

1. What are the four macroeconomic policy objectives/goals of the Federal Reserve and the government?
 - I.
 - II.
 - III.
 - IV.
2. During a recession, the Federal Reserve conducts _____ monetary policy.
3. During an expansion, the Federal Reserve conducts _____ monetary policy.
4. If the Federal Reserve wants to increase money supply through open market operations, it needs to buy more Treasury Securities at the New York Stock Exchange. (True/False)
5. How does an increase in interest rates affect (write increase/decrease with a small explanation)
 - I. Consumption?
 - II. Investment?
 - III. Net Exports?