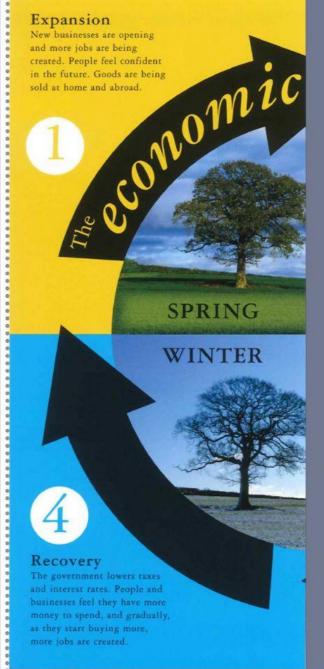
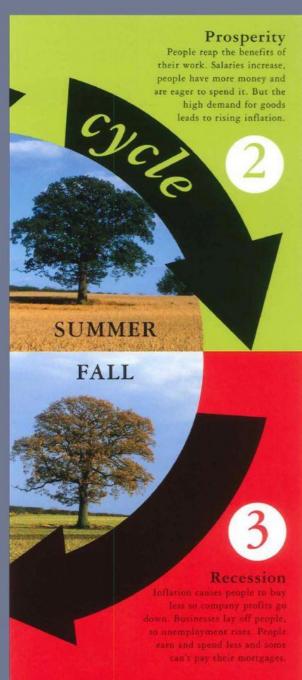
This mark will be given to you later by your teacher!!

## Business





### Ups and downs

# Ups and downs

The four seasons of the economy are like the four seasons of the year. They always occur in the SAME ORDER but, unlike nature's seasons, the length of economic seasons are not the same, and cannot even be predicted—although economists often try.

### INFLATION

It's crunch time for pizzas. Chew on that! What is inflation?

Inflation occurs when prices rise. Imagine your allowance is \$10 a week, but the cost of buying a

pizza goes up from \$3.25 to \$5. Now you can only buy 2 pizzas, when previously you could buy 3. That's inflation!







### LOOKING FORWARD

Economic seasons are unpredictable because they are not created by the movement of money, but by the feelings



people have when they think about the future. What are these feelings? Let's imagine you're about to open a present...

### Optimistic

During a time of expansion, people feel confident about their economic future.



### Concerned

After some time enjoying a period of prosperity, people become nervous, fearing it might end soon.



### Pessimistic

In a time of recession, people feel very stressed and insecure.



### Cautiously hopeful

During an economic recovery, people begin to feel as if the worst times are coming to an end.



### In your own words - what do you remember?

### click here