

Course Report 2026

National 5 Economics, SCQF level 5

We've written this report for teachers and lecturers. We recommend you read this with the published course assessment documents and marking instructions.

Note: we've made changes to the course assessment from session 2026–27.

Check your [subject page](#) for more information.

The report:

- provides a summary of how each course component performed
- highlights areas of the question paper and coursework where candidates performed well and areas where they did not perform well
- has advice you might find useful when preparing candidates for assessment

We collect and prepare the statistics in course reports before we complete the appeals process.

Statistical and grade boundary information

Course entries

Number of resulted entries in 2025: 511

Number of resulted entries in 2026: 617

Distribution of course awards (including minimum mark to achieve each grade)

Course award	Number of candidates	Percentage	Cumulative percentage	Minimum mark required
A	448	72.6	72.6	87
B	80	13.0	85.6	74
C	47	7.6	93.2	61
D	28	4.5	97.7	48
No award	14	2.3	100	Not applicable

We've not applied rounding to these statistics.

In this report:

- 'Most' means greater than or equal to 70%.
- 'Many' means 50% to 69%.
- 'Some' means 25% to 49%.
- 'Few' or 'a few' means less than 25%.

You can find [statistical reports](#) on our website.

General commentary on grade boundaries

Our main aim when setting grade boundaries is to be fair to candidates across all subjects and levels, and to maintain comparable standards across the years, even as arrangements evolve and change.

For most National Courses, we aim to set examinations and other external assessments and create marking instructions that allow:

- a competent candidate to score a minimum of 50% of the available marks (the notional grade C boundary)
- a well-prepared, very competent candidate to score at least 70% of the available marks (the notional grade A boundary)

It's very challenging to get the standard on target every year, in every subject, at every level. Therefore, we hold a grade boundary meeting for each course to bring together all the information available (statistical and qualitative) and make final decisions on grade boundaries based on this information. Senior Qualifications Scotland staff normally chair these meetings.

Principal assessors use their subject expertise to evaluate the performance of the assessment and propose suitable grade boundaries based on the full range of evidence. We can adjust the grade boundaries as a result of the discussion at these meetings. This allows the pass rate to be unaffected in circumstances where there is evidence that the question paper or other assessment has been more, or less, difficult than usual.

- We can adjust the grade boundaries downwards if there's evidence that the question paper or other assessment has been more difficult than usual.
- We can adjust the grade boundaries upwards if there's evidence that the question paper or other assessment has been less difficult than usual.
- If levels of difficulty are comparable to previous years, we maintain similar grade boundaries.

Every year, we evaluate the performance of our assessments in a fair way, while ensuring standards are maintained so that our qualifications remain credible. To do

this, we measure evidence of candidates' knowledge and skills against the national standard.

For full details of the approach, please refer to the Awarding and Grading for National Courses Policy.

How the course assessment performed

Question paper

The question paper did not perform as expected, as a few questions were less demanding than intended. We adjusted the grade boundary for lower and upper 'A' candidates to reflect this.

Assignment

The assignment performed as expected. Candidates presented a broad range of topics; for some topics, there was only one entry for the entire cohort. The popular topics included trade barriers (tariffs), AI, immigration, interest rates, unemployment, the ageing population, tourist tax and the national minimum wage.

How candidates performed

Areas where candidates performed well

Question paper (section 1)

Q1(a)(i)(ii) — Define bilateral aid and describe 3 other types of aid given to developing countries.

Q1(e) — Discuss advantages and disadvantages of imposing trade barriers.

Q2(b)(i)(ii) — State the original equilibrium price and quantity in the diagram and calculate the change in daily total revenue for second-hand clothing following the shift in demand.

Q2(d)(i)(ii) — Identify 2 further methods of borrowing and describe the advantages and disadvantages of borrowing to an individual.

Q2(e)(ii) — Explain ways in which increased UK government tax revenue may be used to support economic growth.

Question paper (section 2)

Q3(a) — Outline 2 economic features of emerging economies.

Q3(c) — Describe the way in which the Labour Force Survey measures unemployment in the UK.

Q5(d) — Explain the impact of a cut in interest rates on individuals.

Q7(d) — Describe, giving examples, each of the following types of government spending: current spending and transfer payment.

Assignment

Most candidates who followed the guidelines in the coursework assessment task performed well. The most accessible sections were 'Introduction', 'research' section and the findings within 'findings, analysis and interpretation' section.

All but a few candidates gained the mark in the 'structure and presentation' section.

Areas where candidates did not perform well

Question paper (section 1)

Q1(g) — Explain, using a market diagram, how a shortage affects the equilibrium of a good.

Some candidates interpreted a shortage as a shift in demand or supply, rather than explaining the movement towards equilibrium. Others did not accurately explain how a shortage creates upward pressure on price, leading the market back towards equilibrium.

