Chapter 26: Aggregate Demand, Aggregate Supply
- What variables are on the axes?
- Why are the curves shaped as they are?
- What kinds of shocks shift the curves, why, and with what result?

Chapter 27: The Keynesian Macro Model
- Macro equilibrium
- The adjustment story (i.e. by what process the economy gravitates towards equilibrium GDP)
- Different specifications of consumption and import functions with and without income taxes
- Multipliers
- The “paradox of thrift”
- The consequences (for GDP and employment) of
  - higher government spending
  - higher taxes
  - investor pessimism
  - a surge or a collapse of export demand

Not in Book: Time Value of Money
- Cash flows
- Present value
- Net present value
- Effect of changing interest rates on NPV

Chapter 29: Money & Banks
- The three functions of money
- Statistical definitions of money (M1, M2)
- Role of banks as financial intermediaries
- Balance Sheets
  - Assets
  - Liabilities
  - Net worth
- How banks create money
  - Reserve ratio
  - Money multiplier