

## ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	People do not care for environmetn problems because of.	A. Lack of education B. Fear of taxes C. Proverty D. a and c of the above
2	Invisible items in balce of payments include.	A. Foreign remittances B. Income from tourism C. Internet charges D. All the three
3	Banks discout it and advance loans.	A. Draft B. Bill of exchange C. Pay Order D. Gold
4	First women bank is	A. Govt Bank B. Privat bank C. Non Scheduled bank D. Investment Bank
5	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
6	Pakistan is not a memebr of	A. IMF B. ECO C. OPEC D. World Bank
7	Cross cheque has tow lines drawn on	A. Right side upper corner B. Left side upper corner C. Right side lower corner D. In the Centre
8	Cheque is	A. Legal Money B. Credit money C. Paper money D. Not money
9	Which is money	A. Cheque B. Credite card C. Currency D. Prize Bond
10	Forest cover in Pakistanis.	A. 2% B. 4% C. 6% D. 8%
11	Under normal circumstances the velocity of circulation of money in a contry is.	A. 100% B. negative C. Less than 10 D. Zero
12	Value of money means	A. General purchasing power of money B. Gold purchased by money C. Demand for money D. Importance of money
13	Standard of living of worker depends upon their	A. Nominal wages B. Real wages C. Average product D. Govt. Policy
14	Value of money and supply of money are related.	A. Inversely B. Directly C. Govt.Law D. Are not related
15	The highest govt body for economic planig is Pakistan is.	A. Planning Council B. Planning Board C. Planning commission

		D. Planning Department
16	It is considered as investment	A. Construction of a house B. Purchase of an old house C. Salaries of college professors D. a and b above
17	GDP atconstnat prices, calculated according to some base year is called.	A. acutal GDP B. Real GDP C. Net GDP D. Nominal GDP
18	Value of money in pakistan in determined by	A. Govt of Pakistan B. General Price Level C. State Bank Pakistan D. Value of Dollar
19	National Bank is.	A. Public Sector bank B. Private Bank C. Microfianace bank D. Specialised bank
20	Visible imports include.	A. Remittance B. Machinery C. Computer Software D. Transport cost
21	National Bank of Pakistan was established in	A. 1949 B. 1959 C. 1960 D. 1979
22	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
23	Whom of the followng propounded principles of taxation	A. Keynes B. Adam Smith C. Marshall D. Ghazali
24	Medium term plan covers	A. Less than 2 years B. 3 to 5 years C. 5 to 10 years D. 10 to 15 years
25	Aggregate demand means.	A. Aggregate saving B. Aggregate Income C. Aggregate investment D. Aggregate expenditure
26	Working population is percent of total population of Pakistan.	A. 23% B. 33% C. 43% D. 53%
27	Real national income increases when	A. Prics of goods are rising B. National savings increases C. Quantity of goods and services increases D. None of the above
28	Consumption is a function of.	A. Saving B. Investment C. Income D. Expenditure
29	All labour is	A. Homogeneious B. Heterogenecous C. Lazy D. Intelligent
30	If indirect taxes are deducted from NNP and subsidies are added. we achieve	A. Personla savings B. DPI C. National Income D. Percapita inocme
31	The most important source of income of a goernemnt is.	A. Foreign loans B. Taxes C. Printing of new money D. Sale of governemnt property
32	MPC is always.	A. Positive B. Negative C. Zero D. More then APC
		A Cotting short term loans by control

D. Planning Department

A. Getting short term loans by central

33	Treasury bill is used for	bank B. Getting long term loans C. Collecting govt. taxes D. Make payments of utility bills
34	When economic development takes place	A. Market imperfections increase     B. Population increases     C. Capital stock increases     D. B and C above
35	A skilled worker is an example of.	A. Scarcity B. An entrepreneur C. The labour input D. a and c above
36	10- Rupees note is issued by	A. National Bank B. State Bank C. Govt of Pakistan D. Governour State bank
37	We measure natonalincome by this method.	A. Expenditure method B. Income method C. Product method D. As of the above
38	An asset is liquid when it is	A. Being traded frequnetly     B. Earning a good rate of return     C. Is money or easily converted into money     D. All of the above
39	Transfer payments are not included in national income becaues.	A. Such payments are made to persons livnig abroad     B. Double counting would result     C. They are illegal     D. There is no method to account for these
40	The government spends on education percentage of GDP	A. 2 B. 6 C. 8 D. 10
41	Labour includes	A. The inventor B. The innovator C. The unskilled worker D. All of the above
42	Acting as lender of last resort a central bank lends to.	A. Commercial Bank B. Stock exchange C. Money markets D. Does not lend
43	The largest type fo in come in the Pakistan is	A. Compensation of employees B. Propretors income C. Rental income D. Corporate profits
44	Central Bank rate lending to commercial banks is called.	A. Discount rate B. Money rate C. Control Rate D. Interest rate
45	What would encorage trade betwene two countries.	A. Reduced tariffs B. Quality control C. Differente tax system D. Fixing import quotes
46	It can change money supply	A. National Assembly B. Supreme court C. Government D. State Bank
47	Cross cheque has a cross sign in the	A. Right side upper comer     B. Right side lowr comer     C. It does not have cross sign     D. Left side upper corner
48	Pakistan started its first five year plan in	A. 1947 B. 1950 C. 1955 D. 1960
49	Exports of goods is called trade in	A. Visible good B. Invisibel goods C. Basic goods D. None real goods

