

# Table of Contents

#### Welcome!

### 1 Economics

- 1.1 What is economics?
- 1.2 Microeconomics
- 1.3 Macroeconomics
- 1.4 Have you decided to trade? The opportunity cost

### 2 The demand and supply curves

- 2.1 The demand curve
- 2.2 The demand curve inputs
- 2.3 The demand curve graph
- 2.4 A movement over the demand curve and a demand curve shift
- 2.5 The supply curve
- 2.6 The supply curve inputs
- 2.7 The supply curve graph
- 2.8 A movement over the supply curve and a supply curve shift
- 2.9 Equilibrium
- 2.10 Concepts applied in trading

# 3 Gross domestic product

- 3.1 Introduction
- 3.2 An example of the calculation of GDP
- 3.3 Computation of GDP
- 3.4 Real versus Nominal GDP
- 3.5 The GDP Deflator
- 3.6 Is GDP enough to evaluate a country's economic health?
- 3.7 How to use these concepts in trading?

### 4 Cost of living

- 4.1 Introduction
- 4.2 The Consumer Price Index
- 4.3 Which to choose? The GDP Deflator vs the CPI
- 4.4 Do I earn enough to make ends meet? Real vs nominal variables
- 4.5 Interest Rates
- 4.6 Are you sure you have a decent annual return in trading?

# 5 Economic growth and production

- 5.1 Economic Growth metric: The GDP growth rate
- 5.2 The determinants and importance of productivity
- 5.3 The government and its importance for the economy's productivity



5.4 I want to trade: Which country should I select to invest in?

# 6 The financial system

- 6.1 Introduction
- 6.2 Financial intermediaries
- 6.3 Saving and Investment

### 7 Unemployment

- 7.1 Introduction
- 7.2 Unemployment Measurement
- 7.3 Some issues of the unemployment rate
- 7.4 Can we see an unemployment rate value of zero?
- 7.5 Trading in the US: Some indicators

### 8 The monetary system

- 8.1 What is money?
- 8.2 The functions of money
- 8.3 The central bank
- 8.4 Fed tool to impact its economy
- 8.5 The Financial Crisis of 2008

#### 9 Inflation

- 9.1 Introduction
- 9.2 Money Supply and Demand
- 9.3 Be careful: What is hyperinflation?
- 9.4 US Inflation in trading? Check this index

## 10 Macroeconomics of an open economy

- 10.1 Exports and Imports
- 10.2 Net Capital Outflow
- 10.3 Saving and Investment in an Open Economy
- 10.4 Exchange rates
- 10.5 Real and Nominal Exchange rates
- 10.6 Purchasing power parity

## 11 The economy as a whole

- 11.1 Short-run fluctuations
- 11.2 The aggregate demand curve
- 11.3 Equilibrium in the long and short run
- 11.4 Considerations while investing in the long run

### 12 Sum up: Variables' relationships in macroeconomics