Tips:

- Use correct economics terminologies when given (e.g. Use 'Deficit' instead of writing 'the current account position worsened').
- Always briefly support statement with data where given.

(ii) With reference to Table 1.1 calculate the percentage rate of inflation in Egypt between 2016 and 2017 that was estimated by the IMF. [1]

Table 1.1: Egypt, selected economic indicators, 2014–2019

	Consumer Price Index (base year 2000)	Current account balance (US$ billion)	Unemployment rate (% of total labour force)
2014	304	–2.356	13.4
2015	337	–12.182	12.9
2016	371	–18.659	12.7
2017	453*	not available	12.6*
2018	530*	not available	11.8*
2019	587*	not available	10.7*

*International Monetary Fund (IMF) estimates

Source: International Monetary Fund, World Economic Outlook Database, April 2017

Ans:

- Step 1: Calculate the change in CPI.
  CPI in 2017- CPI in 2016 = 453-371
  = 82
- Step 2: Compare change in CPI to original CPI (Divide increase by original).
  Increase in CPI/ Original CPI = 82/371
  = 0.221