

Activity 2

Part of Real GDP or Not? –Answer Key

Scenario	Real GDP or NOT	Reason
Eating out at your favorite local restaurant	Real GDP	Consumer buying final good/service
Service station attendant changes your flat tire	Real GDP	Consumer buying final service
Dad helping his child change a flat tire	NOT	Not a market activity
An Italian vacationing in New York City	Real GDP	Consumer buying final goods/services
An American vacationing in Italy	NOT	American making purchases outside U.S.
Buying a bracelet while vacationing in Japan	NOT	American making purchases outside U.S.
Buying a chair from a factory in the US	Real GDP	Purchase of final good
Bread sold at the Family Bakery in Kansas	Real GDP	Purchase of final good
The bread sold to McDonald's to use for hamburgers in Kansas	NOT	Intermediate good
Buying your prom dress	Real GDP	Purchase of final good
Catering for your prom	Real GDP	Purchase of final good/services
Your first brand new car	Real GDP	Purchase of final good
The tires that are installed on a car at the factory.	NOT	Intermediate good
Going to the movie theater	Real GDP	Purchase of final good/service
Getting snacks at the movie theater	Real GDP	Purchase of final good/service