50	It would increase the Ivel of national income.	A. An increase in taxation     B. A reduction in government spending     C. An increase in exports     D. Students scholarships
51	Ric countries have deficit in their balance of payments	A. Some times B. Never C. Atternatee years D. Always
52	A Triff	A. Increase the volume trade B. Reduces the volume of trade C. Has no effect on volume of tradea D. a and c above
53	Central banks rate of lending to commericalbanks is called.	A. Interest rate B. Discount rate C. Money rate D. Inflation rate
54	Theory of omparative advantages was presented.	A. Ricardo B. Adam Smith C. Hicks D. Arshad
55	Total number of branches of Pakistani banks is approximately	A. 5000 B. 10000 C. 15000 D. 20000
56	In Pakistan Income tax is	A. Progressive tax B. Regressive tax C. Proportional tax D. Fixed tax
57	Which one is per capita income is	A. Per worker income B. Per person Income C. Per family income D. Per Industrial unit income
58	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production
59		A. It can buy goods
	Convert money means.	B. Govt. give gold against C. Illegal money D. Low value money
60	Convert money means.  Pakistan Per capita income of constnat prics in 2020 is in dollars	C. Illegal money
		C. Illegal money D. Low value money  A. 1450 B. 2450 C. 4450
60	Pakistan Per capita income of constnat prics in 2020 is in dollars	C. Illegal money D. Low value money  A. 1450 B. 2450 C. 4450 D. 6450  A. Lack of access to educational institutions B. Parental ignorance C. Discriminatory socialnorms
60	Pakistan Per capita income of constnat prics in 2020 is in dollars  The lower literacy rate in females is due to.	C. Illegal money D. Low value money  A. 1450 B. 2450 C. 4450 D. 6450  A. Lack of access to educational institutions B. Parental ignorance C. Discriminatory socialnorms D. all of the above  A. Money market B. Stock exchange C. Commercial Bank
60	Pakistan Per capita income of constnat prics in 2020 is in dollars  The lower literacy rate in females is due to.  Acting as lender of last resort a central bank lend to.	C. Illegal money D. Low value money  A. 1450 B. 2450 C. 4450 D. 6450  A. Lack of access to educational institutions B. Parental ignorance C. Discriminatory socialnorms D. all of the above  A. Money market B. Stock exchange C. Commercial Bank D. Does not lend  A. 40% B. 50% C. 60%
60 61 62 63	Pakistan Per capita income of constnat prics in 2020 is in dollars  The lower literacy rate in females is due to.  Acting as lender of last resort a central bank lend to.  Literacy rate in Pakistan is.	C. Illegal money D. Low value money  A. 1450 B. 2450 C. 4450 D. 6450  A. Lack of access to educational institutions B. Parental ignorance C. Discriminatory socialnorms D. all of the above  A. Money market B. Stock exchange C. Commercial Bank D. Does not lend  A. 40% B. 50% C. 60% D. 70%  A. Black money B. Currency C. Near money

A. An increase in taxation

67	Commercial bank in Pakistan are supervised by	A. State Bank B. National Bank C. Finance Minister D. World Bank
68	Speculative demand for money depends upon	A. Income B. Investment C. Rate of Interest D. Central bank
69	They are NOT much affected by rising prices.	A. Salaried persons B. Business C. Debtors D. Importers
70	Open Market Operations is	A. Buying and selling govt securities     B. Buying and selling shares of companies     C. Buying and selling bills of exchange     D. Buying and selling foreign exchange
71	Every country establishes centralbank to	A. Issue notes B. Supervise commerical bank C. Giveloans to businessmen D. a and b of above
72	It is not a facor of economic development	A. Money B. Land C. Capital D. Technology
73	Discount rae of state Bank of a Pakistan is	A. Less than 5% B. More than 5% but not more than 15% C. More than 15% but not more than 25% D. More than 25%
74	Demand deposite mean	A. Saving account     B. Chequeable deposits     C. Profit loss account     D. Time deposits
75	National income equals.	A. c+ l+g B. c-i-g C. c-s-g
76	Barter means.	D. c+s+g A. Trade through metallic money only B. Trade of goods ony excluding services C. Trade without use of money D. Trade of low value goods only
77	A bank has Rs. 5 million in cash The minimum reserve ratio is 20% What is maximum potential increase in total deposite.	A. 25 m B. 10 m C. 5 m D. 0 m
78	Many People do not send their children to schools because of	A. Their own illiteracy B. Harsh teahers C. Poverty D. All of the above
79	Balance of payments of country includes.	A. Current account B. Monetry Account C. Capital Account D. All of the above
80	According to Keynesmotives for holding money are.	A. Two B. Three C. Four D. Five
81	It Japan and Pakistan start free trade differene in wges in two counties will	A. Increase B. Decrease C. Double D. No effect
82	Which of the followign tax is best example of ability to pay principle of taxes	A. excise tax on cigratettes B. Highway tolltax C. Personal income tax D. Proportional sales tax
83	In Pakistan monev a account is	A. Paisa B. Rupee

