

International Comparisons

		US	Japan
Per Capita Consu	Imption of		
Hamburgers (pou	nds)	200	20
Rice (pounds)		20	300
Price of Hamburg	er (per pound)	\$5	¥800
Price of Rice (per	pound)	\$4	¥300
Price of Rice (per	pound)	\$4	¥300

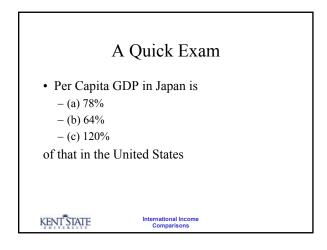
Who has the Large	er GDP	
	US	Japan
Per Capita Consumption of		
Hamburgers (pounds)	200	20
Rice (pounds)	20	300
Price of Hamburger (per pound)	\$5	¥800
Price of Rice (per pound)	\$4	¥300
Valuated in Yen	¥166,000	¥106,000
Valued in Dollars	\$1080	\$1300
KENT STATE International Income Comparisons		

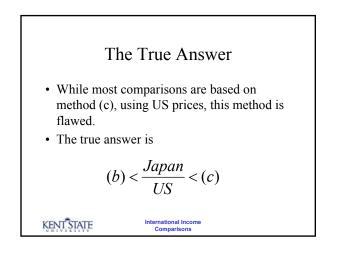
Wh	o has the Lar	ger	GDP	
n	¥106,000			
Japan _	125	\$	848	= 78%
	\$1080	\$ 1	080	- 7070
Price of Hambu	rger (per pound)		\$5	¥800
Price of Rice (p	er pound)		\$4	¥300
Valuated in Yer	This is the ansv	ver	166,000	¥106,000
Valued in Dolla		V CI	\$1080	\$1300
L	if you convert a	ıt		
	the exchange ra	ite		
KENT STATE	Comparisons			

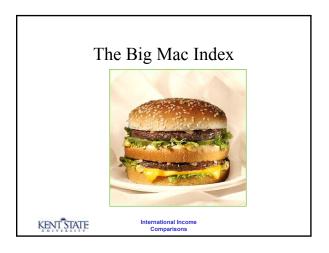
W	ho has the Large	er GDP	
	Purchasing Pov	ver	Japan
Per Capita C Hamburgers Rice (pounds Price of Ham	Equivalent: compu countries GDP usin country's price	ng one	20 300 ¥800
Price of Rice Valuated in Y		\$4 ¥166,000	¥300 ¥106,000
Valuated in Do		\$100,000	\$1300
KENTSTAT	International Income Comparisons		

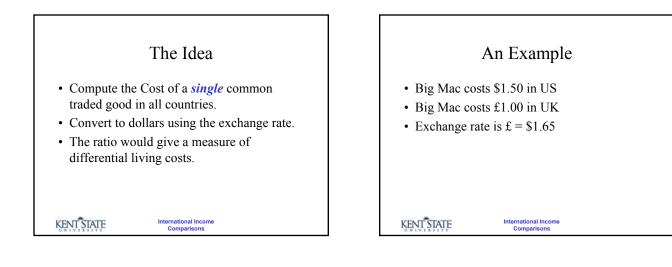
Who has the Large	r GDP	
Per Capita (Hamburgers Rice (pound) Price of Hamburger (per pound) Price of Rice (per pound) Valuated in Yen Valued in Dollar KENTSTATE KENTSTATE	— = 64)0 \$5 \$4	Inpan 9%

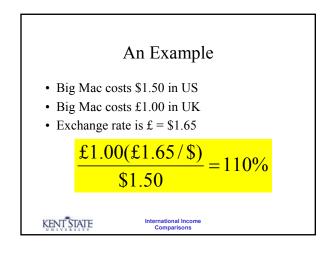
Who has the Larger	GDP	
$\boxed{\frac{Japan}{US}} = \frac{\$1,300}{\$1,080}$	=12	0% []
Price of Hamburger (per pound)	\$5	¥800
Price of Rice (per pound)	\$4	¥300
Valuated in Yen Valued in Dollar The answer if you	166,000	¥106,000
Valued in Dollar	\$1080	\$1300
apply purchasing		
KENT STATE Dollars		











