

## The Money Multiplier Formula

1. With a deposit of 200 dollars and a reserve requirement of 20% how much must be kept by the bank?
2. With a deposit of 200 dollars and a reserve requirement of 20% how much could be lent out by the bank?
3. With initial excess reserves of 400 dollars and a reserve requirement of 10%, how much will be added to M1 altogether?
4. With initial excess reserves of 500 dollars and a reserve requirement of 20%, how much will be added to M1 altogether?
5. With initial excess reserves of 100 dollars and a reserve requirement of 5%, how much will be added to M1 altogether?
6. With a deposit of 7000 dollars and a reserve requirement of 5% how much could be lent out by the bank?
7. With a deposit of 900 dollars and a reserve requirement of 10% how much could be lent out by the bank?
8. With initial excess reserves of 600 dollars and a reserve requirement of 5%, how much will be added to M1 altogether?
9. With initial excess reserves of 7500 dollars and a reserve requirement of 10%, how much will be added to M1 altogether?
10. With initial excess reserves of 1500 dollars and a reserve requirement of 20%, how much will be added to M1 altogether?