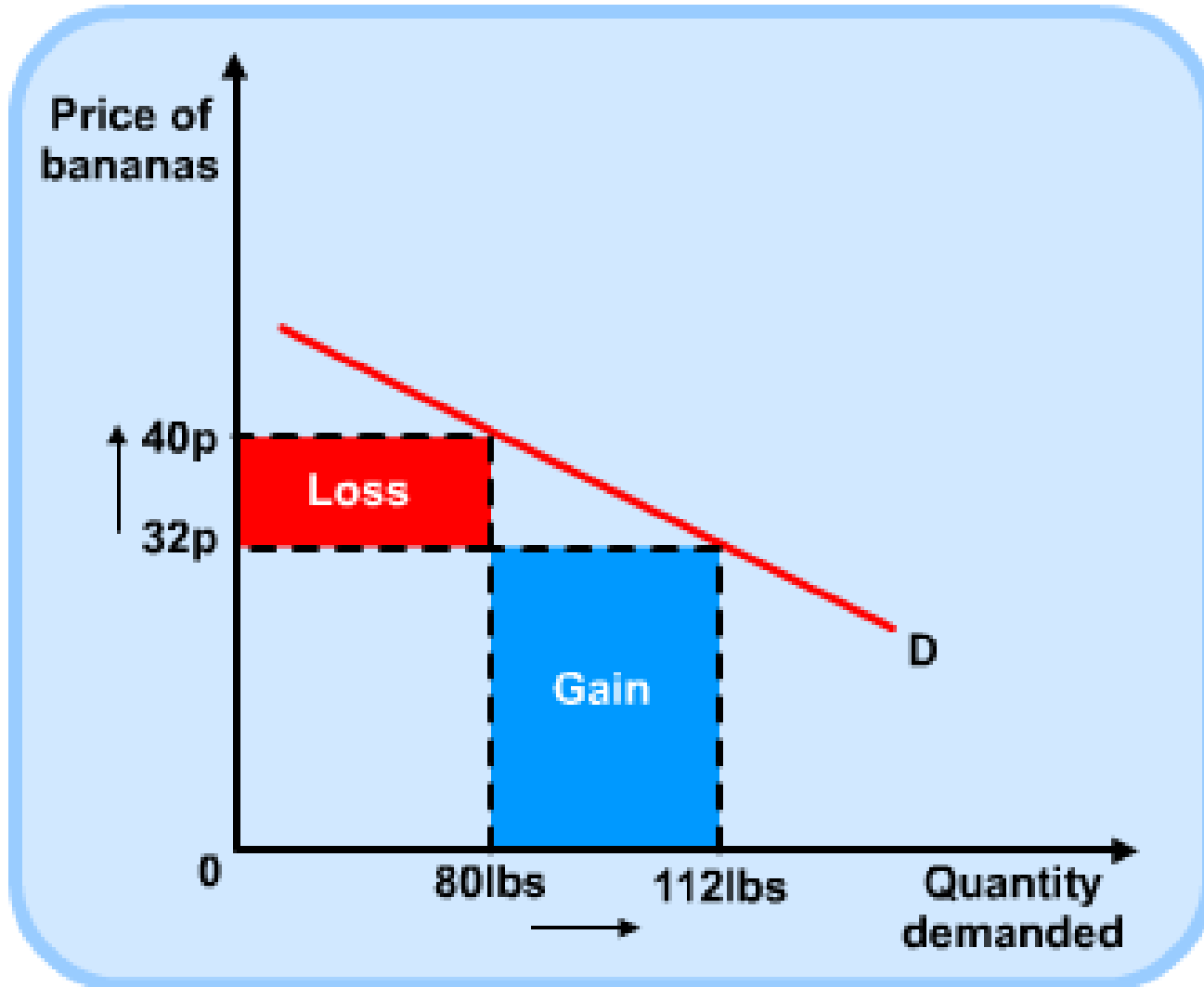
Exchange rate



Lorenz curve/ Gini Index



Draw Graph (F.4)



Draw Graph (F.5)

