**Monetary Policy – an overview**

What is monetary policy?

What type of policy is monetary policy?

What is the main objective of monetary policy?

What policy instruments are used?

When are monetary policy decisions made? Who are the made by? How long do they take to have an effect?

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| --- | --- |
| Contractionary Monetary Policy | Expansionary Monetary Policy |
| (AD/AS Diagram to illustrate) | (AD/AS Diagram to illustrate) |
| Explanation of contractionary monetary policy referring to C, I, X-M | Explanation of expansionary monetary policy referring to C, I, X-M |