**Key concept indicators**

* Identifies and uses, in context, concepts related to international trade, such as:
  + balance on goods and services
  + fee trade and protectionism.
* Identifies the major goods and services exported and imported by New Zealand.
* Identifies the major export and import markets for New Zealand.
* Uses the supply and demand model (price taker and two country) to show and explain the basis for trade.
* Integrates changes shown on demand and supply model(s) into detailed explanations of causes of changes in quantities that will be exported or imported, such as changes in the world price (or exchange rate), domestic demand, and domestic supply.
* Uses the supply and demand model to show and explain how an exchange rate is determined.
* Integrates changes shown on foreign exchange supply and demand model into detailed explanations of causes of changes in the value of goods and services imported and exported.
* Compares and contrasts the impact of the different causes of changes in international trade, for example, the differing impacts of a depreciation of the New Zealand dollar, and an increase in world demand for a product that New Zealand exports.
* Compares and contrasts the impacts of changes in international trade on various groups in New Zealand society, for example, on:
  + domestic consumers (for example, when export prices increase)
  + domestic industries (for example, how fluctuations in trade will have direct, indirect and induced flow on impacts on local firms)
  + uneven impact of changes (that is, winners and losers – consumers benefit from lower-priced imports but domestic firms may close down).