

SUPERVISOR'S USE ONLY

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91223



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Mana Tohu Mātauranga o Aotearoa  
New Zealand Qualifications Authority

## Level 2 Economics 2025

### 91223 Analyse international trade using economic concepts and models

Credits: Four

Achievement	Achievement with Merit	Achievement with Excellence
Analyse international trade using economic concepts and models.	Analyse international trade in depth using economic concepts and models.	Analyse international trade comprehensively using economic concepts and models.

Check that the National Student Number (NSN) on your admission slip is the same as the number at the top of this page.

**You should attempt ALL the questions in this booklet.**

If you need more room for any answer, use the extra space provided at the back of this booklet.

Check that this booklet has pages 2–12 in the correct order and that none of these pages is blank.

Do not write in the margins (//////). This area will be cut off when the booklet is marked.

**YOU MUST HAND THIS BOOKLET TO THE SUPERVISOR AT THE END OF THE EXAMINATION.**

### QUESTION ONE: The two-country model

- (a) Explain why New Zealand exports some types of fruit and imports other types.

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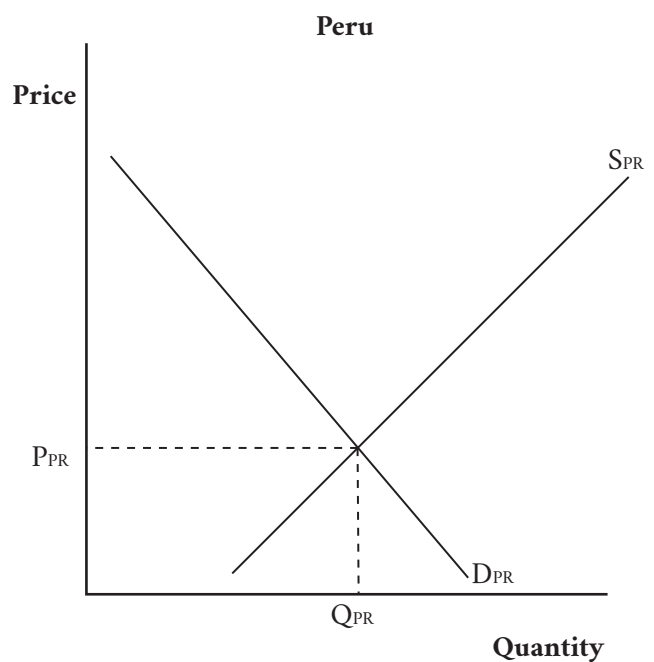
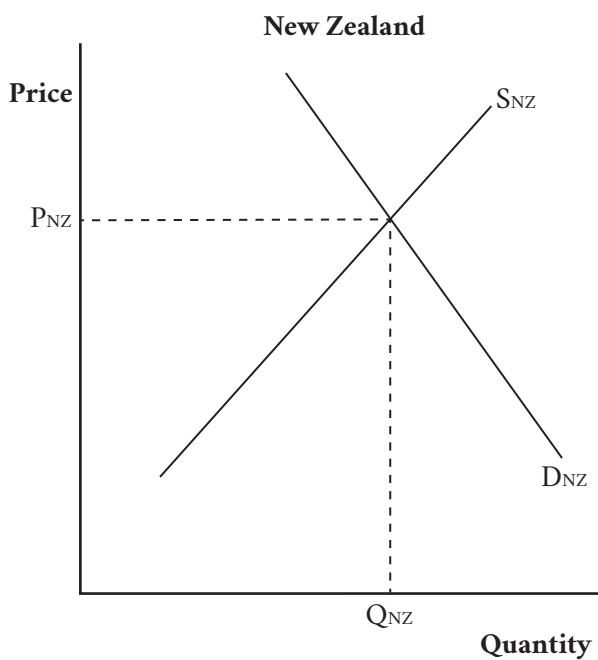
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- (b) On Graph One, label the:
- trade price ( $P_t$ )
  - amounts of exports and imports in each country ( $X$  and  $M$ ).

**Graph One: The market for oranges**



- (c) Explain the impact of the trade in oranges on the quantity purchased and total spending on oranges by New Zealand consumers. Refer to Graph One in your answer.