Q2(c) — Outline 4 factors which may cause the demand curve for second-hand clothing to shift right.

Some candidates identified price as a factor but did not include other factors that would increase demand for second-hand clothing.

Q2(e)(i) — Describe one UK tax paid when consumers buy and businesses sell goods and services.

Most candidates identified corporation tax but did not adequately describe it.

Question paper (section 2)

Q3(d) — Suggest 3 possible reasons for a rise in employment:

Some candidates confused employment with unemployment and gave effects instead of reasons.

Q4(b) — Describe the ways in which a private bus firm could increase its profitability:

Most candidates described relevant strategies but did not develop their explanations sufficiently. Others identified ways to increase revenue or reduce costs but did not clearly describe how these would improve profitability.

Q4(c) — Explain possible reasons for multinational companies locating in Scotland:

Most candidates explained general reasons, without applying them specifically to multinational companies in Scotland.

Q5(c) — Describe possible ways to measure standard of living:

Most candidates described factors that influence quality of life, rather than measures.

Q6(b)(i) and (ii) — Define the term inflation and explain a cause of imported inflation:

Many candidates provided incomplete definitions, omitting the idea of a sustained increase over time. Some candidates identified a cause of imported inflation but did not clearly explain how it leads to higher domestic prices.

Q6(d) — Using an example, explain one advantage of being a member of a trading bloc:

Most candidates give an example of a trading bloc (mainly the EU) but then described features of a trading bloc, rather than explaining an advantage of being a member of one.

Q7(a) — Explain the effect of an increase in the cost of raw materials on the supply of a product:

Many candidates identified that higher raw material costs affect supply but did not clearly explain the resulting decrease in supply.

Q7(b) — Draw a supply diagram showing an extension of supply:

Some candidates confused an extension of supply with an increase in supply and incorrectly shifted the supply curve.

Assignment

Background

Some candidates did not gain marks because they focused on narrative descriptions, rather than presenting relevant facts and statistics about their chosen topic.

A few candidates included factual information in the 'introduction' section that they repeated in the 'findings, analysis and interpretation' section. Candidates can only gain marks once for repeated content.

Research sources

Candidates gain marks for explaining why they select particular sources. Some candidates gave lengthy descriptions of the information they found, which was unnecessary. A brief explanation of the purpose of each source was sufficient (for example, 'I used the Office for National Statistics to obtain data on UK employment levels'). Some candidates did not gain marks because they did not explain the value of their chosen sources.

Findings, analysis and interpretation

Some candidates identified relevant findings but did not develop these through appropriate analysis. In many cases, candidates did not clearly link their findings and analysis to the focus of their report title. This then affected the quality of their conclusions and recommendations, which candidates should relate directly to the report's stated purpose.

A few candidates did not appropriately reference their findings or include a suitable references section. Some candidates used footnotes to acknowledge sources, which is a clear way to evidence the sources used.

Conclusions and recommendations

Many candidates find the conclusions and recommendations section challenging. Common reasons why marks were missed are when candidates:

- did not justify their conclusions and recommendations with evidence from their report

- introduced new information that they did not explore in the 'findings, analysis and interpretation' section
- repeated earlier analysis points without further development

Candidate responses that gained more marks were those that drew clear conclusions from the evidence and provided well-supported recommendations that candidates directly linked to the findings in their report.

Economic theory

Some candidates find the integration of theory challenging. Candidates must incorporate theory points into the 'findings, analysis and interpretation' section of their report. This is the only section where candidates can gain these marks.

Candidates should apply relevant theory to support their analysis, rather than presenting it as a series of stand-alone definitions. A few candidates also included a separate heading for theory. Candidates need to integrate theory with the analysis and not under a separate sub heading of the 'Findings, analysis and interpretation' section.

Preparing candidates for assessment

You can use the materials on the [Understanding Standards](#) website to help you prepare candidates.

Question paper

You should use the updated specimen question paper (70 marks, reduced from 90 marks) to show candidates the format of the revised exam.

Diagrams

You should help candidates develop a clear understanding of the requirements of questions involving economic diagrams. To gain marks, candidates should practice working with diagrams, so they recognise the specific diagram required for the question. For example, if a question asks for:

- a demand diagram, the candidate response should begin with a demand curve
- a supply diagram, the candidate should base their response on a supply curve
- a market diagram, the candidate response should include demand and supply curves, showing the original market equilibrium, where appropriate

Candidates must be familiar with the requirements of different command words, so they understand how to correctly answer each question and what format to use. You should provide opportunities for candidates to practise responding appropriately to terms such as define, describe, explain, outline and draw. For example, if a question asks:

- 'draw a diagram', candidates do not need a written explanation
- 'explain, using a diagram', candidates gain marks for both the accuracy of the diagram and the quality of the accompanying explanation. To gain full marks candidates must draw a diagram and provide an explanation.

