Exports and Imports

The goods and services sold to other countries are known as (1)_________________. An export is represented by a flow of money coming into the country. Goods and services bought from other countries are known as (2)_________________. An import represents flow of money leaving the country. All exports which can be seen, touched or weighed such as oil, machinery etc. are termed as (3)_________________ exports. All imports which can be seen, touched or weighted are known as visible (4)_________________. (5)_________________ measures the difference between value of visible exports and visible imports. If the visible imports is more than the visible exports then there is (6)_________________ balance of trade. A (7)_________________ balance of trade is when the visible exports is more than the visible imports.

(8)_________________ trade involves the exchange of services such as insurance, banking and tourism which cannot be seen or touched. Paying for a foreign holiday is an example of (9)_________________ whereas if a person invests in a foreign country and earns income from there is an example of (10)_________________.

The balance of (11)_________________ shows all the payments and receipts between one country and all the other countries it trades.
Exports and Imports

The goods and services sold to other countries are known as exports. An export is represented by a flow of money coming into the country. Goods and services bought from other countries are known as imports. An import represents flow of money leaving the country. All exports which can be seen, touched or weighed such as oil, machinery etc. are termed as visible exports. All imports which can be seen, touched or weighted are known as visible imports. Balance of trade measures the difference between value of visible exports and visible imports. If the visible imports are more than the visible exports then there is unfavourable balance of trade. A favourable balance of trade is when the visible exports are more than the visible imports.

Invisible trade involves the exchange of services such as insurance, banking and tourism which cannot be seen or touched. Paying for a foreign holiday is an example of invisible imports whereas if a person invests in a foreign country and earns income from there is an example of invisible exports.

The balance of payments shows all the payments and receipts between one country and all the other countries it trades.