- (d) Compare and contrast the impact of the CPTPP free trade agreement with Peru on growers of different types of fruit in New Zealand.

Answer space continues over ➤



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## QUESTION TWO: The price taker model

- (a) Explain why the world price in the price taker model is shown as a horizontal line.

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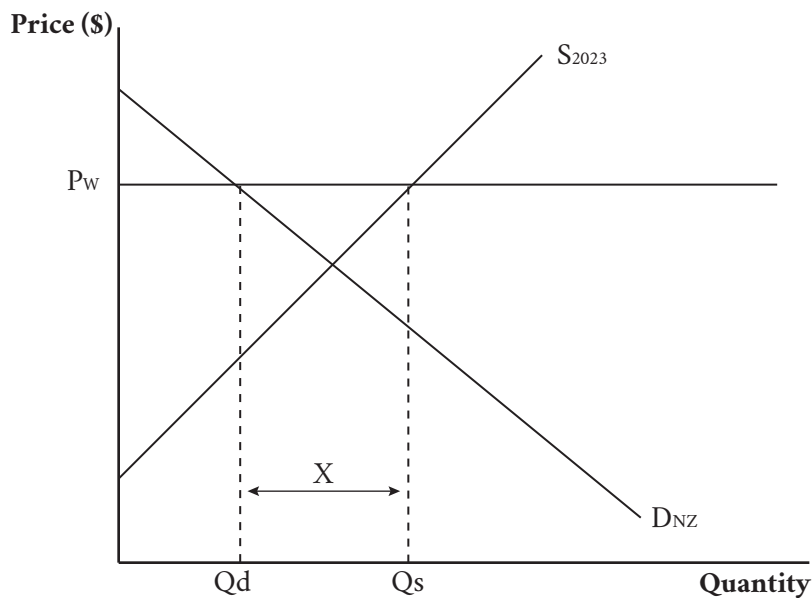
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The 2023 exports are labelled as X on Graph Two below.

**Graph Two: The market for kiwifruit**



- (b) On Graph Two, show the effect of the improved harvest in 2024 on kiwifruit exports by labelling:
- the new supply curve  $S_{2024}$
  - the new level of kiwifruit exports as  $X_1$ .
- (c) Explain how the improved harvest impacts New Zealand consumers' spending on kiwifruit. Refer to Graph Two in your answer.

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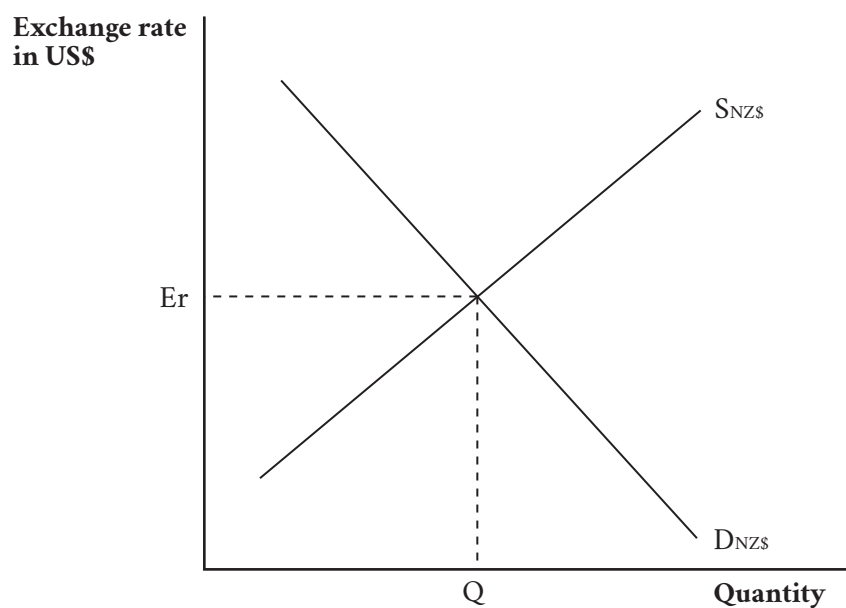
**QUESTION THREE: Trade and the exchange rate**

- (a) Apart from the USA and Australia, name one of the top five countries New Zealand:

Exports to \_\_\_\_\_

Imports from \_\_\_\_\_

**Graph Three: The market for the NZ\$  
with an increase in exports**



- (b) (i) On Graph Three, show the effect of increased exports to the USA.
- (ii) Explain how an increase in exports affects the NZ\$ exchange rate. Refer to Graph Three in your answer.

