ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	National Income = Ntional Expenditure is an	A. Equation B. Identity C. Function D. None
2	Per capita Incom is.	A. Income per worker B. Incomeper hea C. Income per household D. Income per industrial unit
3	If indirect taxes are deducted from NNP and subsidies are added. we achieve	A. Personla savings B. DPI C. National Income D. Percapita inocme
4	Transfer payments are not included in national income becaues.	A. Such payments are made to persons livnig abroad B. Double counting would result C. They are illegal D. There is no method to account for these
5	To determine the correct level of GNP ,it is necessary to.	A. Add up the values of goods and services during one year B. Add up allsavings C. Count all imports D. Add up the value of semi finished goods
6	Real national income increases when	A. Prics of goods are rising B. National savings increases C. Quantity of goods and services increases D. None of the above
7	It is considered as investment	A. Construction of a house B. Purchase of an old house C. Salaries of college professors D. a and b above
8	It is considred as transfer payments	A. Salaries of govet emplyees B. Bonus of bank employees C. Inemployment allowance paid by govt D. Free medical are to offers.
9	GNP is always.	A. Less than NNP B. Grether than NNP C. Equal to NNP D. Is found from NNP
10	The four factor payments are.	A. Money, Capital, salaries, and income B. Wages, rent internest and profts C. Money, power, Prices, and wwalth D. Wags, intrest, salareis,andtaxes.
11	It is transfer payment	A. Payment o college tuition B. A social securiy payment C. Payment for a leased car D. Intrest paid for a bank loan
12	It is counted in GDP	A. Sale price of an old car B. A TV set produced this year but not sold C. Purchase of 100 shares of PSO D. The leisure people consume
13	If govermment increases taxes pivate savings.	A. Increase B. Decrease C. Do not change D. Will become zero
14	If C= 200 and I= 40 Than Y will equal	A. 160 B. 240

14	If C =200 and MPC =1 than Y will equal	C. 200 D. 8000
15	Corporae tax is levied on	A. Landdlords B. Inporters C. Big companies D. Municipal corporations
16	If we deduct direct tax from personal income we get.	A. Net National income B. Disposable income C. Personal saving D. Per capital income
17	The largest part of national income goes to	A. Consumption B. Investment C. Saving D. Transfer payment
18	We measure natonalincome by this method.	A. Expenditure method B. Income method C. Product method D. As of the above
19	Which statment is true	A. NNP =GNP- Deprection B. NNP =N1 C. NNP = DPI D. NNP = GNP + Depreciation
20	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
21	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production
22	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
23	When National income is estimated by expenditue method we include.	A. All govt expenditure B. All houseolds expenditure C. All of the above D. All expenditure of the business sector
24	Which statment is true	A. National Income = Naional expenditure - indirettaxes B. N1 =GNP -NNP C. N1 =P1 D. NI =NNP-Indirect taxes
25	Threre are methods of measurieng natinal income	A. 5 B. 4 C. 2 D. 3
26	Whis is the largest figure	A. NNP B. GNP C. DPI D. PI
27	Which is a flow concept.	A. Number of my shirts B. My montly income C. My total wealth D. Money Supply
28	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
29	It is duducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciatin allowance D. Subsidies
30	Undisributed proits are considered.	A. Income enrned but not received B. Income eearned and received C. Income received but not earned D. None of the above
		A. Total Sales in the economy B. Total monetary transactions in an

#	Question	Options
31	GNP is	B. Total monetary transactions in an economy C. Sum of market values of all goods and services prodcued in an economy D. Totla spending in an economy
32	GNP includes	A. A Loan from a bank B. A loan from one's parents C. A brokers commission D. Gilfts and donations
33	In erms of national income accounts, multiple counting efers to.	A. The addition to GNP of multiple units of a good B. Counting cureently producedgoods more than once C. The inclusion in GNP of gross spending and taxes D. Counting both goods and services
34	Net investment is	A. Gross investment minus household investment B. Gross investment minus govt. investment C. Gross investment minus capital consumption allowance D. None of the above
35	PI is equivalent to	A. DPI Minus personal taxes B. DIP Plus unerned receipts C. DPI Minus income earned but not received D. NI plus unearned receipts minus personal taxes
36	Market value of all final goods and services produced in a country during a year is definition	A. GNP B. NNP C. NI D. Consumption
37	Investment spending included the purchase of.	A. Lottery coupon B. Prize Bond C. Residential construction D. all of the above
38	Which of the following would NOT be included in GNP	A. Govt. Transfer payments B. Got. Purchase of an air plane C. Payment for construction of highway D. Salary paid for the presidents secretary
39	Consumption spending does NOT include.	A. Household's purchases of clothes B. Household's purchase of a car C. Household's paymnet of rent for an apartment D. Household's purchase of shares of a business corporation
40	Net Exports are	A. Total Exports plus total imports B. Total exports minus total imports C. Total exports divided by total imports D. Total imports minus total exports
41	National Income is.	A. Total Income earned in producing the national product B. All taxes plus govt. spending C. Sum of personal income and saving D. NNP minus the capital consumption allowance
42	Which of the followign is not included in personali income	A. Social security benefits B. Dividend payments C. Undistributed corporate profits D. Interest received from of saving certificates
43	In circular flow model	A. Govt. owns productive resources B. Firms own productive resources C. Households own productive resorces D. Rent of land is not included
44	Govt. transfer payment include	A. Social security benefits B. Welfare benefits C. Student scholarships D. All of the above

