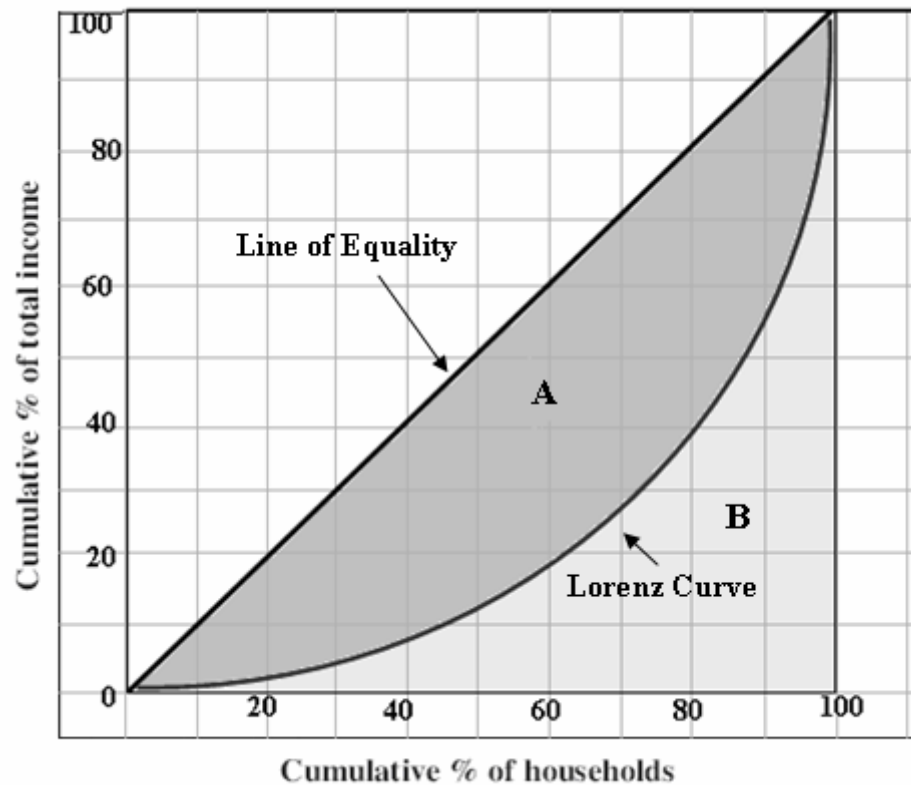


**Teaching Material 3 (TM3)**



**Questions:**

1. Explain the calculation of Gini Coefficient with reference to the diagram above.
2. Explain the boundaries of Gini Coefficient (0-1) and the level (more/less even) of income inequality indicated by different Gini Coefficients.
3. Explain the relationship between the change in the position/shape of the Lorenz Curve and the change of Gini Coefficient, and the relationship between such changes and income inequality.