

## Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	According to quantity theory of money one halving the quantity of money prices	A. Increase B. Double C. Decrease D. One half
2	According to quantity theory of money doubling the quantity of money, prices	A. Increase B. Double C. Decrease D. One half
3	When demand for goods and services rises, then velocity of circulation of money	A. Increases B. Decreases C. Remains constant D. Does not change
4	Inflation is useful for	A. Labourer B. Consumers C. Industrialist D. Pensioners
5	Prices during the situation of inflation	A. Increase B. Decrease C. Do not change D. Become zero
6	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
7	The best definition of money is stated by	A. Marhsall B. Crowther C. Keynes D. Walker
8	Which kind of budget is better during the situation of inflation	A. Deficit budget B. Surplus budget C. Balanced budget D. Domestic budget
9	Which kind of budget is better during the situation of deflation	A. Deficit budget B. Surplus budget C. Balanced budget D. National budget
10	Unit of account money in Pakistan is	A. Rial B. Rupee C. Dollar D. Pound
11	Inconvertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
12	All Pakistani coins are	A. Token money B. Standard money C. Convertible money D. Inconvertible money
13	Convertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
14	Saving deposits and time deposits of the banks, Govt. securities and shares of the companies are called	A. Token money B. Money of account C. Standard money D. Near money
15	One of the following is not the fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in the value of money C. Increase in taxes D. Increase in government spending

