

NAT II Management Science Economy

Qr.	Questions	Anguara Chaica
Sr	Questions	Answers Choice
1	Real GDP is equal to:	A. Nominal GDP - Inflation B. Nominal GDP + Inflation C. Nominal GDP / Inflation D. Inflation / Nominal GDP
2	Give the production of sugarcane in Pakistan in 2005-06?	A. 22 millions tons B. 33 million tons C. 44 million tons D. 55 million tons
3	Reward the labour is:	A. Interest B. Wages C. Profit D. Rent
4	Which of the following event will lead towards cost-push inflation and therefore stagflation?	A. An increase in taxes on individuals B. A decrease in real interest rates C. A union settlement that increases wage levels D. An increase in government purchases
5	The production of gram in 2005-06, in thousand tons was:	A. 450 B. 500 C. 527 D. 750
6	What is deducted from GNP to find GDP:	A. Depreciation allowance B. Net income received from abroad C. Indirect as D. Transfer payments
7	A market is said to be in equilibrium when:	A. Demand equals output B. There is downward pressure on price C. The amount consumers wish to buy at the current price equals the amount producers wish to sell at that price D. All buyers are able to find sellers willing to sell to them at the current price
8	In the FY 2005-06 the GDP growth rate of Euro area was 1.3 percent, the developing nations 8.6 percent and the world was:	A. 3.5 percent B. 4.8 percent C. 4.5 percent D. 5.5 percent
9	If total expenditure decrease with the rise in prices elasticity of demand will be:	A. Equal to unity B. Less than unity C. Greater than unity D. Equal to zero
10	The price elasticity of demand for any good must be less than or equal to zero unless:	A. The good is a necessity.B. The good is a luxury.C. The good is a Ciffen good.D. None of the given options.
11	In 2005-06 the growth rate of Saudi Arabia was 6.5 percent, Kuwait 8.5 percent and Bangladesh 5.8 percent. What was the growth rate of Iran?	A. 4.2 percent B. 3.1 percent C. 6.7 percent D. 5.9 percent
12	Given the amount of gross fixed investment percentage of GDP during 2005-06.	A. 14.2 percent B. 18.4 percent C. 25.0 percent D. 26.6 percent
13	It is a Federal Tax:	A. Excise duty B. Local Tax C. Property Tax D. None
		A. Agricultural product B. Industrial product

14	Ushr implies on:	C. Agricultural & D. Industrial product D. None of these
15	In 2005-06 the share of chemicals was 9.08 percent and the share of electricals was:	A. 4.6 percent B. 8.2 percent C. 11.78 percent D. 16.3 percent
16	During 2005-06, the construction sector contributed 9.2 percent to GNP and the share of fishing was:	A. 9.2percent B. 4.4percent C. 1.9percent D3.6percent
17	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output
18	Reward for capital is called:	A. Rent B. Interest C. Wages D. Profit
19	What is the interest rate effect that explains why the aggregate demand curve slopes downward?	A. It refers to the effect of changes in the price level on quantity of investment demanded which in turn affects interest rates B. <div>It refers to the effect of interest rates on borrowing which in turn affects consumption spending. </div> C. It refers to the effect of changes in the price level on interest rates which in turn affects the quantity of investment demanded D. It refers to the shifts in aggregate demand when interest rates change
20	The economy gets maximum prosperity during:	A. Recession B. Recovery C. Boom D. Depression