45	It would increase the lvel of national income.	A. An increase in taxation B. A reduction in governmnet spending C. An increase in exports D. Students scholarships
46	National income is a measure of	A. The zise of government revenue B. Payments made to facor of production C. Production f goods per day D. Total working hours
47	In calculating national income which one will NOT be included.	A. Exports B. Old age pensions C. Wages of lecturer D. Undistributed profit by firms
48	Total value fo all final goods and services produced annually by a country.	A. NNP B. GNP C. GDP D. NI
49	Personal income includes.	A. Direct taxes B. Indirect taxes C. Depreciation D. None of the above
50	The largest type fo in come in the Pakistan is	A. Compensation of employees B. Propretors income C. Rental income D. Corporate profits
51	Country is poor if it has.	A. Less production of gods per capita B. Less amount of gold C. Less amout of foreign currency D. Less exports
52	The have a functional relation	A. Consumption and national income B. Consumption and saving C. Consumption and investment D. All of the above
53	Gross nationa product includes	A. A loan from one's parents B. A loan from a domestic bank C. A loan from other countries D. None of theabove
54	Macroeconomics is concerned with.	A. Aggregate economic activity B. Spending decisions of households C. Hod to produce goods D. How tobuy stocks and bonds
55	A closed economy is best described as one in which	A. thre are no monopolies B. No corporations C. No extemalities D. No international trade
56	In economics one of more persons living in a joint family are called a	A. Community B. Social gathering C. Super family D. Household
57	The largest type of income in the Pakistan is	A. Compensation of employees B. Rental income C. Proprietors income D. Coporate profits
58	Total value of allfinal goods andservices produced annually by a country.	A. NNP B. GNP C. GDP D. NI
59	Which measure has the larger value .	A. NNP B. GNP C. GDP D. NI
60	If saving exceed investment then	A. National income rises B. National income falls C. National income is not affected D. None of the above
61	If we include it. national income will be over estimated	A. Transfer payment B. Income from abroad C. Illegal income D. Exports
		A. Free services

62	It is avoided to make correct estimate of national income.	B. Double counting C. Export earnings D. All of the above
63	It is not included in estimation of national incoe	A. Illegal income B. Services of house wife C. Imports D. All are not included
64	The goods which arw used directly by the people are called.	A. Consumer goods B. Capital good C. Direct good D. None
65	Circular flow of income links	A. Income expenditure B. Govt taxes govt expenditure C. Exports ,imports D. Saving and investment
66	Transfer payments include.	A. Daily wages, pensions B. Pensions Zakat C. Taxes, pocket money D. Zakat , taxes
67	Rupee is a coin	A. Full value B. Token money C. Credite money D. Convertible
68	Cash can NOT be directly drawn fro a bank against	A. Cross Cheque B. Order cheque C. Bearer cheque D. Traveller cheque
69	Money Material should be	A. Abundant B. Scarce C. Beautiful D. Heavy
70	In Pakistan money a account is	A. Paisa B. Rupee C. Gold D. Dollar
71	If no money is used to exchange goods it is called.	A. Barter B. Currency C. Black Market D. Free Trade
72	Which is not a Function of money	A. Make demand and supply equal B. Medium of exchange C. Store of value D. Meaasure of value
73	Which is money	A. Cheque B. Credite card C. Currency D. Prize Bond
74	Convert money means.	A. It can buy goods B. Govt. give gold against C. Illegal money D. Low value money
75	It is the medium of exchange	A. Black money B. Currency C. Near money D. Foreign exchange
76	Quantity of oney has relation with alue of money	A. Direct B. Indirect C. Inverse D. No relation
77	Commercial Bank create	A. Credit money B. Token money C. Legal Money D. Do not create money
78	Cheque is	A. Legal Money B. Credit money C. Paper money D. Not money
79	The most importnat fature of money	A. General acceptability B. Store of value C. Covertibility into gold D. Medium of exchange

