

Economics 12
Chapter 5–Homework
Money and Banks

Name: _____

Period: _____

Read: pages **69-83** in your text.

Part A: Definitions.

Directions: Define the following key terms in complete and coherent sentences.

barter:

traveler's check:

supply:

automatic teller machine (ATM):

commercial bank:

electronic funds transfer (EFT):

monetary unit:

medium of exchange:

savings and loan association:

fiat money:

currency:

depositor:

Federal Reserve System:

mutual savings bank:

commodity money:

Part B: True and False.

Directions: Complete the true and false questions.

___ Without money, people could not trade with one another.

___ Payments can be made via electronic means without exchanging either money or checks?

___ Fishhooks and beaver pelts have never been used as money.

___ Checks make up the largest segment of the nation's money supply.

___ The main function of money is to make it easy for people to exchange goods and services.