	· ···· · · · · · · · · · · · · · · · ·	C. Gold D. Dollar
84	Govt. taxatio and spending policieis are called.	A. Fiscal policy B. Monetary policy C. Commercial policy D. Finance policy
85	It is direct tax	A. Excise tax B. Sales tax C. Income tax D. Custom duty
86	The Government can colect funds from	A. Taxes B. Fees C. Prices of public goods D. All the three
87	The step will increse saving in Pakistan	A. Increase in taxes B. Decrease in taxes C. increasein population D. Increase imports
88	Progressive taxes	A. Incereasegovernemnt revenue     B. Bring equality in distributio nof incomes     C. Act as panality for rich people     D. a and b of above
89	This is not a Principal of taxation	A. Principal of equality     B. Pricipal of secracy     C. Principal of adequacy     D. Principal of convenience
90	Foregn trade creates among countries.	A. Conficits B. Cooperation C. Hatred D. None
91	Working population in Pakistan i in the ratio of total population	A. 1/3 B. 1/2 C. 1/4 D. 1/5
92	In the world population wise Pakistan is	A. 4th B. 5th C. 7th D. 10th
93	Which of the following would increase national income.	A. Increase in taxation     B. incerese in savings     C. Increase in govt spending     D. Decrease in consumption spending
94	Demand depostis are.	A. Money B. Banks notes C. Legal money D. Considerd and near money
95	If TOYOTA Company estalishes a factory in Pakistan this will be recorded in balance of payments in the section.	A. Capital account B. Visible balnce C. Invisible balnce D. Official financing
96	The percentage of our labour force workign in agricultureis.	A. 13% B. 24% C. 33% D. 43%
97	Union leaders are in a better position to bargain for higher wages if labour demand is.	A. Elastic B. Inelastic C. Very large D. Permanent
98	Infrant mortality rate in Pakistanis.	A. 45 B. 65 C. 85 D. 105
99	Measurement of economic development is based on.	A. Monetary income B. Real Income C. Future income D. Permenent Income
100	If we include it. national income will be over estimated	A. Transfer payment B. Income from abroad C. Illegal income D. Evports

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101	Cash cannot be directly obtaines from a bank against	A. Cross cheque B. Order cheque C. bearer cheque D. Traveller cheque
102	Average growth rate of Pakistan's national income in past five years have been	A. 3% B. 13% C. 23% D. 33%
103	Transfer payments include.	A. Daily wages, pensions B. Pensions Zakat C. Taxes, pocket money D. Zakat , taxes
104	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast
105	Pakistan needs	A. Economic planning B. Population Planning C. Educational Planning D. All of the above
106	Credit money is created by	A. Exchange bank B. Commerical Bank C. Finance companies D. None of the above
107	According to Malthus Population increases by Pogression of kind	A. Systematic B. Arithmetic C. Geometric D. Automatic
108	There are stock exchange in Pakistan.	A. 1 B. 3 C. 4 D. 5
109	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
110	The largest share in Pakistan's GNP is that of.	A. Services B. Industry C. Agriculture D. Banking
111	This will cause decrease in natioal income.	A. Rise in exports B. Rise in saving C. Increas in taxese D. B and C above
112	In equilibrium of nationalincome.	A. S > I B. S = I C. S < I D. All are true
113	Pakistan has a bankng system.	A. Developed B. Underdeveloped C. Very unognsed D. Inefficient
114	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
115	Who is unemployed	A. House wife B. College Student C. Afreshly graduated engineer who is searching for a job D. A peer who lives on gifts from murreds
116	If a person is more intrested to earn income he shud deposit his money in	A. Demand deposits     B. Time deposit     C. Saving account     D. Profit loss account
117	Flxible exchange rate sytem has the advantage.	A. Automatic adjustment of balcne of payments B. Easy to borrow form world bank C. Encouragds exports D. None of the above

118	Which of the following is a withdrawal from the circular flow of income stream.	A. Taxation B. Consumption C. Subsides D. Investment
119	Which source a private company cannot use?	A. A Bank loan B. Tax C. Selling new shares in stock exchange D. Detail finance
120	Balance sheet of a bank has two parts	A. Supply and demand for deposits     B. Supply and demand of Advances     C. Assests and liablilities     D. Cash Reserves and loans
121	It is NOT an instrument of monetary policy	A. Bank rate     B. Open market operations     C. Change in resere rato     D. Issure notes
122	Policy of Protecton in trade	A. Facilitates trade     B. Protects local producers     C. Protects foreign producers     D. Protects exporters
123	GNP includes	A. A Loan from a bank B. A loan from one's parents C. A brokers commission D. Gilfts and donations
124	According to Keynes people demand money for purposes .	A. 1 B. 2 C. 3 D. 4
125	We can increase rate of economic growth in Pakistna if we icrease.	A. Investment B. Population C. Imports D. taxes
126	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
127	A bank has Rs5 million in cash. The minimum reserve ratio is 20% What is maximum potential increase in total deposits	A. 0 B. 5 m C. 10 m D. 25 m
128	Which One is equation of exchange.	A. PT = MV B. PV = MT C. PM = TV D. None
129	Govt policy about exports and imports is called.	A. Monetary policy B. Fiscal policy C. Commercial Policy D. Finance policy
130	Commodity sector contributes to national income of Pakistan.	A. 40% B. 50% C. 60% D. 70%
131	If saving exceed investment then	A. National income rises     B. National income falls     C. National income is not affected     D. None of the above
132	This is a difficulty of barter	A. Lack of double coincidence of wants B. Diffculty to produce goods at larger scale C. Lack of divisiblility of many goods D. All of the above
133	Which one of the NOT a principle of taxation	A. Principle of equality B. Pricniple of morality C. Principleof certainty D. Principle of diversity
134	When economic development takes place.	A. Market imperfections increase     B. Population increses     C. Capital stock increases     D. All of the above

