

# The Business Cycle Activity

Name: \_\_\_\_\_ Date: \_\_\_\_\_

**Directions:** You will be working with a partner to respond to these situations. Your teacher will read each statement, then give you one minute to discuss the potential answer with your partner. Once selecting an answer, you should place an X on this sheet showing your answer and hold up the card corresponding with your answer.

	Expansion	Contraction	Peak	Trough
Economic activity at its highest				
Lowest period for production				
Businesses produce more and hire more employees				
Consumer spending is rising on all items				
Production is cut down				
Business profits are on the decline				
Inflation is increasing				
The economy slows down				
GDP is rising out of a recession				
Unemployment is at its highest				