Andrew L. H. Parkes, Ph. D. Name\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Introduction to Economics

Quiz #13

Due: April 12, 2017

**Show All Your Work**

1 a. The Choosy Bank has $175,000 in checkable deposits, $440,000 in time deposits, $80,000 in bank capital and $290,000 in securities. What is the maximum amount that the bank can loan out if they keep $42,500 in excess reserves at a 12% required reserve ratio? Show your work in a balance sheet. (4 points)