135	State bank of Pakistan is run by	A. Board of directors B. Board of managers C. Board of govenors D. Board of bankers
136	If money supply in a country decreses	A. Price will rise B. Price will fall C. Rate of intrese falls D. B and C of above
137	IMF Means	A. International Monetary Funds     B. Inernational Money Flow     C. International Money Forum     D. Internaional Monetary finance
138	The largest type of income in the Pakistan is	A. Compensation of employees B. Rental income C. Proprietors income D. Coporate profits
139	Paper money in Pakistan is	A. Inconvertible B. Convertible C. Linked to gold D. None of the above
140	The receipt of payments for goods exported and imported are counted in .	A. Capital Account B. Trade Account C. Current account D. Monetary account
141	Govt. transfer payment include	<ul><li>A. Social security benefits</li><li>B. Welfare benefits</li><li>C. Student scholarships</li><li>D. All of the above</li></ul>
142	Personal income includes.	A. Direct taxes B. Indirect taxes C. Depreciation D. None of the above
143	It helps countries to meet deficit in balcne of payments.	A. IMF B. WTO C. World Bank D. UNO
144	State bank was established in .	A. 1948 B. 1950 C. 1952 D. 1954
145	Macroeconomics is concerned with.	A. Aggregate economic activity     B. Spending decisions of households     C. Hod to produce goods     D. How tobuy stocks and bonds
146	Whis is the most widely used tool of monetary policy	A. Open market operation B. Clearing house C. Discount rate D. Issuing of the note
147	Every country establishes central bank to	A. Issue currency B. To establish commercial bank C. Toprepare governemnt budget D. All of the of above
148	The bank established for loans to very small enterprises is called.	A. Micro Finance Bank B. Modarba Bank C. SME bank D. Firs Mini Bank
149	Total value of allfinal goods andservices produced annually by a country.	A. NNP B. GNP C. GDP D. NI
150	The four factor payments are.	A. Money, Capital, salaries, and income B. Wages, rent internest and profts C. Money, power, Prices, and wwalth D. Wags, intrest, salareis, and taxes.
151	Which is the charactertistic of good money	A. Has good design     B. Has high value     C. Has a fixed value in gold     D. Is readily accepted by people
450		A. Agriculture B. Industry

IJŁ	Largest Jector of Fanistan economy is.	C. Transport D. Services
153	Population Growth rate in Pakistan is	A. 0.9% B. 19% C. 2.9 % D. 3.9%
154	The equation of exchange PT =MV was given by	A. Fisher B. Crowher C. Kuznet D. Keynes
155	This is a characeristics of good money	A. High intricnsic value     B. General acceptability     C. Atractive design     D. Easy of duplicate
156	This is NOT money	A. Currency B. Prize Bond C. Demand deposit oin a bank D. Coins
157	The money called legal tender includes.	A. Currency notes and credit cards     B. Currency notes and bank deposits     C. Currency notes and coins     D. Currency notes and cheques
158	In foreign trde protection policy means.	A. Restrictions on imports     B. Restrictions on exports     C. Restriction on transfer of foreign exchagne     D. All of the above
159	Threre are methods of measurieng natinal income	A. 5 B. 4 C. 2 D. 3
160	Out following the only recognised legal tender is	<ul><li>A. Cheque</li><li>B. Currency notes and coins</li><li>C. Notes and cheques</li><li>D. Credit card</li></ul>
161	Which shows equilibrium of national income	A. Consumption = investment     B. Saving = investment     C. Saving > investment     D. Saving < investment
162	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
163	The largest sector of Pakistan economy	A. Transport B. Agriculture C. Industry D. Trade
164	Consumption spending does NOT include.	A. Household's purchases of clothes     B. Household's purchase of a car     C. Household's paymnet of rent for     an apartment     D. Household's purchase of shares of     a business corporation
165	Bank Prepare their balace sheet.	A. Weekly B. Monthly C. Quarterly D. Annualy
166	Credit money is controlled by	A. Central bank B. Market forces C. Commercial Bank D. Government
167	Pursching power of money during defiation is.	A. Increased B. Reduced C. Constant D. Fluctuating
168	Litracy rate is lower in	A. Males B. Females C. Urban Areas D. B and C above

