

# Glossary

- 1.** Monetary Authority: Monetary authority is the entity which controls the money supply of a given currency, often with the objective of controlling inflation or interest rates.
- 2.** International Trade: Trade between two or more countries.
- 3.** Inflationary Policies: The Policies which lead to increase in the general price level of the country.
- 4.** Exchange Rate: The rate of exchange of one currency against another currency
- 5.** Equilibrium point: The point where the demand and supply is equal.