



**[Summary]**

**[Balance of Payments]**

<b>Subject:</b>	Business Economics
<b>Course:</b>	B.A., 4 <sup>th</sup> Semester, Undergraduate
<b>Paper No. &amp; Title:</b>	Paper – 401 Macroeconomics – II
<b>Unit No. &amp; Title:</b>	Unit – 2(Two) Open Economy I - The Concepts
<b>Lecture No. &amp; Title:</b>	1(One) Balance of Payments

**Summary:**

Balance of payment reflects the annual statement which shows all the transactions of residents of a nation with the residents of all other nations. It shows whether the country is having deficits, surplus or balanced condition in the economy. It helps the country to frame the monetary, fiscal and trade policy. The true extent of dependency of one country on other country can easily be understood by the help of BOP.