169	Which of the following is an example of primary production	A. Production of computer B. Farmer grwoing wheat C. Opening of new school D. House wife bakes a cakes
170	Which is a function of commercial bank	A. Acting as a govt. banker B. Fixing the exchange rate C. Making loans D. Issueing bank notes
171	The following is not a bank liability.	A. Demand Deposit B. Time deposit C. Loans D. Saving Deposit
172	The following is not a bank liability.	A. Demand deposit B. Time deposit C. Loan D. Saving Deposit
173	State Bank was established in	A. 1948 B. 1950 C. 1952 D. 1954
174	If a person is intrested that his amount shoud be readily available as soon ashe needs he should deposit his money in.	A. Demand deposits B. Tiem deposit C. Saving account D. Profit loss account
175	In economics one of more persons living in a joint family are called a	A. Community B. Social gathering C. Super family D. Household
176	InPakistan government budget is prepared by	A. National Assembly B. Presidnet of Pakistan C. Ministry of Finance D. State Bank of Pakistan
177	Foreign Trade	A. Increses employment opportunites B. Increases international mobility of labour C. Increases competition D. All of the above
178	Commercial Bank create	A. Credit money B. Token money C. Legal Money D. Do not create money
179	Pakistan exports as percentage GDP are.	A. 4% B. 8% C. 12% D. 16%
180	Which statment is true	A. NNP =GNP- Deprection B. NNP =N1 C. NNP = DPI D. NNP = GNP + Depreciation
181	Which is the sourceof interest for a bank	A. Advances B. Bills discounted C. Investments D. All
182	Whcih is the mot widely used tool of monetary policy	A. Open market operations B. Issuing of notes C. Discount rate D. Cleaning house
183	Oneof he following is NOT a feature of private finance.	A. Balancing of incoem and expenditure B. Secrecy C. Publicity D. Saving some part of income
184	National Bank of Pakistan is	A. Industrial Bank B. Commercial Bank C. Central Bank D. Investment Bank
185	There are obstacles to rapid economic development of Pakistan	A. Social B. Political C. Cultural D. All of the above

186	Govt. prepares its budget	A. Weekly B. Montly C. Quarterly D. Annually
187	Cash can NOT be directly drawn fro a bank against	A. Cross Cheque B. Order cheque C. Bearer cheque D. Traveller cheque
188	Govt.taxing and spending policies are called.	A. Fiscal policy B. Public policy C. Monetary Policy D. Economic policy
189	Contribution of industrial sector in Pakistan's GDP is.	A. 20% B. 30% C. 40% D. 50%
190	Two countries can gain from foreign trade if	<ul><li>A. Cost ratios are different</li><li>B. Traiff rates are different</li><li>C. Price ratios are different</li><li>D. a and c above</li></ul>
191	Final balance of the payment of a country is	A. Always balance B. Always dificit C. Always surplus D. Flucluates
192	Central banks rate of lending to commercial banks is called.	A. Money rate B. Control rate C. Intrested rate D. Discount rate
193	Total value fo all final goods and services produced annually by a country.	A. NNP B. GNP C. GDP D. NI
194	Which statment is true	A. National Income = Naional expenditure - indirettaxes B. N1 =GNP -NNP C. N1 =P1 D. NI =NNP-Indirect taxes
195	It is NOT an instrument of moneatry policy	A. Discount Rate B. Open market operation C. Change in reserve ratio D. Issue notes
196	Pakistan Started its planning expence with	A. Colombo plan B. Tokyo plan C. Karachi Plan D. London Plan
197	The most important source of income of a government is.	A. Foreign loans     B. Printing of New money     C. Sale of government property     D. Taxes
198	If you borrow from a bak the amount which the bank charges is called.	A. Interest rate B. tax rate C. discount rate D. Market rate
199	If C= 200 and I= 40 Than Y will equal	A. 160 B. 240 C. 200 D. 8000
200	Per capita Incom is.	A. Income per worker     B. Incomeper hea     C. Income per household     D. Income per industrial unit
201	Pakistan Importss some goods and exports other goods primarily because of.	A. Free goods B. Comparative advantage C. Unemployment D. Self Sufficiency
202	Value of circulation money means by number of times a unit of money	A. Change hands daily     B. Change hand annually     C. change hands montly     D. Change purchacing power
203	All are advantages of oreign trade Except.	A. People get foreign exchange     B. Difference in politicla system     C. Difference in markets