Encourage candidates to draw diagrams that are clear, accurate and of sufficient size to allow all labels, axes and shifts to be easily read. They should label the axis on their market diagrams fully (Price not P, Quantity not Q). Well-presented diagrams

help candidates communicate economic concepts and reduce the possibility of missing marks for unclear or incomplete labelling.

General

‘Explain’ questions: Candidates should avoid restating the question wording as the identification point in their answer. Instead, they should provide a clear identification, followed by a developed explanation that demonstrates they understand the concept.

Trading blocs: Make sure candidates are familiar with at least two examples, and that they understand the characteristics and benefits of each.

Consequential marks: Encourage candidates to attempt all parts of a question, even if they’re unsure of an earlier answer. In calculation questions, you should remind candidates to show all working, as this can allow candidates to gain marks for correct methods and may help them gain consequential marks in later parts of the question.

Economic concepts and terminology: Help candidates develop a good understanding of key economic concepts and terminology, so they can apply this to a range of contexts.

Practice for assessment: Regular practice of command words such as describe, explain, outline, define helps candidates understand the depth of response required. You should give candidates opportunities to interpret and construct economic diagrams accurately, making sure candidates can explain the economic relationships shown.

Administration: Encourage candidates to space their work out. If their handwriting is difficult to read, you should consider submitting word-processed scripts or using a scribe or transcriber. Candidates should print word-processed scripts in double line spacing.

Assignment

Introduction

Candidates must make sure that the content of their topic has a clear focus and relates to the title of their report. They must make sure their findings, analysis, conclusions and recommendations relate to and are consistent with the scope identified in the title.

Research sources

Candidates gain marks for stating the reasons for choosing sources. You should encourage candidates to focus on the value of their sources, rather than summarising their findings at this stage. Candidates should explain how their chosen sources supported their research or why those sources were appropriate for their investigation.

Make sure candidates know that an explanation of a source value requires two distinct elements: an identification of the value and a justification of why that characteristic adds value. For example, a candidate might state that a source is up to date and then justify this by noting that it was published in March 2025. Providing both elements is essential for a fully developed response. When referring to time periods, candidates should use specific dates or months, rather than relative terms such as 'last month' or 'recently'.

Candidates must check that the source names or reference numbers they use throughout the report correspond exactly with those in the appendices. Accurate cross-referencing helps markers identify and verify sources.

Candidates should include full website URLs when they reference online sources, as embedded hyperlinks are not always accessible to markers during the assessment process.

Findings, analysis and interpretation

You should make sure that candidates are familiar with the marking guidelines for the 'findings, analysis and interpretation' section. They must support each finding using a

clearly identified source and base every analysis point on an appropriate finding. A typical structure is:

- state the source
- present the finding
- develop the analysis

Candidates can give a maximum of three analytical points from any one finding.

When providing analysis, encourage candidates to go beyond restating or rephrasing a finding. Effective analysis should explain the finding's impact and show that the candidate has a deep understanding of the issue.

Candidates should use "quotation marks" to distinguish their findings from their analytical commentary. This makes their argument clearer and identifies evidence.

Conclusions and recommendations

Help candidates justify conclusions and recommendations, by making sure they link them directly to the evidence and analysis in their report.

Candidates should avoid introducing new evidence or issues at the conclusion stage. Their conclusions and recommendations must be derived from, and supported by, the information and analysis presented earlier. Candidates should clearly connect their recommendations to the focus of the report title, which supports their findings already explored in the 'findings, analysis and interpretation' section.

Economic theory

Make sure candidates know that they can only gain theory marks if they integrate relevant theory into the 'findings, analysis and interpretation' section of their report. Candidates cannot gain marks for theory in the 'introduction' and/or 'conclusion or recommendations' sections.

Candidates can gain theory marks for accurate definitions of economic terms, provided that they apply these appropriately and blend the definitions into their main analysis. Encourage candidates to include enough relevant theory throughout their report, to gain all marks available.

To help identify theory more clearly, candidates may find it useful to highlight theory points through the use of bold or italic formatting where appropriate. This can assist in distinguishing theoretical content from findings and analysis.

General

- If using graphs, candidates should use them to support their analysis and include commentary. Make sure candidates integrate their graphs into the main body of the report, clearly explaining the trends, patterns or relationships shown.
- Candidates should review their work to make sure the title accurately reflects the content of their investigation. If necessary, they can adjust the title for consistency between the focus of the report, and the evidence and analysis they're presenting.
- Although candidates may choose the same topic, each candidate must carry out their own research and produce their own report. All evidence gathered, analysis undertaken and conclusions reached must be the candidate's own work.
- Encourage candidates to print their reports double-sided.
- Give candidates regular opportunities to review example materials and analyse assessment standards for the assignment and the question paper. This helps build confidence and improve their performance across both components of the course assessment.