

## Principles of Banking Icom Part 2 English Medium Chapter 12 Online Test

Sr	Questions	Answers Choice
1	The Kiind of non commercial letter of credit includes.	A. Traveler L.C. B. Circular note C. Credit card D. All of these
2	Parties involvedin money order.	A. Two B. Three C. Four D. Five
3	The money sent through post office from one country to another	A. Traveller's cheque B. Bank draft C. Letter of credit D. International money order
4	Which of the following rate keeps the balance of payments in equilibrium	A. Discount rate B. Interest rate C. Exchange rate D. Market rate
5	Letter of credit state a limit of.	A. Credit B. Time period C. Bank D. None of these
6	Foreign exchange control reduces the	A. Circulation of capital     B. Export of capital     C. Import of capital     D. None of the above
7	Generally, the instruments which are used in foreign receipts and payments called	A. Exchange rate B. Foreign exchange C. Letter of credit D. All of the above
8	Parties involved in postal order	A. Two B. Three C. Four D. Five
9	The purpose of credit card is.	A. Sell goods B. Control credit C. Purchase goods D. None of these
10	Postal order is the example of.	A. Negotible credit instrument     B. Cash instruent     C. Non negotiable credit instrument     D. None of these
11	Which of the following changes cause to change in foreign exchange rate	A. Change in export and imports B. Change in capital flow C. Change in bank rate D. All the above
12	Stock certificates are issued by.	A. Cental bank B. Stock market C. Limite Company D. Partnership
13	Non geogibale credit instruemnt are.	A. Letter of credit B. I.O.U C. Money order D. All of these
14	The change in demand and supply of foreign currency effects	A. Exchange rate  B. Traveller's L.C C. Letter of credit D. None of these
15	Transfer of money from one palce to another place with the help of post office.	A. Cheque B. Draft C. Money order D. None of these

16	Which method is mostly used in making foreign payment	A. Foreign bills of exchange B. By post C. By telegraph D. None of these
17	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
18	The more increase in exchange rate for a country under gold standard is called	A. Lower specie point B. Middle specie point C. Upper specie point D. None of the above
19	The rate of exchange determined by two countries following non-convertible paper currency system is a point where	A. The purchasing power of current is same B. The purchasing power of current is different C. The purchasing power of current is zero D. None of the above
20	The L.C. which is accompanied by some documents is called.	A. Documentary L.C. B. Revolving L.C. C. Back to back L.C. D. Simple L.C.