Formula John Kendrick

rate Cp = [rate Cl ·α + rate Ck(1- α)] -

- [rate $\frac{P}{L}$·α + rate $\frac{P}{C}$ (1- α)]

Where:
the rate of Cp - annual growth rate of prices of products
Cl - labor cost
Ck - the price of capital
α share of labor income in GDP
1 - α - share of property incomes in GDP
P/L - Productivity, where P - the production of goods.
P/K -in capital (capital productivity, where P – output
- [$\frac{P}{L}$ · α + rate $\frac{P}{K}$ (1 - α)]
- total factor productivity.

Demand function for national exports

- Demand function for national exports by the world market can be estimated on the basis of the following equation:

$$\frac{X}{Px} = a0 + a1\, yw + a2\, \frac{Px}{Pw},$$

Where,

- X - the value of exports in current prices;
Px - export price index;
yw - the real world GDP;
Pw - average weighted index of export prices of major competitors;
a0> 0 - constant in the regression equation;
a1> 0, a2 <0 - the coefficients in the regression equation (factors that enhance the impact on these indicators).

The supply of goods for export

- $\frac{X}{P_x} = a_0 + a_1 * \frac{P_x}{P_d} + a_2\, y_d$

Where:

- **X – export's cost in current prices;**
- **P_x – index of export's prices;**
- **P_d – index of domestic prices;**
- **y_d – real GDP;**
- **$a_0 > 0$ – constant in a regress equation;**
- **$a_1 > 0$, $a_2 < 0$, coefficients in a regress equation.**
- **This formula shows that a supply of goods for export in a real expression (X/P_x) depends (with a sign "plus") on a correlation of export and domestic prices for export's goods (P_x/P_d), and (with a sign "minus") on the real domestic demand (y_d), and on the row of other factors, which are caught by a coefficient a_0.**
- **$a_1 > 0$ and $a_2 < 0$ – coefficients in a regress equation**

Demand for import

- $\frac{IM}{P_{im}} = a_0 + a_1 y_d + a_2 * \frac{P_{im}}{P_d}$
- Where:
- IM - import's cost in current prices;
- y_d – real domestic GDP;
- P_{im} - index of export's prices;
- P_d - average weighted index of export's prices of main competitors;
- $a_0 > 0$ – constant indicator in the regress equation;
- $a_1 > 0$ and $a_2 < 0$ – coefficients in a regress equation.

Governmental policy in taxing we can watch in the next examples:

- - The tax's level of oil companies' incomes in OPEC's countries with low expenditures of oil extraction is high enough (in Libya it's about 80%);
- - The common oil company income taxes in Great Britain are about 60%, so the oil extractive expenditures are the highest in the oil-produced countries.
- The governmental regulation is expressed by the establishment of ecological standards and the putting out ecological standards may reach 15% from the all sum of expenditures in working out new hydrocarbon recourses deposits.

discounted value of electricity - as a tool for comparing

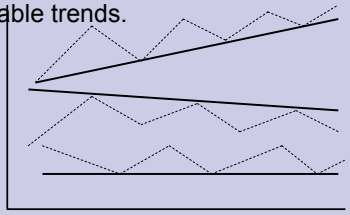
$$\sum_{t=T_b}^{T_L} \frac{C_{lev} E_t}{(1+d)^{t-T_D}} = \sum_{t=T_B}^{T_E} \frac{C_t}{(1+d)^{t-T_D}}$$

- Ct - total costs (capital, operating, fuel) in the year;
- Clev - discounted average cost of electricity / breakeven rate;
- Et - generation of electricity (kWh) per year;
- d - discount rate;
- Tb - date of submission of tender for the project;
- Td - bringing the cash flow date (the date of the discount);
- To - date the beginning of commercial production of electricity;
- Tl - date of completion of operation of the facility;
- Te - date of completion of decommissioning.

Tariff break even - the average price that consumers pay for the reimbursement of capital, operating costs and fuel costs, with returns equal the discount rate

The graph's representation of different trends: "going up", "going down", "stable"

- going up trends, going down trends and stable trends.



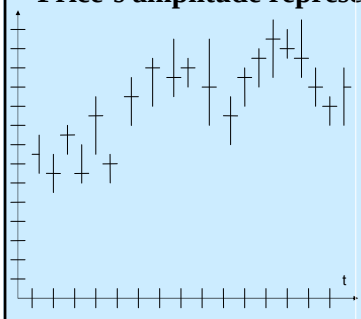
Price, fixed at moment of commodity exchange's opening

The highest price

The lowest price

Price, fixed at the moment of commodity exchange's closing

Price's amplitude representation



Price, fixed at moment of commodity exchange's opening

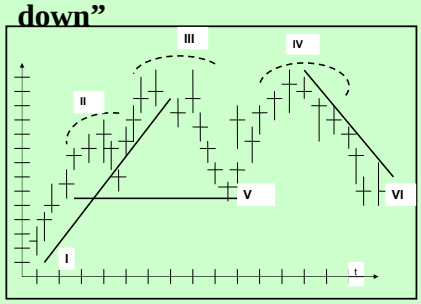
The high est price

The lowest price

Price, fixed at the moment of commodity exchange's closing

- I – the line of going up trend
- II – “left shoulder”
- III – “Head”
- IV – “right shoulder”
- V – “neckline”
- VI – the line of going down trend

The transition from the trend of “going up” to the trend of “going down”



- I – the line of going up trend
- II – “left shoulder”
- III – “Head”
- IV – “right shoulder”
- V – “neckline”
- VI – the line of going down trend

The transition from the trend of “going down” to the trend of “going up”