

ICS Part 2 Economics English Medium Chapter 2 Online Test

| Sr | Questions | Answers Choice |
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| 1 | This wil cause anincrease in national income | A. Rise in exports B. Fall in consumer spending C. Rise in imports D. Increase in saving |
| 2 | 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 |
| 3 | If C = 200 and I = 40 then Y will equal | A. 160 B. 240 C. 8000 D. None of the above |
| 4 | Which one is investment in economics | A. Building a factory B. Buyig shares in stock exchange C. Depositing money in bank D. Deposting money wiht housing society |
| 5 | In equilibrium of nationalincome. | A. S > I B. S = I C. S < I D. All are true |
| 6 | National income equals. | A. c+ I+g B. c-i-g C. c-s-g D. c+s+g |
| 7 | MPC is always. | A. Positive B. Negative C. Zero D. More then APC |
| 8 | GDP atconstnat prices, calculated according to some base year is called. | A. acutal GDP B. Real GDP C. Net GDP D. Nominal GDP |
| 9 | Aggregate demand means. | A. Aggregate saving B. Aggregate Income C. Aggregate investment D. Aggregate expenditure |
| 10 | 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 |
| 11 | Which of the following is a withdrawal from the circular flow of income stream. | A. Taxation B. Consumption C. Subsides D. Investment |
| 12 | Equilibrium of national income will be when | A. S >I B. S &It I C. S = I D. S - 1 |
| 13 | 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 |
| 14 | This will cause decrease in natioal income. | A. Rise in exports B. Rise in saving C. Increas in taxese D. B and C above |
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| 15 | Which shows equilibrium of national income | A. Consumption = investment B. Saving = investment C. Saving > investment D. Saving < investment |
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| 16 | Consumption is a function of. | A. Saving B. Investment C. Income D. Expenditure |