

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	Flexible exchange rate system has the advantage.	A. Automatic adjustment of balance of payments B. Easy to borrow from world bank C. Encourages exports D. None of the above
2	IMF Means	A. International Monetary Funds B. International Money Flow C. International Money Forum D. International Monetary finance
3	Which of the following compares average price of exports to average Price of imports.	A. Balance of payments B. Balance of trade C. Terms of trade D. Exchange of rate
4	If TOYOTA Company establishes a factory in Pakistan this will be recorded in balance of payments in the section.	A. Capital account B. Visible balance C. Invisible balance D. Official financing
5	Pakistan exports as percentage GDP are.	A. 4% B. 8% C. 12% D. 16%
6	It helps countries to meet deficit in balance of payments.	A. IMF B. WTO C. World Bank D. UNO
7	Invisible items in balance of payments include.	A. Foreign remittances B. Income from tourism C. Interest charges D. All the three
8	A country does not trade with other countries is called an economy	A. Open B. Closed C. Independent D. None
9	If GNP of Pakistan rises. It will encourage	A. Exports B. Imports C. Both D. None
10	Exchange rate for currencies is determined by supply and demand in system of.	A. Fixed exchange B. flexible C. Constant D. Regulated
11	Balance of payment of a country has major parts.	A. 2 B. 3 C. 4 D. 5
12	Final balance of the payment of a country is	A. Always balance B. Always deficit C. Always surplus D. Fluctuates
13	Balance of payments of country includes.	A. Current account B. Monetary Account C. Capital Account D. All of the above
14	Policy of Protection in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
15	Pakistan imports some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. None of the above

		D. Self Sufficiency
16	Pakistan is not a member of	A. IMF B. ECO C. OPEC D. World Bank
17	Rich countries have deficit in their balance of payments	A. Some times B. Never C. Alternate years D. Always
18	In foreign trade protection policy means.	A. Restrictions on imports B. Restrictions on exports C. Restriction on transfer of foreign exchange D. All of the above
19	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits all countries D. Benefits democratic countries
20	Foreign Trade	A. Increases employment opportunities B. Increases international mobility of labour C. Increases competition D. All of the above