

IN-CLASS QUIZZ 05

What is a regime in which the domestic currency is pegged to a selected foreign currency at an exchange rate set by law called?

- a) monetary union
- b) currency board
- c) monetary parity
- d) monetary unification

What kind of exchange rate regime operates in Czechia?

- a) fixed exchange rate
- b) floating exchange rate
- c) hybrid exchange rate
- d) currency board

What is characteristic of a crawling peg regime?

- a) the central parity is fixed
- b) the central parity is adjusted within a known interval and range
- c) the central parity is adjusted according to the evolution of the selected economic variable
- d) the exchange rate is fixed to a basket of foreign currencies

Which regime assumes that the central bank does not influence the exchange rate in any way?

- a) managed floating
- b) independent floating
- c) inflationary floating
- d) intervention floating

What is a situation in which exchange rate stability is combined with full financial integration called?

- a) monetary union
- b) independent floating
- c) full capital controls
- d) inflation targeting