ECO358 - Practice Final Exam

Clearly state the formula/procedure/approach that you have used to obtain your results; the approach is more important than the result. If an explanation is required, write **brief** answers; the probability of writing something wrong is higher in long answers. Fuzzy logic, ambiguity and multiple answers will reduce your credit.

1 Futures [10 points]

1. You notice that "model replicas of speedboats",i.e., they don't actually work, are trading in the spot