

Name_____

The Federal Reserve and You

You will be watching some video clips from the Federal Reserve entitled The Federal Reserve and You. Please take a few minutes to read the questions you will be asked to answer based on the video before watching the video. You may answer the questions as the video is playing. If you miss a question in class the link to the videos will be available on my school website to complete at home. You will only be required to answer the questions pertaining to the segments viewed in class.

Chapter 4 Monetary Policy

- 1) Define monetary policy.

- 2) Explain what happens when the Fed increases the money supply. (include interest rates, borrowing, employment, and economic growth)

- 3) What happens if the money supply grows too quickly?

- 4) What are the 2 main causes of inflation?

- 5) What does FOMC stand for and what is it?

- 6) What is the Federal Funds Rate?

- 7) What are open market operations?

8) What is the discount rate?

9) What are required reserves?

Chapter 7 Important Questions

1) Define GDP-

2) Define inflation-

3) Define unemployment-

4) What is interest?

5) Why is credit important?

6) What is liquidity?

7) What is a lender of last resort?

8) What are Government securities?