The hamburg	Big Mai	prices	Implied	Actual dollar	Under(-)/over(+)
	to local currency	1n dollars	PPP* of the dollar	exchange rafe 23/04/02	valuation against the dollar, %
United States1	\$2.49	2.49			
Argentina	Peso 2.50	0.78	1.00	3.13	-68
Australia	A\$3.00	1.62	1.20	1.86	-35
Brazil.	Revi 3.60	1.55	2.45	2.34	-38
Britain .	\$1.99	2.68	1.251	1.451	+36
Canada	(\$3.33	2.12	1.34	1.57	-15
Chile	Peso 1,400	2.16	562	655	-16
China	Yuan 10.50	1.27	4.22	8.28	-49
Carch Reg	Koruna 56.28	1.66	22.6	34.0	-33
Øenmark	06/24.75	2.96	9.94	8.38	+19
Euro area	42.67	2.37	0.939	D.894	-5
Hong Kong	HK\$11.20	1.40	4.50	7.80	-42
Hungary	Forline 459	1.69	384	272	-32
Indonesia	Ruplah 15,000	1.71	6,426	9,430	-32
Israel	Shekel 12.00	2.51	4.82	4.79	+1
Japan	¥262	2.01	105	130	-19
Malaysia	M55.D4	1.33	2.02	3.8	-47
Maxico	Pass 21.90	2.37	8.80	9.28	-6
New Zealand	8253.95	1.77	1.59	2.24	-29
Perio	New 5c18.50	2.48	3.41	3.43	-4
Philippines	Peso 85.00	1.28	26.1	51.0	-49
Poland	Zioty 5.90	1.46	2.37	4.04	-41
Russia	Rouble 19.00	1.25	15.7	31.2	-50
Singapore	553.30	1.61	1.33	1.82	-27
South Africa	Rand 9.70	0.87	3.90	10.9	-64
South Korea	West 3, 100	2.36	1,245	1.304	-5
Sweden	\$6r26.00	2.52	10.4	10.3	+1
Switzerland	57-6.30	3.81	2.53	1.66	+53
Talwan	N1570.00	2.01	28.1	34.8	-19
Thailand	Baht 55.00	1.27	22.1	43.3	-4.0
Turkey	Liva 4.000.000	3.06	1,606.426	1.324.500	+21
Venezuela	Bollyar 2,500	2.92	1,004	857	+17
Sources McDonald's			hasing-power parity	r, local price-divided b New York, Ohicago, Sa	y price in United States n Francisco and Atlanta und ROutlans per euro

Local currency under (-) / over (+) valuation against the dollar, % 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998										
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Australia	-16	-20	-14	-11	-23	-25	-22	-17	-20	-32
Belgium	14	27	29	47	47	35	66	48	28	12
Britain	5	5	32	39	23	15	21	14	22	19
Canada	-11	-14	-10	6	-4	-10	-14	-11	-14	-23
Denmark	68	82	85	97	86	67	112	87	63	32
France	38	43	42	49	52	38	66	46	26	11
Germany	13	16	14	25	28	17	50	37	18	5
Hong Kong	-52	-50	-49	-47	-49	-48	-47	-46	-47	-49
Italy	18	44	29	52	30	21	14	23	13	-3
Japan	38	6	25	31	51	64	100	14	-3	-19
Netherlands	18	27	24	33	35	24	52	36	17	3
Singapore	-29	-37	-30	-24	n/a	-17	-9	-8	-14	-28
South Korea	78	35	29	35	27	24	29	25	6	-31
Russia*	n/a	183	155	-73	-50	-29	-30	-18	-21	-22
Spain	19	26	50	41	25	9	23	23	7	-6
Sweden	62	79	91	96	50	39	53	64	39	17
Source: McDo	onald'	8								
*Soviet Union up	to 1991									

Local currency under (-) / over (+) valuation against the dollar, %										
	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Australia	-16	-20	-14	-11	-23	-25	-22	-17	-20	-32
Belgium	14	27	29	47	47	35	66	48	28	12
Britain	5	5	32	39	23	15	21	14	22	19
Canada	-11	-14	-10	6	-4	-10	-14	-11	-14	\sim
Denmark	68	82	85	97	86	67	112	87	63	32
Tranec	38	43	42	49	52	38	66	46	26	11
Germany	13	16	14	25	28	17	50	37	18	5
Hong Kong	-52	-50	-49	-47	-49	-48	-47	-46	-47	-49
Italy	18	44	29	52	30	21	14	23	13	-3
Japan	38	6	25	31	51	64	100	14	-3	-19
Netherlands	18	27	24	33	35	24	52	36	17	3
Singapore	-29	-37	-30	-24	n/a	-17	-9	-8	-14	-28
South Korea	78	35	29	35	27	24	29	25	6	-31
Russia*	n/a	183	155	-73	-50	-29	-30	-18	-21	-22
Spain	19	26	50	41	25	9	23	23	7	-6
Sweden	62	79	91	96	50	39	53	64	39	17
Source: McD	onald'	s								
*Soviet Union up	to 1991									

