1. As a currency trader, you want to buy € for US$ at a low price (in Tokyo) and sell € for US$ at a higher price. There will be excess demand for € in Tokyo and excess supply of € in London. € is expected to appreciate against US$ in Tokyo and to depreciate against US$ in London.

2. U.S. imports from Germany = €2.00x200x$1.50/€ = $600
   U.S. exports to Germany = $3.00x150 = $450
   U.S. Current Accounts = $450 - $600 = - $150 (deficit).

   Since U.S. and Germany trade only with each other, U.S.’s Current Accounts deficit is Germany’s Current Accounts surplus. Germany thus has a Current Accounts surplus of \( \frac{-150}{1.50/\text{Euro}} = €100. \)