#	Question	Options
80	It can change money supply	A. National Assembly B. Supreme court C. Government D. State Bank
81	Which shows equilibrium of national income	A. Consumption = investment B. Saving = investment C. Saving > investment D. Saving < investment
82	This wil cause anincrease in national income	A. Rise in exports B. Fall in consumer spending C. Rise in imports D. Increase in saving
83	If C = 200 and I = 40 then Y will equal	A. 160 B. 240 C. 8000 D. None of the above
84	Consumption is a function of.	A. Saving B. Investment C. Income D. Expenditure
85	Which one is investment in economics	A. Building a factory B. Buyig shares in stock exchange C. Depositing money in bank D. Deposting money wiht housing society
86	Marginal propensity to consume MPC is.	A. Total income spent on consumption B. Ratio of additionalincome consumed C. Ratio of total income consumed D. Consumption divided by saving
87	Which of the following would increase national income.	A. Increase in taxation B. incerese in savings C. Increase in govt spending D. Decrease in consumption spending
88	Which of the following is a withdrawal from the circular flow of income stream.	A. Taxation B. Consumption C. Subsides D. Investment
89	Aggregate demand means.	A. Aggregate saving B. Aggregate Income C. Aggregate investment D. Aggregate expenditure
90	In equilibrium of nationalincome.	A. S > I B. S = I C. S < I D. All are true
91	National income equals.	A. c+ I+g B. c-i-g C. c-s-g D. c+s+g
92	GDP atconstnat prices, calculated according to some base year is called.	A. acutal GDP B. Real GDP C. Net GDP D. Nominal GDP
93	MPC is always.	A. Positive B. Negative C. Zero D. More then APC
94	This will cause decrease in natioal income.	A. Rise in exports B. Rise in saving C. Increas in taxese D. B and C above
95	Equilibrium of national income will be when	A. S >I B. S < I C. S = I D. S - 1
96	This is a difficulty of barter	A. Lack of double coincidence of wants B. Diffculty to produce goods at larger scale C. Lack of divisiblility of many goods

		D. All of the above
97	Speculative demand for money depends upon	A. Income B. Investment C. Rate of Interest D. Central bank
98	If money supply in a country decreses	A. Price will rise B. Price will fall C. Rate of intrese falls D. B and C of above
99	In the equation MV =Py. V represents	A. Value of money B. Velocity of circulation of money C. Variation of nation income D. All of the above
100	In the equation MV =PY represents	A. Money supply B. Money Demand C. Maximum output D. Minimum Optput
101	According to Keynesmotives for holding money are.	A. Two B. Three C. Four D. Five
102	Cross cheque has a cross sign in the	A. Right side upper comer B. Right side lowr comer C. It does not have cross sign D. Left side upper corner
103	Barter means.	A. Trade through metallic money only B. Trade of goods ony excluding services C. Trade without use of money D. Trade of low value goods only
104	Ten Rupee note is	A. Token money B. Creadit money C. Legal Money D. a and c of above
105	Paper money in Pakistan is	A. Inconvertible B. Convertible C. Linked to gold D. None of the above
106	Government securities.	A. MeanCurrency B. Are near money C. Are bought and sold on stock exchange market D. B and C of above
107	Which is the charactertistic of good money	A. Has good design B. Has high value C. Has a fixed value in gold D. Is readily accepted by people
108	This is NOT money	A. Currency B. Prize Bond C. Demand deposit oin a bank D. Coins
109	This is a characteristic of good money	A. High intrinsic value B. Liquidity C. Attractive design D. Easy to duplicate
110	This is a characeristics of good money	A. High intricnsic value B. General acceptability C. Atractive design D. Easy of duplicate
111	It is included in kind of money	A. Legal money B. Credit money C. Taken money D. All of the above
112	Cross cheque has tow lines drawn on	A. Right side upper corner B. Left side upper corner C. Right side lower corner D. In the Centre
113	Pursching power of money during defiation is.	A. Increased B. Reduced C. Constant D. Fluctuating

114	Value of circulation money means by number of times a unit of money	A. Change hands daily B. Change hand annually C. change hands montly D. Change purchacing power
115	The equation of exchange PT =MV was given by	A. Fisher B. Crowther C. Kuznet D. Keynes
116	Value of money in pakistan in determined by	A. Govt of Pakistan B. General Price Level C. State Bank Pakistan D. Value of Dollar
117	When value of money falls, they benefits more	A. Debtors B. Lenders C. Farmers D. Industrialist
118	When the nations money supply is Rs. 1200 million and GDP is Rs. 4800 billion. velocity of circulation money is.	A. 0.25 B. 4 C. 0.4 D. Billion Rupees
119	Which One is equation of exchange.	A. PT = MV B. PV = MT C. PM = TV D. None
120	Under normal circumstances the velocity of circulation of money in a contry is.	A. 100% B. negative C. Less than 10 D. Zero
121	Banks discount it and adance loans.	A. Draft B. Bill of Exchange C. pay order D. Gold
122	According to keynes demand for money is affected by	A. Income B. Rate of intest C. Literacy rate D. a and b of above
123	Drung inflation	A. Lenders lose borrowers gain B. Borrowers and lenders both ose C. Borrows lose lenders gain D. All sections of the society gain
124	The quantity demanded of money rises.	A. As the intrest rate falls B. As the intrest rate rises C. As the supply of money falls D. As the number of banks rises
125	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast
126	According to Keynes people demand money for purposes .	A. 1 B. 2 C. 3 D. 4
127	Value of money means	A. General purchasing power of money B. Gold purchased by money C. Demand for money D. Importance of money
128	Value of money and supply of money are related.	A. Inversely B. Directly C. Govt.Law D. Are not related
129	They are NOT much affected by rising prices.	A. Salaried persons B. Business C. Debtors D. Importers
130	If we put this letter in the blank space we get quantity theory of money PY =M	A. S B. T C. V D. A
131	Velocity of circulation of money	A. Total demand for money B. Annual increase in currency notes

| 131 | Velocity of circulation of money means. | C. Number of timesa unit of money changes hands |
| | | D. total supoly of money |