		D. Difference in ideology
204	It is not included in estimation of national incoe	A. Illegal income     B. Services of house wife     C. Imports     D. All are not included
205	Which of the followign is not included in personali income	A. Social security benefits     B. Dividend payments     C. Undistributed corporate profits     D. Interest received from of saving certificates
206	This wil cause anincrease in national income	A. Rise in exports B. Fall in consumer spending C. Rise in imports D. Increase in saving
207	According to keynes demand for money is affected by	A. Income B. Rate of intest C. Literacy rate D. a and b of above
208	Net investment is	A. Gross investment minus household investment B. Gross investment minus govt. investment C. Gross investment minus capital consumption allowance D. None of the above
209	Out of the following the only reconised legal lender is.	A. Bank notes B. Cheque C. Draft D. Credite card
210	Which of the following would NOT be included in GNP	A. Govt. Transfer payments B. Got. Purchase of an air plane C. Payment for construction of highway D. Salary paid for the presidents secretary
211	Which is likely to be higher in a developing country like Pakistan.	A. Birth Rate B. GDP per head C. Life expeciancy D. Net investment per head
212	International trade and domestic trade fiffer because of.	A. Trade restrictions B. Immobility of factors C. Difference govt Policy D. All of the above
213	Which organisation controls the banking system to most countries.	A. Central Bank B. Commercial bank C. Investment bankWorld bank
214	Whis is the largest figure	A. NNP B. GNP C. DPI D. PI
215	Monetary pollicy has the objective	A. Decrease unemployment rate     B. Decrease tax rate     C. Decreases inflation rate     D. a and c of the above
216	If no money is used to exchange goods it is called.	A. Barter B. Currency C. Black Market D. Free Trade
217	It creates credit	A. Central Bank B. Commercial Bank C. Government D. Stock exchange
218	Private sector participation is expending in.	A. Education B. Health C. Environment D. a and b of the above
219	Market value of all final goods and services produced in a country during a year is definition	A. GNP B. NNP C. NI D. Consumption
220	The quantity demanded of money rises	A. As the intrest rate falls B. As the intrest rate rises

۷۷۷	The quantity demanded of money noes.	C. As the supply of money falls D. As the number of banks rises
221	Quantity of oney has relation with alue of money	A. Direct B. Indirect C. Inverse D. No relation
222	GNP is always.	A. Less than NNP B. Grether than NNP C. Equal to NNP D. Is found from NNP
223	Visible exports include	A. Remittance B. Computer Hardware C. Computer software D. Transport cost
224	It is included in kind of money	A. Legal money B. Credit money C. Taken money D. All of the above
225	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
226	Net Exports are	A. Total Exports plus total imports     B. Total exports minus total imports     C. Total exports divided by total imports     D. Total imports minus total exports
227	It is avoided to make correct estimate of national income.	A. Free services B. Double counting C. Export earnings D. All of the above
228	Profit and losss sharing is basis of finance under this system.	A. Islamic B. Capitalistic C. Socialistic D. None
229	The countribution of industrial section our GDP is.	A. 10% B. 20% C. 30% D. 40%
230	Commercial banks accept deposits and provide	A. Money B. Loans C. Bill of exchange
231	In the equation MV =PY represents	A. Money supply B. Money Demand C. Maximum output D. Minimum Optput
232	Our exportw mainly counsist of.	A. Cotton Product B. Machinery C. Sports goods D. a and c above
233	Which is a monetary measure to increase employment.	A. Increase in govt expenditure     B. Reduce govt expenditure     C. Increase in interest rate     D. Reducing intrest rate
234	Pakistan is an economy	A. Developing     B. Developed     C. Fast growing economy     D. a and c above
235	Circular flow of income links	A. Income expenditure B. Govt taxes govt expenditure C. Exports ,imports D. Saving and investment
236	Base year of Pakistan for natonal accounting is.	A. 1985-86 B. 1995-96 C. 2005-06 D. 2015-16
237	Nationalisation of banks was done in	A. 1974 B. 1976 C. 1978 D. 1980

238	Demand deposite are	A. Bank notes B. Money C. Considered as ner money D. Legal money
239	Unemployment tkes place because of.	A. High demand for labour B. High population growth rate C. More exports D. Higher education
240	If government increases taxes pivate savings.	A. Increase B. Decrease C. Do not change D. Will become zero
241	Unemployment rate in Pakisan is	A. 6% B. 16% C. 20% D. More than 20%
242	Ten Rupee note is	A. Token money B. Creadit money C. Legal Money D. a and c of above
243	Life expectency in Pakistan is	A. 57 B. 67 C. 77 D. 87
244	Contribution of Industrial sector in Pakistan economy is.	A. 24% B. 24% C. 14% D. Less than 10%
245	Net exports equal	A. Exports x imports B. Exports + imports C. exports- imports D. None of the above
246	Which measure has the larger value .	A. NNP B. GNP C. GDP D. NI
247	Contribution of agriculture in Pakistan's national income is	A. 19% B. 29% C. 39% D. 49%
248	Which one is investment in economics	A. Building a factory B. Buyig shares in stock exchange C. Depositing money in bank D. Depositing money with housing society
249	If C = 200 and I = 40 then Y will equal	A. 160 B. 240 C. 8000 D. None of the above
250	The largest part of national income goes to	A. Consumption B. Investment C. Saving D. Transfer payment
251	Which statemetn is true of the relationship betwene bond prices and bond yields.	A. They very invesrsely B. They are not related C. They tool very directly D. They are related in long run and not in the short run
252	State Bank policy of regulating intrst rate is called.	A. Monetary policy B. Commerical policy C. Banking policy D. Fiscal policy
253	Money Material should be	A. Abundant B. Scarce C. Beautiful D. Heavy
254	Forest in Pakistan are decreasing beacause.	A. Populaton pressure     B. Poor consercation clanning     C. Climateic changes     D. All of the above
		A. Prime Minister of Pakistan

