



RAFFLES INSTITUTION
2023 YEAR 5 TERM 3 COMMON TEST
Higher 2

ECONOMICS

9570/2

June 2023

50 minutes

Additional Materials: Answer Paper

READ THESE INSTRUCTIONS FIRST

Write your name, index number and CT class on all the work you hand in.
 Write in dark blue or black pen on both sides of the paper.
 You may use a soft pencil for diagrams, graphs or rough working.
 Do not use paper clips, highlighters, glue or correction fluid.

Answer all questions.

At the end of the examination, fasten answer script for Section B securely together with this sheet as cover page.

The number of marks is given in brackets [] at the end of each part question.

Name: _____

Civics Class: _____

Economics Tutor: _____

Section B	Marks
Question 2	/25

This document consists of **2** printed pages



Raffles Institution

Section B

Answer **all** questions in this section.

2. Falling sales of Electric Vehicles (EVs) and discovery of new mines have caused the price of Lithium, a key ingredient in the production of Lithium-ion batteries to fall by 20%. This led to a dip in the prices of Lithium-ion batteries which are used to power gadgets ranging from smart phones to EVs. Meanwhile new technologies in the form of Sodium-ion batteries have emerged in the battery market, seeking to rival Lithium-ion batteries.

Adapted from New York Times and BBC, 2023

- (a) Using demand and supply analysis, account for the sharp fall in the price of Lithium. [10]
- (b) Discuss the impact of falling prices of Lithium-ion batteries on its related markets. [15]

*****END OF PAPER*****