132	It is assumption of quantity theory of money	A. Velocity of circulation of money constant
		B. Affects only industrial sector
		C. Makes distribution of national income better
		D. Has no effect on distribution of income

133	Profit and losss sharing is basis of finance under this system.	A. Islamic
		B. Capitalistic
		C. Socialistic
		D. None

134	Cash cannot be directly obtaines from a bank against	A. Cross cheque
		B. Order cheque
		C. bearer cheque
		D. Traveller cheque

135	Commercial banks accept deposits and provide	A. Money
		B. Loans
		C. Bill of exchange

136	The bank can give loans	A. Unlimited
		B. Equal to deposites
		C. less than deposits
		D. More dhan deposits

137	Banks discout it and advance loans.	A. Draft
		B. Bill of exchange
		C. Pay Order
		D. Gold

138	Bank Prepare their balace sheet.	A. Weekly
		B. Monthly
		C. Quarterly
		D. Annualy

139	Balance sheet of a bank has two parts	A. Supply and demand for deposits
		B. Supply and demand of Advances
		C. Assests and liablilities
		D. Cash Reserves and loans

140	Demand depostis are.	A. Money
		B. Banks notes
		C. Legal money
		D. Considerd and near money

141	Demand deposit are	A. Money
		B. Bank note
		C. Legal Money
		D. Considered to near money

142	A bank has Rs. 5 million in cash The minimum reserve ratio is 20% What is maximum potential increase in total deposite.	A. 25 m
		B. 10 m
		C. 5 m
		D. 0 m

143	The following is not a bank liability.	A. Demand Deposit
		B. Time deposit
		C. Loans
		D. Saving Deposit

144	Demand deposite are	A. Bank notes
		B. Money
		C. Considered as ner money
		D. Legal money

145	An asset is liquid when it is	A. Being traded frequnetly
		B. Earning a good rate of return
		C. Is money or easily converted into money
		D. All of the above

146	A bank has Rs5 million in cash. The minimum reserve ratio is 20% What is maximum potential increase in total deposits	A. 0
		B. 5 m
		C. 10 m
		D. 25 m

147	The following is not a bank liability.	A. Demand deposit
		B. Time deposit
		C. Loan
		D. Saving Deposit

| 148 | Which is the sourceof interest for a bank | A. Advances |
| | | B. Bills discounted |

148	Which is the source of interest for a bank	C. Investments D. All
149	Commercial banks are able to create money by	A. Making loans B. Printing Money C. Moral suasion Selling government loans D. Printing money
150	Which is a function of commercial bank	A. Acting as a govt. banker B. Fixing the exchange rate C. Making loans D. Issueing bank notes
151	When a commercial bank creaes credite. Its immediate effect is tha tit raises.	A. The exchange rate B. The money supply C. The interest rate D. The real national income
152	Demand deposite mean	A. Saving account B. Chequeable deposits C. Profit loss account D. Time deposits
153	Which is considered liablility by a bank	A. Loans B. Bank building and equipment C. Time deposit D. Securities
154	Credit money is created by	A. Central bank B. Commercial Bank C. Government D. All of the above
155	Credit money is created by	A. Exchange bank B. Commerical Bank C. Finance companies D. None of the above
156	Which type of cheque is more safe for transfer of money	A. Cross cheque B. Order cheque C. Traveller cheque D. Bearer cheque
157	Which type of cheque is least safe for transfer of money	A. Bearer cheque B. Traveller cheque C. Order cheque D. Cross cheque
158	If a person is more intrested to earn income he shud deposit his money in	A. Demand deposits B. Time deposit C. Saving account D. Profit loss account
159	If a person is intrested that his amount shoud be readily available as soon ashe needs he should deposit his money in.	A. Demand deposits B. Tiem deposit C. Saving account D. Profit loss account
160	Whcih type of card is not issued by commmercial banks	A. Credit card B. Green card C. ATM Card D. Debit card
161	Which type of card is not issued by central banks	A. Credi card B. Debit card C. ATM Card D. None is issued by it
162	If you borrow from a bak the amount which the bank charges is called.	A. Interest rate B. tax rate C. discount rate D. Market rate
163	Short term loans can be obtained in.	A. Money market B. Capital market C. Exchange market D. Stock Market
164	State bank was established in .	A. 1948 B. 1950 C. 1952 D. 1954
165	10-Rupees note is issued by	A. National Bank B. State Bank C. Govt. of Pakistan D. Governer State bank

