

Principles of Economics Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	When there is deflation, then prices	A. Increase B. Decrease C. Remain constant D. do not change
2	By which money business dealing has become easy	A. Metallic money B. Paper money C. Credit money D. Near money
3	Cheque, bill of exchange etc are	A. Metallic money B. Paper money C. Credit money D. Near money
4	Which money is not legally backed	A. Metallic money B. Paper money C. Credit money D. Near money
5	According to quantity theory of money one halving the quantity of money prices	A. Increase B. Double C. Decrease D. One half
6	According to quantity theory of money doubling the quantity of money, prices	A. Increase B. Double C. Decrease D. One half
7	When demand for goods and services rises, then velocity of circulation of money	A. Increases B. Decreases C. Remains constant D. Does not change
8	Inflation is useful for	A. Labourer B. Consumers C. Industrialist D. Pensioners
9	Prices during the situation of inflation	A. Increase B. Decrease C. Do not change D. Become zero
10	Which one of the following was the difficulty of barter system	A. Abundance of goods B. Lack of double coincidence of wants C. Difference of language D. difference of occupations
11	The best definition of money is stated by	A. Marhsall B. Crowther C. Keynes D. Walker
12	Which kind of budget is better during the situation of inflation	A. Deficit budget B. Surplus budget C. Balanced budget D. Domestic budget
13	Which kind of budget is better during the situation of deflation	A. Deficit budget B. Surplus budget C. Balanced budget D. National budget
14	Unit of account money in Pakistan is	A. Rial B. Rupee C. Dollar D. Pound
15	Inconvertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. None of these

