

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	Which one is investment in economics	A. Building a factory B. Buyig shares in stock exchange C. Depositing money in bank D. Depositing money wiht housing society
3	The largest type of income in the Pakistan is	A. Compensation of employees B. Rental income C. Proprietors income D. Coporate profits
4	Which statement is true	A. NNP =GNP- Depreciation B. NNP =N1 C. NNP = DPI D. NNP = GNP + Depreciation
5	This wil cause anincrease in national income	A. Rise in exports B. Fall in consumer spending C. Rise in imports D. Increase in saving
6	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
7	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
8	It is direct tax	A. Excise tax B. Sales tax C. Income tax D. Custom duty
9	Government securities.	A. MeanCurrency B. Are near money C. Are bought and sold on stock exchange market D. B and C of above
10	Private sector participation is expending in.	A. Education B. Health C. Environment D. a and b of the above
11	PI is equivalent to	A. DPI Minus personal taxes B. DIP Plus unearned receipts C. DPI Minus income earned but not received D. NI plus unearned receipts minus personal taxes
12	Policy of Protecton in trade	A. Facilitates trade B. Protects local producers C. Protects foreign producers D. Protects exporters
13	If saving exceed investment then	A. National income rises B. National income falls C. National income is not affected D. None of the above
14	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast

15 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

16 Demand depositis are.

A. Money
B. Banks notes
C. Legal money
D. Considerd and near money

17 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

18 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

19 It is the medium of exchange

A. Black money
B. Currency
C. Near money
D. Foreign exchange

20 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. Offiicial financing
