

## ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	A bank has Rs. 5 million in cash The minimum reserve ratio is 20% What is maximum potential increase in total deposit.	A. 25 m B. 10 m C. 5 m D. 0 m
2	Value of money in Pakistan is determined by	A. Govt of Pakistan B. General Price Level C. State Bank Pakistan D. Value of Dollar
3	When a commercial bank creates credit. Its immediate effect is that it raises.	A. The exchange rate B. The money supply C. The interest rate D. The real national income
4	Medium term plan covers	A. Less than 2 years B. 3 to 5 years C. 5 to 10 years D. 10 to 15 years
5	A closed economy is best described as one in which	A. there are no monopolies B. No corporations C. No externalities D. No international trade
6	Which one of the NOT a principle of taxation	A. Principle of equality B. Principle of morality C. Principle of certainty D. Principle of diversity
7	Which organisation controls the banking system in most countries.	A. Central Bank B. Commercial bank C. Investment bank D. World bank
8	The most important feature of money	A. General acceptability B. Store of value C. Convertibility into gold D. Medium of exchange
9	Which is a flow concept.	A. Number of my shirts B. My monthly income C. My total wealth D. Money Supply
10	Out of the following the only recognised legal tender is	A. Cheque B. Currency notes and coins C. Notes and cheques D. Credit card
11	Which is the most widely used tool of monetary policy	A. Open market operation B. Clearing house C. Discount rate D. Issuing of the note
12	Environment includes.	A. Ecosystem B. Wildlife C. Forests D. All of the above
13	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%
14	IMF Means	A. International Monetary Funds B. International Money Flow C. International Money Forum D. International Monetary finance
15	A country does not trade with other countries is called an economy	A. Open B. Closed C. Independent D. None

16	Commercial banks are able to create money by	A. Making loans B. Printing Money C. Moral suasion Selling government loans D. Printing money
17	It is not included in estimation of national incoe	A. Illegal income B. Services of house wife C. Imports D. All are not included
18	Infrant mortality rate in Pakistanis.	A. 45 B. 65 C. 85 D. 105
19	Which of the followign tax is best example of ability to pay principle of taxes	A. excise tax on cigaratettes B. Highway tolltax C. Personal income tax D. Proportional sales tax
20	Forest in Pakistan are decreasing beacause.	A. Populaton pressure B. Poor consercation clanning C. Climateic changes D. All of the above