Seventh Annual Economic Confidence Quiz
(Economic Club of Phoenix - May 16, 2013)

ANSWERS
(10 points possible, each question counts 1 and bonus counts 3)

1. Which of the following actions can the Federal Reserve take to reduce inflationary pressures?
   a) increase government spending  b) increase the money supply (second most frequent answer)
   c) increase interest rates  d) increase tax rates (most frequent but Fed does not control taxes)

2. If you live to be 110 and start collecting Social Security at your full retirement age what is the likely return on investment (ROI) on the funds you and your employers have invested in the Social Security system through FICA taxes?
   a) 0-3%  b) 3%-5%  c) 5%-9%

3. In a recent “Economic Minute” we learned that during the 2012-2013 holiday season, taxable retail sales in Arizona
   a) were about the same as in the 2011-12 holiday season  b) grew at about 4% over the prior year
   c) grew nearly 7% faster than in the 2011-12 holiday season  d) were the highest ever recorded for a holiday season in Arizona

4. What percentage of Maricopa County single family home sales were purchased by investors in March 2013 to use as rentals?
   a) 17%  b) 27%  c) 37%  d) 47%

5. Only two of the largest U.S. private employers in 1960 made the largest employer list in 2012.
   Name one of the two  SEARS and GENERAL ELECTRIC

6. The concept of “full bodied money” has appeal...but what is it?
   a) money that can be exchanged for any other currency at full price  b) money that has a value as a commodity (e.g. gold or silver) that is equal to its value as money
   c) money that can be exchanged in full for the debt of a sovereign nation  d) money that depicts the “full body” of a famous dignitary rather than just his/her head and shoulders.

7. Of the 123,000 single family homes in Scottsdale, how many currently are owned by lenders or banks?
   a) about 20,000  b) about 2,000  c) about 1,000  d) about 200

Bonus Question: Arizona sunshine drives the tourism sector of our economy and is a lifestyle driver for business location. What is the proportion of vehicles in Arizona that are convertibles?
   a) 1.06%  b) 4.64%  c) 6.82%  d) 9.05%

   Highest state: Hawaii 3.92%  Lowest state: Alaska 0.34%