



Managing Credit

Fed Up!

1. In March 2020, the Fed decreased interest rates to 0% in response to covid 19. Why was this done?

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- b) To make it harder for people/businesses to borrow money
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- d) To stop all importing and exporting of goods



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- b) A branch of government that issues loans
- c) One of 12 major American banks
- d) The official bank of the U.S. government



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- a) Maintaining stable financial markets
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4. How are the Chairman and Vice Chairman of the Federal Reserve hired?

- a) Appointed by Senate; approved by President
- b) Appointed by Senate; approved by VP
- c) Appointed by President; approved by Senate
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- a) Delay a decision until 2021
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You've completed the exercise, now it's time to learn more about the current event:



FED UP! | NOVEMBER 6, 2020 EDITION | NEXT GEN PERSONAL FINANCE

Discussion Prompt:

How do you think changing interest rates impact average Americans' lives?



Extend Your Learning

Three Relevant Resources from NGPF:

- Calculate: Shopping With Interest ([Activity](#))
- Compare: Select A Savings Account ([Activity](#))
- Analyze: Understanding Amortization ([Activity](#))

References:

- The Federal Reserve System Affects You More Than You Might Think ([Investopedia](#))
- Here's Why the Fed Impacts Your Life ([Business Insider](#))
- Fed stands pat & repeats pledge to use tools to support economy ([MarketWatch](#))
- What it means when the Fed cuts interest rates ([Washington Post](#))