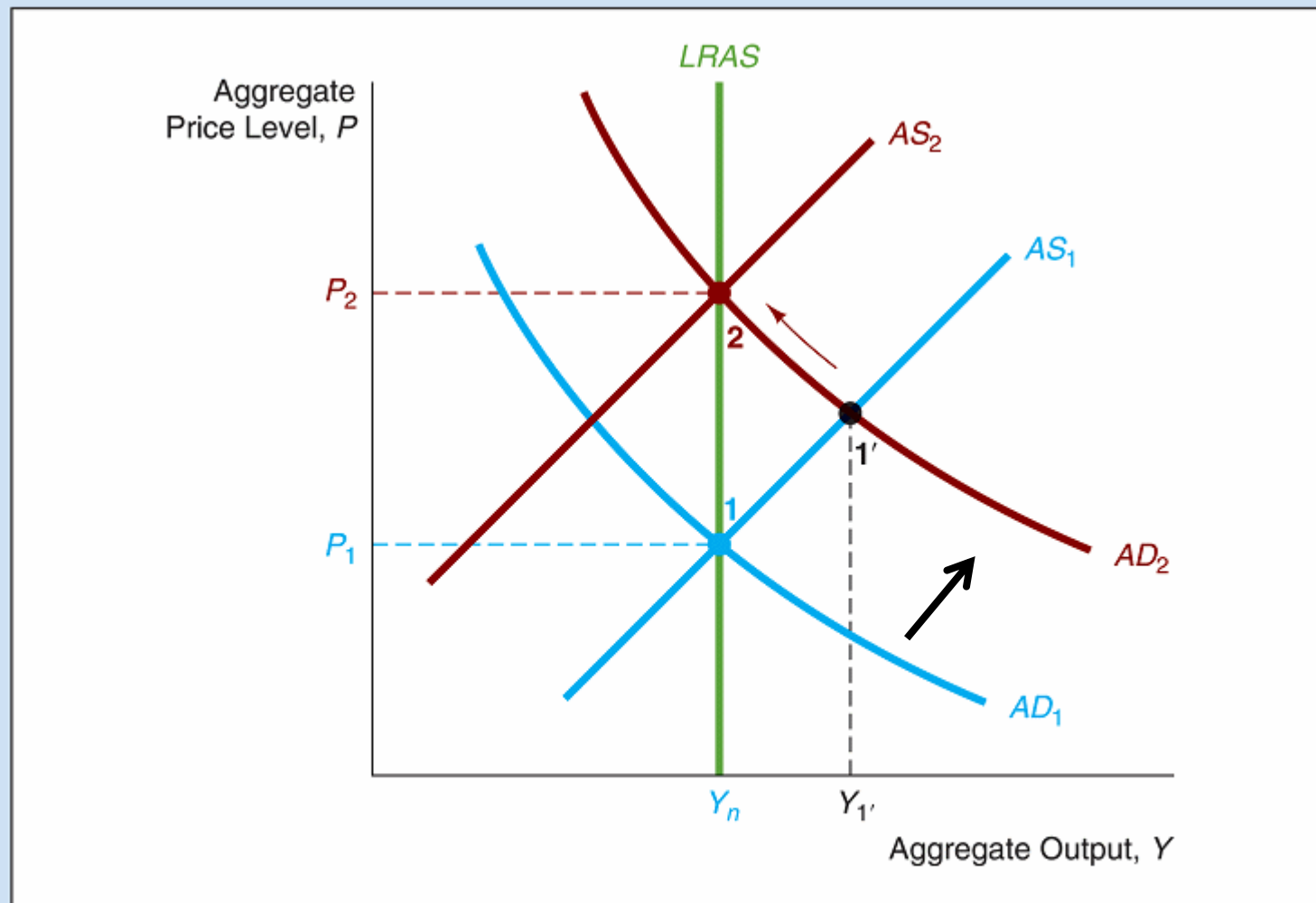
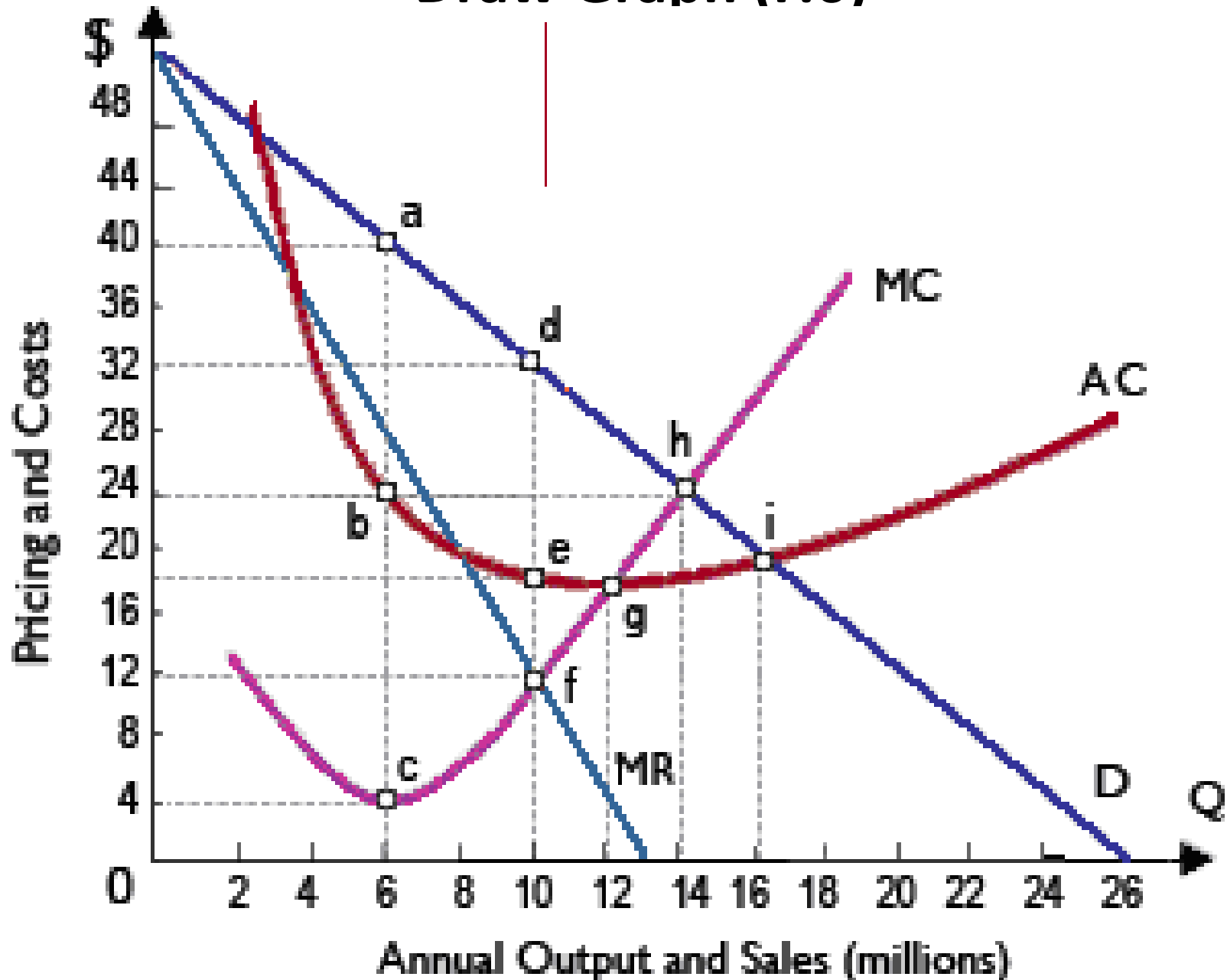


FIGURE 3 Response to a One-Shot Permanent Increase in Government Expenditure

Draw Graph (F.6)



Pre-requisites (requirements)

- Strong interests in economic issues :
Habit of reading daily local & world news
- Strong mathematics skills :
Application of formulas
Accurate calculation
Graph-presentation
Conclusion /Explanation
- Continuous hard work :
Learning spreads over 3 years
Handle long syllabus

Parents' Role

- Discuss daily news together with student.
- Help students relate **knowledge** to **real world**.
- Examination Authority meeting:
Students are **lack of experience** of purchasing home. They **cannot comprehend** and handle exam question which is **beyond their own experiences**. In HKDSE exam paper, many students do not understand “**mortgage**” and so fail to answer the question.
- They need parents' support and guidance.

Thank You