255	In Pakistan, taxes are leived by	B. President of Pakistan C. Federal cabinet of ministers D. National Assembly
256	Demand deposit are	A. Money B. Bank note C. Legal Money D. Considered to near money
257	Which of the following is international trade	A. Trade between provinces B. Trade between countries C. Trade between regions D. Trade between continents
258	Taxes on commodities are	A. Direct taxes B. Indirect Taxes C. Progressive taxes D. Propotional taxes
259	Pakistan's domestic saving rate is	A. 2% B. 7% C. 17% D. 27%
260	Whenthe state bank wants be decrease money supply in the country it.	A. Buys govt securities is stock market     B. Sells govt securities     C. Lowers siscount rate     D. B and C
261	Economic planning in Pakistan started	A. During 1950s B. During 1960s C. During 1970s D. During 1980s
262	Corporae tax is levied on	A. Landdlords B. Inporters C. Big companies D. Municipal corporations
263	Life expectancy in Pakistan is	A. Less than 60 years B. Betwene 60 and 70 years C. Between 70 and 80 years D. More than 80 years
264	Governmet finance is called.	<ul><li>A. National finance</li><li>B. Public finance</li><li>C. Private finance</li><li>D. a and b above</li></ul>
265	When the country development	A. Per capita incoe rises     B. Specialization increases     C. Urbanization rises     D. All of the above
266	Credit money is created by	A. Central bank B. Commercial Bank C. Government D. All of the above
267	National income is a measure of	A. The zise of government revenue     B. Payments made to facor of production     C. Production f goods per day     D. Total working hours
268	The most importnat fature of money	A. General acceptability     B. Store of value     C. Covertibility into gold     D. Medium of exchange
269	Public spending on health is	A. Less than 1% B. More than 1 but less than 2% C. More than 2 but less than 3% D. More than 3
270	Economic Development	A. Is the same as economic growth B. Means improvement in lifestyle C. Exists when there is equal distributio of income D. All of the above
271	In 2018 Pkistan's total population stands approximately at	A. 11 cores B. 21 cores C. 31 cores D. 41 cores
272	Country is near if it has	A. Less production of gods per capita B. Less amount of gold

212	Country is poor if it rias.	C. Less amout of foreign currency D. Less exports
273	Pakistan per capita income in less than.	A. Japan B. India C. Korea D. All
274	It creates difficulties in measuremtn of national income of Pakistan	A. Low literacy rate B. Parliamentary form of Govt C. Huge imports D. High Taxes
275	To determine the correct level of GNP ,it is necessary to.	A. Add up the values of goods and services during one year B. Add up allsavings C. Count all imports D. Add up the value of semi finished goods
276	It is counted in GDP	A. Sale price of an old car B. A TV set produced this year but not sold C. Purchase of 100 shares of PSO D. The leisure people consume
277	A closed economy is best described as one in which	A. thre are no monopolies     B. No corporations     C. No externalities     D. No international trade
278	In GNP of pakistan rises. It will encourage	A. Exports B. Imports C. Both D. None
279	Environment includes.	A. Ecosystem B. Wildlife C. Forests D. All of the above
280	In the equation MV =Py. V represents	A. Value of money     B. Velocity of circulation of money     C. Variation of nation income     D. All of the above
281	Which is considered liablility by a bank	A. Loans     B. Bank building and equipment     C. Time deposit     D. Securities
282	The bank can give loans	A. Unlimited B. Equal to deposites C. less than deposits D. More dhan deposits
283	If CDA gets a loan from world bank for roads it willbe recorded in the balnce of payments in section.	A. Capital account B. Visible balance C. Invisible balance D. Offlicial financing
284	It is duducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciatin allowance D. Subsidies
285	Marginal propensity to consume MPC is.	A. Total income spent on consumption B. Ratio of additionalincome consumed C. Ratio of total income consumed D. Consumption divided by saving
286	Commercial banks are able to create money by	A. Making loans B. Printing Money C. Moral suasion Selling government loans D. Printing money
287	Which is a flow concept.	A. Number of my shirts B. My montly income C. My total wealth D. Money Supply
288	This is a characteristic of good money	A. High intrinsic value     B. Liquidity     C. Attractive design     D. Easy to duplicate

