

- 17** An open economy with a government sector is in equilibrium. Households in this economy save \$100 million and firms spend \$150 million on investment.

Which combination of the budget balance and the current account balance would lead to an equilibrium position on the circular flow of income?

	budget balance	current account balance
<b>A</b>	\$100m deficit	\$50m deficit
<b>B</b>	\$100m deficit	\$50m surplus
<b>C</b>	\$100m surplus	\$50m deficit
<b>D</b>	\$100m surplus	\$50m surplus