ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	Commercial banks accept deposits and provide	A. Money B. Loans C. Bill of exchange
2	Cash cannot be directly obtaines from a bank against	A. Cross cheque B. Order cheque C. bearer cheque D. Traveller cheque
3	Profit and losss sharing is basis of finance under this system.	A. Islamic B. Capitalistic C. Socialistic D. None
4	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
5	Velocity of circulation of money means.	A. Total demand for money B. Annual increase in currency notes C. Number of timesa unit of money changes hands D. total supoly of money
6	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
7	They are NOT much affected by rising prices.	A. Salaried persons B. Business C. Debtors D. Importers
8	Value of money and supply of money are related.	A. Inversely B. Directly C. Govt.Law D. Are not related
9	Value of money means	A. General purchasing power of money B. Gold purchased by money C. Demand for money D. Importance of money
10	According to Keynes people demand money for purposes .	A. 1 B. 2 C. 3 D. 4
11	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast
12	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
13	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
14	According to keynes demand for money is affected by	A. Income B. Rate of intest C. Literacy rate D. a and b of above

15	Banks discount it and adance loans.	A. Draft **B. Bill of Exchange** C. pay order D. Gold
16	Under normal circumstances the velocity of circulation of money in a contry is.	A. 100% B. negative **C. Less than 10** D. Zero
17	Which One is equation of exchange.	**A. PT = MV** B. PV = MT C. PM = TV D. None
18	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
19	When value of money falls, they benefits more	**A. Debtors** B. Lenders C. Farmers D. Industrialist
20	Value of money in pakistan in determined by	A. Govt of Pakistan **B. General Price Level** C. State Bank Pakistan D. Value of Dollar