289	It increses rae of capita formation	A. Less saving B. New Technology C. Rapid Population growth D. High Intrest
290	Gross nationa product includes	A. A loan from one's parents B. A loan from a domestic bank C. A loan from other countries D. None of theabove
291	IMF has given loan to Pakistan. It wilimprove Pakistan's	A. Current account     B. Capital Account     C. Overall balance of payments     D. B and c above
292	In erms of national income accounts, multiple counting efers to.	A. The addition to GNP of multiple units of a good B. Counting cureently producedgoods more than once C. The inclusion in GNP of gross spending and taxes
293	In calculating national income which one will NOT be included.	D. Counting both goods and services A. Exports B. Old age pensions C. Wages of lecturer D. Undistributed profit by firms
294	Undisributed proits are considered.	A. Income enrned but not received B. Income eearned and received C. Income received but not earned D. None of the above
295	Government securities.	A. MeanCurrency B. Are near money C. Are bought and sold on stock exchange market D. B and C of above
296	Foreign Trade are	A. Benefits developed countries     B. Benefits underdeveloped countires     C. Benefits all countries     D. Benefits democretive countries
297	It is transfer payment	A. Payment o college tuition     B. A social securiy payment     C. Payment for a leased car     D. Intrest paid for a bank loan
298	When value of money falls, they benefits more	A. Debtors B. Lenders C. Farmers D. Industrialist
299	National Income is.	A. Total Income earned in producing the national product B. All taxes plus govt. spending C. Sum of personal income and saving D. NNP minus the capital consumption allowance
300	National Income = Ntional Expenditure is an	A. Equation B. Identity C. Function D. None
301	The share of 20% of population which forms the lowest income group gets share of Pakistan's national income as.	A. 6% B. 9% C. 12% D. 15%
302	Whcih type of card is not issued by commmercial banks	A. Credit card B. Green card C. ATM Card D. Debit card
303	GNP is	A. Total Sales in the economy B. Total monetary transactions in an economy C. Sum of market values of all goods and services produced in an economy D. Totla spending in an economy
304	When National income is estimated by expenditue method we include.	A. All govt expenditure B. All houseolds expenditure C. All of the above D. All expenditure of the business

		sector
305	Equilibrium of national income will be when	A. S >I B. S < I C. S = I D. S - 1
306	Exchange rate for currencies is determined by supply and demand in system of.	A. Fixed exchange B. flexible C. Constatn D. Regulated
307	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
308	In which form the larges percentage of national incomeis earned.	A. Interest income B. Proprietor's income C. Elyees wages D. Rental income
309	Trade between two countries can be useful if cost ratios of goods are.	A. Equal B. Different C. Undertimed D. Decreasing
310	This steps will increase investment in Pakistan.	A. Increse taxes     B. Increase population     C. Increase investment rate     D. Decrease intrest rate
311	Short term loans can be obtained in.	A. Money market B. Capital market C. Exchange market D. Stock Market
312	Visible goods are recorded int his part of balance of payments account	A. Current account B. Capital account C. Govt account D. Official Account
313	Which type of cheque is more safe for transfer of money	A. Cross cheque B. Order cheque C. Traveller cheque D. Bearer cheque
314	If we deduct direct tax from personal income we get.	A. Net National income B. Disposable income C. Personal saving D. Per capital income
315	In circular flow model	A. Govt. owns productive resources B. Firms own productive resources C. Households own productive resorces D. Rent of land is not included
316	Balance of payment of a country has major parts.	A. 2 B. 3 C. 4 D. 5
317	Unemployment due to mechanizatin of agriculture is.	A. Seasonal B. Structural C. Industrial D. Personal
318	The natures of unemployment due to machanization of agriculture is	A. Seasonal B. Structural C. Frictional D. Permanent
319	When a commercial bank creaes credite. Its immediate effect is tha tit raises.	A. The exchange rate B. The money supply C. The interest rate D. The real national income
320	Productive of labour can be increases by	A. Raising minimum wages     B. Raising avarege wages     C. Increaseing skills of workers     D. All of the above
321	Banks discount it and adance loans.	A. Draft B. Bill of Exchange C. pay order D. Gold

sector

322	Rupee is a coin	A. Full value B. Token money C. Credite money D. Convertible
323	Investment spending included the purchase of.	A. Lottery coupon B. Prize Bond C. Residential construction D. all of the above
324	The goods which arw used directly by the people are called.	A. Consumer goods B. Capital good C. Direct good D. None
325	The have a functional relation	A. Consumption and national income     B. Consumption and saving     C. Consumption and investment     D. All of the above
326	Which of the following compares everage pricw of exports to avarage Price of imports.	A. Balance of payments B. Balance of trade C. Terms of trade D. Exchange of rate
327	It is considred as transfer payments	A. Salaries of govet emplyees B. Bonus of bank employees C. Inemployment allowance paid by govt D. Free medical are to offers.
328	What would encourage trade betwene two countries.	A. Different tax system     B. Frontier checks     C. National currencies     D. Reduce traiff
329	Which is not a Function of money	A. Make demand and supply equal B. Medium of exchange C. Store of value D. Meaasure of value
330	Which type of cheque is least safe for transfer of money	A. Bearer cheque B. Traveller cheque C. Order cheque D. Cross cheque
331	By 2018 Pakistan's total population reached approximately	A. 180 million B. 210 million C. 240 million D. 270 million
332	Prograssive taxes	A. Are harmful for the economy     B. Bring equality in distributio of income     C. Compel rich people to be honest     D. Decrease evasion of taxes
333	A country does not trade with othr contries is called an economy	A. Open B. Closed C. Independent D. None
334	10-Rupees note is issued by	A. National Bank B. State Bank C. Govt. of Pakistan D. Governer State bank
335	Which type of card is not issued by central banks	A. Credi card B. Debit card C. ATM Card D. None is issued by it