166	Acting as lender of last resort a cenral bank lend to.	A. Money market B. Stock exchange C. Commercial Bank D. Does not lend
167	Whis is the most widely used tool of monetary policy	A. Open market operation B. Clearing house C. Discount rate D. Issuing of the note
168	Central banks rate of lending to commercial banks is called.	A. Money rate B. Control rate C. Intrested rate D. Discount rate
169	State bank of Pakistan is run by	A. Board of directors B. Board of managers C. Board of govenors D. Board of bankers
170	Credit money is controlled by	A. Central bank B. Market forces C. Commercial Bank D. Government
171	It creates credit	A. Central Bank B. Commercial Bank C. Government D. Stock exchange
172	Whcih organisation controls the banking system to most countries.	A. Central Bank B. Commercial bank C. Investment bankWorld bank
173	Out following the only recognised legal tender is	A. Cheque B. Currency notes and coins C. Notes and cheques D. Credit card
174	Monetary pollicy has the objective	A. Decrease unemployment rate B. Decrease tax rate C. Decreases inflation rate D. a and c of the above
175	Central banks rate of lending to commericalbanks is called.	A. Interest rate B. Discount rate C. Money rate D. Inflation rate
176	Every country establishes central bank to	A. Issue currency B. To establish commercial bank C. Toprepare governemnt budget D. All of the of above
177	Treasury bill is used for	A. Getting short term loans by central bank B. Getting long term loans C. Collecting govt. taxes D. Make payments of utility bills
178	The money called legal tender includes.	A. Currency notes and credit cards B. Currency notes and bank deposits C. Currency notes and coins D. Currency notes and cheques
179	State Bank policy of regulating intrst rate is called.	A. Monetary policy B. Commerical policy C. Banking policy D. Fiscal policy
180	Every country establishes centralbank to	A. Issue notes B. Supervise commerical bank C. Giveloans to businessmen D. a and b of above
181	It is NOT an instrument of moneatry policy	A. Discount Rate B. Open market operation C. Change in reserve ratio D. Issue notes
182	Which is a monetary measure to increase employment.	A. Increase in govt expenditure B. Reduce govt expenditure C. Increase in interest rate D. Reducing intrest rate
183	Whom of the followng propounded principles of taxation	A. Keynes B. Adam Smith C. Marshall

		C. Marshall
		D. Ghazali
184	Taxes on commodities are	A. Direct taxes B. Indirect Taxes C. Progressive taxes D. Propotional taxes
185	Govt. prepares its budget	A. Weekly B. Montly C. Quarterly D. Annually
186	Oneof he following is NOT a feature of private finance.	A. Balancing of incoem and expenditure B. Secrecy C. Publicity D. Saving some part of income
187	It is direct tax	A. Excise tax B. Sales tax C. Income tax D. Custom duty
188	The most important source of income of a goernemnt is.	A. Foreign loans B. Taxes C. Printing of new money D. Sale of governemnt property
189	Progressive taxes	A. Incereasegovernemnt revenue B. Bring equality in distributio nof incomes C. Act as panality for rich people D. a and b of above
190	In Pakistan, taxes are leived by	A. Prime Minister of Pakistan B. President of Pakistan C. Federal cabinet of ministers D. National Assembly
191	Which of the followign tax is best example of ability to pay principle of taxes	A. excise tax on cigratettes B. Highway tolltax C. Personal income tax D. Proportional sales tax
192	Govt. taxatio and spending policieis are called.	A. Fiscal policy B. Monetary policy C. Commercial policy D. Finance policy
193	Governmet finance is called.	A. National finance B. Public finance C. Private finance D. a and b above
194	The Government can colect funds from	A. Taxes B. Fees C. Prices of public goods D. All the three
195	InPakistan government budget is prepared by	A. National Assembly B. Presidnet of Pakistan C. Ministry of Finance D. State Bank of Pakistan
196	In Pakistan Income tax is	A. Progressive tax B. Regressive tax C. Proportional tax D. Fixed tax
197	Which one of the NOT a principle of taxation	A. Principle of equality B. Pricniple of morality C. Principleof certainty D. Principle of diversity
198	Which source a private company cannot use?	A. A Bank loan B. Tax C. Selling new shares in stock exchange D. Detail finance
199	The most important source of income of a government is.	A. Foreign loans B. Printing of New money C. Sale of government property D. Taxes
200	Prograssive taxes	A. Are harmful for the economy B. Bring equality in distributio of income

