

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	The various kinds of exchange rate includes.	A. Official rate B. Spot rate C. Forward rate D. All of these
2	Methods for making foreign payments includes.	A. Letter of credit B. Foreign bills of exchange C. Foreign bank draft D. All of these
3	The market where foreign moneys are bought and sold is.	A. Stock market B. Foreign exchange markets C. Open market D. None of these
4	The method which is mostly use in making foreign payments are.	A. Telegraphic transfer B. Foreign bill of exchange C. By post D. All of these
5	When the demand of any county's currency increases than the rate of exchange becomes.	A. Unfavorable B. Favorable C. Equilibrium D. None of these
6	The instruments which are used in foreign receipts and payments called.	A. Letter of credit B. Foreign debts C. Foreign exchange D. None of these
7	The main objectives of foreign exchange control are.	A. Stabilize exchange rate B. Increase Govt. Revenue C. Protect domestic industries D. All of these
8	The demand for and supply of foreign exchange is regulated by.	A. Central bank B. World bank C. Commercial bank D. All of these
9	These theories of foreign exchange rate include.	A. Mint par parity theory B. Purchasing power theory. C. Both a and b D. All of these
10	The supply of foreign exchange arises when.	A. Goods are exported B. Students come of country C. Sale of Foreign securities D. All of these
11	The demand for foreign exchange comes when.	A. Purchases of foreign securities B. Students go abroad C. Goods are imported D. All of these
12	The rate which keeps the balance of payment in equilibrium.	A. Equilibrium rate B. Foreign exchange rate C. Currency Rate D. Dollar rate
13	A mechanism by which international indebtedness is settled between one country and another.	A. Indebtedness B. Foreign Debts C. Foreign exchange D. All these
14	The exchange of one country's currency for another foreign currency.	A. Exchange Rate B. Money change C. Foreign exchange D. None of these
15	The leader of money and capital market in Pakistan.	A. Government B. Central Bank C. Commercial Banks D. None of these

