

GCSE Business

Theme 1 Investigating Small Businesses

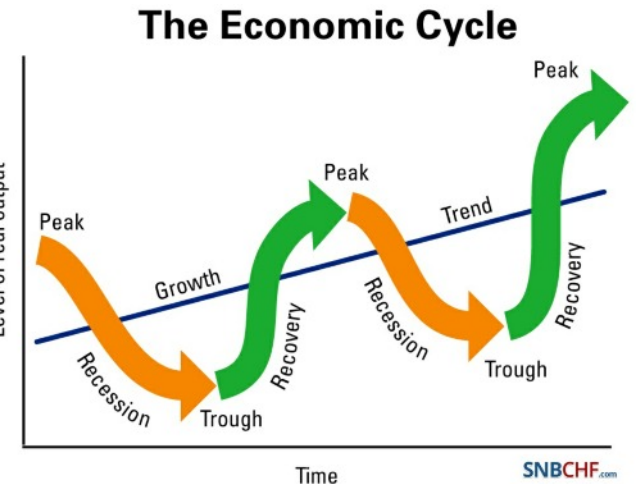
1.5 Understanding external influences on business



Exchange rates are how much one currency is worth in another currency.



"Of course I know the value of the dollar. That's why I'd like my allowance in Chinese Yuan."



The economy refers to the production of goods and the supply of money in an area. The economy runs through a cycle from boom, to recession and back. At which point in the cycle is the UK currently?



"SANTA WOULDN'T EMPLOY ME BECAUSE I'M AN AFRICAN ELEPHANT, NOT A REINDEER. I WANT TO SUE HIM FOR DISCRIMINATION!"

Legislation refers to the laws a business has to follow. Make sure you know about the main employment, and consumer laws.



Interest rates are the % return on money borrowed or investments made. If interest rates are high, people save not borrow. If interest rates are low, people borrow and don't save.