C. Compel rich people to be honest
D. Decrease evasion of taxes

201	This is not a Principal of taxation	A. Principal of equality B. Principal of secracy C. Principal of adequacy D. Principal of convenience
202	Govt.taxing and spending policies are called.	A. Fiscal policy B. Public policy C. Monetary Policy D. Economic policy
203	Which of the following is international trade	A. Trade between provinces B. Trade between countries C. Trade betwene regions D. Trade between continents
204	Theory of omparative advantages was presented.	A. Ricardo B. Adam Smith C. Hicks D. Arshad
205	It Japan and Pakistan start free trade differene in wges in two counties will	A. Increase B. Decrease C. Double D. No effect
206	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undertimed D. Decreasing
207	Foregn trade creates among countries.	A. Conficits B. Cooperation C. Hatred D. None
208	Net exports equal	A. Exports x imports B. Exports + imports C. exports- imports D. None of the above
209	A Triff	A. Increase the volume trade B. Reduces the volume of trade C. Has no effect on volume of tradea D. a and c above
210	All are advantages of oreign trade Except.	A. People get foreign exchange B. Difference in politicla system C. Difference in markets D. Difference in ideology
211	Two countries can gain from foreign trade if	A. Cost ratios are differnet B. Traiff rates are different C. Price ratios are different D. a and c above
212	International trade and domestic trade fiffer because of.	A. Trade restrictions B. Immobility of factors C. Difference govt Policy D. All of the above
213	Govt policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
214	What would encourage trade betwene two countries.	A. Different tax system B. Frontier checks C. National currencies D. Reduce traiff
215	What would encorage trade betwene two countries.	A. Reduced tariffs B. Quality control C. Differente tax system D. Fixing import quotes
216	Foreign Trade	A. Increses employment opportunites B. Increases international mobility of labour C. Increases competition D. All of the above
217	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countires C. Benefits all countries D. Benefits democretive countries

218	In foreign trde protection policy means.	A. Restrictions on imports B. Restrictions on exports C. Restriction on transfer of foreign exchagne D. All of the above
219	Ric countries have deficit in their balance of payments	A. Some times B. Never C. Atternatee years D. Always
220	Pakistan is not a memebr of	A. IMF B. ECO C. OPEC D. World Bank
221	Pakistan Importss some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
222	Policy of Protecton in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
223	Balance of payments of country includes.	A. Current account B. Monetry Account C. Capital Account D. All of the above
224	Final balance of the payment of a country is	A. Always balance B. Always dificit C. Always surplus D. Flucluates
225	Balance of payment of a country has major parts.	A. 2 B. 3 C. 4 D. 5
226	Exchange rate for currencies is determined by supply and demand in system of.	A. Fixed exchange B. flexible C. Constatn D. Regulated
227	In GNP of pakistan rises. It will encourage	A. Exports B. Imports C. Both D. None
228	A country does not trade with othr contries is called an economy	A. Open B. Closed C. Independent D. None
229	Invisible items in balce of payments include.	A. Foreign remittances B. Income from tourism C. Internet charges D. All the three
230	It helps countries to meet deficit in balcne of payments.	A. IMF B. WTO C. World Bank D. UNO
231	Pakistan exports as percentage GDP are.	A. 4% B. 8% C. 12% D. 16%
232	If TOYOTA Company estalishes a factory in Pakistan this will be recorded in balance of payments in the section.	A. Capital account B. Visible balnce C. Invisible balnce D. Official financing
233	Which of the following compares everage pricw of exports to avarage Price of imports.	A. Balance of payments B. Balance of trade C. Terms of trade D. Exchange of rate
234	IMF Means	A. International Monetary Funds B. Inernational Money Flow C. International Money Forum D. Internaional Monetary finance
		A. Automatic adjustment of balcne of payments

235	FIxible exchange rate sytem has the advantage.	B. Easy to borrow form world bank C. Encouragds exports D. None of the above
236	Exports of goods is called trade in	A. Visible good B. Invisibel goods C. Basic goods D. None real goods
237	Visible goods are recorded int his part of balance of payments account	A. Current account B. Capital account C. Govt account D. Official Account
238	Visible exports include	A. Remittance B. Computer Hardware C. Computer software D. Transport cost
239	Visible imports include.	A. Remittance B. Machinery C. Computer Software D. Transport cost
240	The receipt of payments for goods exported and imported are counted in .	A. Capital Account B. Trade Account C. Current account D. Monetary account
241	IMF has given loan to Pakistan. It wilimprove Pakistan's	A. Current account B. Capital Account C. Overall balance of payments D. B and c above
242	If CDA gets a loan from world bank for roads it willbe recorded in the balnce of payments in section.	A. Capital account B. Visible balance C. Invisible balance D. Offiicial financing
243	The countribution of industrial section our GDP is.	A. 10% B. 20% C. 30% D. 40%
244	The percentage of our labour force workign in agricultureis.	A. 13% B. 24% C. 33% D. 43%
245	The government spends on education percentage of GDP	A. 2 B. 6 C. 8 D. 10
246	The lower literacy rate in females is due to.	A. Lack of access to educational institutions B. Parental ignorance C. Discriminatory socialnorms D. all of the above
247	Life expectency in Pakistan is	A. 57 B. 67 C. 77 D. 87
248	Public spending on health is	A. Less than 1% B. More than 1 but less than 2% C. More than 2 but less than 3% D. More than 3
249	Infrant mortality rate in Pakistanis.	A. 45 B. 65 C. 85 D. 105
250	Life expectancy in Pakistan is	A. Less than 60 years B. Betwene 60 and 70 years C. Between 70 and 80 years D. More than 80 years
251	Environment includes.	A. Ecosystem B. Wildlife C. Forests D. All of the above
252	Forest in Pakistan are decreasing beacause.	A. Populaton pressure B. Poor consercation clanning C. Climateic changes D. All of the above