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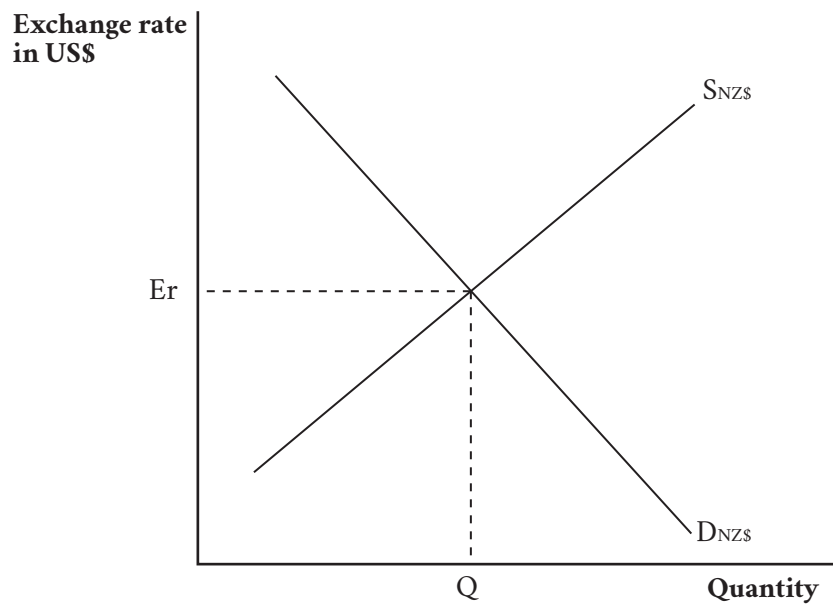
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**Graph Four: The market for the NZ\$  
with an increase in imports**



- (c) (i) On Graph Four, show the effect of increased imports from the USA.
- (ii) Explain how an increase in imports affects the NZ\$ exchange rate. Refer to Graph Four in your answer.

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- (d) Compare and contrast the impact of a depreciation of the NZ\$ on New Zealand tourists visiting the USA and on New Zealand businesses importing consumer products from the USA.

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Write the question number(s) if applicable.

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Write the question number(s) if applicable.

QUESTION  
NUMBER

91223

### Acknowledgements

Material from the following sources has been adapted for use in this assessment:

#### Question One (b)

Freshfruit portal.com. (2024). *Peru finalizes agreement to export citrus to New Zealand*. <https://www.freshfruitportal.com/news/2024/09/17/peru-finalizes-agreement-to-export-citrus-to-new-zealand/>

#### Question One (d)

Ministry of Foreign Affairs and Trade. (2025). *Goods market access*. <https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-in-force/cptpp/understanding-cptpp/goods-market-access>

#### Question Two (b)

Whitaker, S. (2024). *Kiwifruit harvest: Record 2024 harvest follows meagre 2023*. Te Puke Times. <https://www.nzherald.co.nz/bay-of-plenty-times/te-puke-times/kiwifruit-harvest-record-2024-harvest-follows-meagre-2023/FYX3NQEEPREDTE4REMJKT6SRCI/>

#### Question Three (a)

Ministry of Foreign Affairs and Trade. (2024). *NZ exports to the US: strong growth continues*. <https://www.mfat.govt.nz/assets/Trade-General/Trade-Market-reports/NZ-exports-to-the-US-strong-growth-continues-June-2024.pdf>

#### Question Three (b) and (c)

StatsNZ. (2025). *Overseas merchandise trade: December 2024*. <https://www.stats.govt.nz/information-releases/overseas-merchandise-trade-december-2024/>

#### Question Three (d)

Trading Economics. (2025). *New Zealand Dollar*. <https://tradingeconomics.com/new-zealand/currency>