

ICS Part 2 Economics English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	Pursching power of money during defiation is.	A. Increased B. Reduced C. Constant D. Fluctuating
2	The equation of exchange $PT = MV$ was given by	A. Fisher B. Crowther C. Kuznet D. Keynes
3	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
4	Velocity of circulation of money means.	A. Total demand for money B. Annual increase in currency notes C. Number of times a unit of money changes hands D. total supply of money
5	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
6	When value of money falls, they benefits more	A. Debtors B. Lenders C. Farmers D. Industrialist
7	According to keynes demand for money is affected by	A. Income B. Rate of instest C. Literacy rate D. a and b of above
8	Under normal circumstances the velocity of circulation of money in a contry is.	A. 100% B. negative C. Less than 10 D. Zero
9	Value of money and supply of money are related.	A. Inversely B. Directly C. Govt.Law D. Are not related
10	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
11	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast
12	Banks discount it and adance loans.	A. Draft B. Bill of Exchange C. pay order D. Gold
13	Value of money means	A. General purchasing power of money B. Gold purchased by money C. Demand for money D. Importance of money
14	Value of money in pakistan in determined by	A. Govt of Pakistan B. General Price Level C. State Bank Pakistan D. Value of Dollar

15	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
16	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
17	According to Keynes people demand money for purposes .	A. 1 B. 2 C. 3 D. 4
18	They are NOT much affected by rising prices.	A. Salaried persons B. Business C. Debtors D. Importers
19	The quantity demanded of money rises.	A. As the intrest rate falls B. As the intrest rate rises C. As the supply of money falls D. As the number of banks rises
20	Which One is equation of exchange.	A. $PT = MV$ B. $PV = MT$ C. $PM = TV$ D. None