253	Forest cover in Pakistanis.	A. 2% B. 4% C. 6% D. 8%
254	Many People do not send their children to schools because of	A. Their own illiteracy B. Harsh teahers C. Poverty D. All of the above
255	Private sector participation is expending in.	A. Education B. Health C. Environment D. a and b of the above
256	People do not care for environmetn problems because of.	A. Lack of education B. Fear of taxes C. Proverty D. a and c of the above
257	There are stock exchange in Pakistan.	A. 1 B. 3 C. 4 D. 5
258	Litracy rate is lower in	A. Males B. Females C. Urban Areas D. B and C above
259	Pakistan's domestic saving rate is	A. 2% B. 7% C. 17% D. 27%
260	Pakistan Per capita income of constnat prics in 2020 is in dollars	A. 1450 B. 2450 C. 4450 D. 6450
261	Largest Sector of Pakistan economy is.	A. Agriculture B. Industry C. Transport D. Services
262	In the world population wise Pakistan is	A. 4th B. 5th C. 7th D. 10th
263	Population Growth rate in Pakistan is	A. 0.9% B. 19% C. 2.9 % D. 3.9%
264	Contribution of industrial sector in Pakistan's GDP is.	A. 20% B. 30% C. 40% D. 50%
265	The share of 20% of population which forms the lowest income group gets share of Pakistan's national income as.	A. 6% B. 9% C. 12% D. 15%
266	Which one is per capita income is	A. Per worker income B. Per person Income C. Per family income D. Per Industtrial unit income
267	Base year of Pakistan for natonal accounting is.	A. 1985-86 B. 1995-96 C. 2005-06 D. 2015-16
268	Average growth rate of Pakistan's national income in past five years have been	A. 3% B. 13% C. 23% D. 33%
269	Which of the following is an example of primary production	A. Production of computer B. Farmer grwoing wheat C. Opening of new school D. House wife bakes a cakes
270	Pakistan per capita income in less than	A. Japan B. India

270	Pakistan per capita income in less than.	C. Korea D. All
271	Working population is percent of total population of Pakistan.	A. 23% B. 33% C. 43% D. 53%
272	Literacy rate in Pakistan is.	A. 40% B. 50% C. 60% D. 70%
273	It increses rae of capita formation	A. Less saving B. New Technology C. Rapid Population growth D. High Intrest
274	It creates difficulties in measuremtn of national income of Pakistan	A. Low literacy rate B. Parliamentary form of Govt C. Huge imports D. High Taxes
275	The step will increse saving in Pakistan	A. Increase in taxes B. Decrease in taxes C. increasein population D. Increase imports
276	This steps will increase investment in Pakistan.	A. Increse taxes B. Increase population C. Increase investment rate D. Decrease intrest rate
277	The largest share in Pakistan's GNP is that of.	A. Services B. Industry C. Agriculture D. Banking
278	Commodity sector contributes to national income of Pakistan.	A. 40% B. 50% C. 60% D. 70%
279	Pakistan started its first five year plan in	A. 1947 B. 1950 C. 1955 D. 1960
280	Contribution of agriculture in Pakistan's national income is	A. 19% B. 29% C. 39% D. 49%
281	Our exportw mainly counsist of.	A. Cotton Product B. Machinery C. Sports goods D. a and c above
282	Pakistan is an economy	A. Developing B. Developed C. Fast growing economy D. a and c above
283	Contribution of Industrial sector in Pakistan economy is.	A. 24% B. 24% C. 14% D. Less than 10%
284	The largest sector of Pakistan economy	A. Transport B. Agriculture C. Industry D. Trade
285	Which is likely to be higher in a developing country like Pakistan.	A. Birth Rate B. GDP per head C. Life expeciancy D. Net investment per head
286	Economic Development	A. Is the same as economic growth B. Means improvement in lifestyle C. Exists when there is equal distributio of income D. All of the above
287	It is not a facor of economic development	A. Money B. Land C. Capital D. Technology

