**Assignment #4: Interpreting Macroeconomic Conditions**

[**Supplement to Assignment 4 and Guidelines**](https://blackboard.strayer.edu/webapps/blackboard/execute/uploadAssignment?content_id=_2233989_1&course_id=_30384_1&assign_group_id=&mode=view)

The table below shows the year (first column), the real GDP in billions of chained 2005 dollars (second column), and the domestic exchange rate for one dollar against the aggregate of industrialized countries (third column).

|  |  |  |
| --- | --- | --- |
| 1969 | 4,258.20 | 0.65 |
| 1970 | 4,266.30 | 0.67 |
| 1971 | 4,409.50 | 0.68 |
| 1972 | 4,643.80 | 0.69 |
| 1973 | 4,912.80 | 0.71 |
| 1974 | 4,885.70 | 0.72 |
| 1975 | 4,875.40 | 0.73 |
| 1976 | 5,136.90 | 0.75 |
| 1977 | 5,373.10 | 0.76 |
| 1978 | 5,672.80 | 0.72 |
| 1979 | 5,850.10 | 0.73 |
| 1980 | 5,834.00 | 0.71 |
| 1981 | 5,982.10 | 0.89 |
| 1982 | 5,865.90 | 1.02 |
| 1983 | 6,130.90 | 1.12 |
| 1984 | 6,571.50 | 1.27 |
| 1985 | 6,843.40 | 1.31 |
| 1986 | 7,080.50 | 1.01 |
| 1987 | 7,307.00 | 0.86 |
| 1988 | 7,607.40 | 0.84 |
| 1989 | 7,879.20 | 0.90 |
| 1990 | 8,027.10 | 0.78 |
| 1991 | 8,008.30 | 0.80 |
| 1992 | 8,280.00 | 0.77 |
| 1993 | 8,516.20 | 0.85 |
| 1994 | 8,863.10 | 0.84 |
| 1995 | 9,086.00 | 0.77 |
| 1996 | 9,425.80 | 0.79 |
| 1997 | 9,845.90 | 0.88 |
| 1998 | 10,274.70 | 0.89 |
| 1999 | 10,770.70 | 0.94 |
| 2000 | 11,216.40 | 0.92 |
| 2001 | 11,337.50 | 0.89 |
| 2002 | 11,543.10 | 0.94 |
| 2003 | 11,836.40 | 1.13 |
| 2004 | 12,246.90 | 1.24 |
| 2005 | 12,623.00 | 1.24 |
| 2006 | 12,958.50 | 1.25 |
| 2007 | 13,206.40 | 1.37 |
| 2008 | 13,161.90 | 1.47 |
| 2009 | 12,703.10 | 1.39 |
| 2010 | 13,088.00 | 1.32 |

After the determination of the percentage changes in output and exchange rates, analyze the influence of output fluctuation with respect to changes in domestic exchange rates.