288	Measurement of economic development is based on.	A. Monetary income B. Real Income C. Future income D. Permenent Income
289	Pakistan needs	A. Economic planning B. Population Planning C. Educational Planning D. All of the above
290	The highest govt body for economic planig is Pakistan is.	A. Planning Council B. Planning Board C. Planning commission D. Planning Department
291	When the country development	A. Per capita incoe rises B. Specialization increases C. Urbanization rises D. All of the above
292	Economic planning in Pakistan started	A. During 1950s B. During 1960s C. During 1970s D. During 1980s
293	We can increase rate of economic growth in Pakistna if we icrease.	A. Investment B. Population C. Imports D. taxes
294	When economic development takes place	A. Market imperfections increase B. Population increases C. Capital stock increases D. B and C above
295	When economic development takes place.	A. Market imperfections increase B. Population increses C. Capital stock increases D. All of the above
296	Medium term plan covers	A. Less than 2 years B. 3 to 5 years C. 5 to 10 years D. 10 to 15 years
297	There are obstacles to rapid economic development of Pakistan	A. Social B. Political C. Cultural D. All of the above
298	Pakistan Started its planning expence with	A. Colombo plan B. Tokyo plan C. Karachi Plan D. London Plan
299	According to Malthus Population increases by Pogression of kind	A. Systematic B. Arithmetic C. Geometric D. Automatic
300	Productive of labour can be increases by	A. Raising minimum wages B. Raising avarege wages C. Increaseing skills of workers D. All of the above
301	All labour is	A. Homogeneious B. Heterogenecous C. Lazy D. Intelligent
302	Mobility of labour	A. Increases efficiency of labour B. Spolic labour C. Incrresases division of labour D. a and c above
303	Unemployment due to mechanizatin of agriculture is.	A. Seasonal B. Structural C. Industrial D. Personal
304	Labour includes	A. The inventor B. The innovator C. The unskilled worker D. All of the above
305	A skilled worker is an example of.	A. Scarcity B. An entrepreneur C. The labour input

306	Union leaders are in a better position to bargain for higher wages if labour demand is.	A. Elastic B. Inelastic C. Very large D. Permanent
307	In which form the larges percentage of national incomeis earned.	A. Interest income B. Proprietor's income C. Elyees wages D. Rental income
308	Who is unemployed	A. House wife B. College Student C. Afreshly graduated engineer who is searching for a job D. A peer who lives on gifts from murreds
309	Standard of living of worker depends upon their	A. Nominal wages B. Real wages C. Average product D. Govt. Policy
310	Unemployment tkes place because of.	A. High demand for labour B. High population growth rate C. More exports D. Higher education
311	Unemployment rate in Pakisan is	A. 6% B. 16% C. 20% D. More than 20%
312	Working population in Pakistan i in the ratio of total population	A. 1/3 B. 1/2 C. 1/4 D. 1/5
313	In 2018 Pkistan's total population stands approximately at	A. 11 cores B. 21 cores C. 31 cores D. 41 cores
314	By 2018 Pakistan's total population reached approximately	A. 180 million B. 210 million C. 240 million D. 270 million
315	The natures of unemployment due to machanization of agriculture is	A. Seasonal B. Structural C. Frictional D. Permanent
316	Nationalisation of banks was done in	A. 1974 B. 1976 C. 1978 D. 1980
317	National Bank of Pakistan is	A. Industrial Bank B. Commercial Bank C. Central Bank D. Investment Bank
318	Total number of branches of Pakistani banks is approximately	A. 5000 B. 10000 C. 15000 D. 20000
319	National Bank of Pakistan was established in	A. 1949 B. 1959 C. 1960 D. 1979
320	The bank established for loans to very small enterprises is called.	A. Micro Finance Bank B. Modarba Bank C. SME bank D. Firs Mini Bank
321	Pakistan has a bankng system.	A. Developed B. Underdeveloped C. Very unognsed D. Inefficient
322	Commercial bank in Pakistan are supervised by	A. State Bank B. National Bank C. Finance Minister D. World Bank

#	Question	Options
323	National Bank is.	A. Public Sector bank B. Private Bank C. Microfianace bank D. Specialised bank
324	First women bank is	A. Govt Bank B. Privat bank C. Non Scheduled bank D. Investment Bank
325	Discount rae of state Bank of a Pakistan is	A. Less than 5% B. More than 5% but not more than 15% C. More than 15% but not more than 25% D. More than 25%
326	State Bank was established in	A. 1948 B. 1950 C. 1952 D. 1954
327	10- Rupees note is issued by	A. National Bank B. State Bank C. Govt of Pakistan D. Governour State bank
328	Acting as lender of last resort a central bank lends to.	A. Commercial Bank B. Stock exchange C. Money markets D. Does not lend
329	Which statemetn is true of the relationship betwene bond prices and bond yields.	A. They very invesrsely B. They are not related C. They tool very directly D. They are related in long run and not in the short run
330	Whcih is the mot widely used tool of monetary policy	A. Open market operations B. Issuing of notes C. Discount rate D. Cleaning house
331	Whenthe state bank wants be decrease money supply in the country it.	A. Buys govt securities is stock market B. Sells govt securities C. Lowers siscount rate D. B and C
332	Central Bank rate lending to commercial banks is called.	A. Discount rate B. Money rate C. Control Rate D. Interest rate
333	It is NOT an instrument of monetary policy	A. Bank rate B. Open market operations C. Change in resere rato D. Issure notes
334	Out of the following the only reconised legal lender is.	A. Bank notes B. Cheque C. Draft D. Credite card
335	Open Market Operations is	A. Buying and selling govt securities B. Buying and selling shares of companies C. Buying and selling bills of exchange D. Buying and selling foreign exchange