ICS Part 2 Economics English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	For the economy prices are beneficial	A. Falling slowly B. Rising slowly C. Rising fast D. Falling fast
2	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
3	When value of money falls, they benefits more	A. Debtors B. Lenders C. Farmers D. Industrialist
4	Pursching power of money during defiation is.	A. Increased B. Reduced C. Constant D. Fluctuating
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	According to Keynes people demand money for purposes .	A. 1 B. 2 C. 3 D. 4
7	Value of money and supply of money are related.	A. Inversely B. Directly C. Govt.Law D. Are not related
8	According to keynes demand for money is affected by	A. Income B. Rate of intest C. Literacy rate D. a and b of above
9	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
10	Banks discount it and adance loans.	A. Draft B. Bill of Exchange C. pay order D. Gold
11	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
12	They are NOT much affected by rising prices.	A. Salaried persons B. Business C. Debtors D. Importers
13	The equation of exchange PT =MV was given by	A. Fisher B. Crowther C. Kuznet D. Keynes
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	Under normal circumstances the velocity of circulation of money in a contry is.	A. 100% B. negative C. Less than 10 D. Zero

16	Value of money means	A. General purchasing power of money B. Gold purchased by money C. Demand for money D. Importance of money
17	Velocity of circulation of money means.	A. Total demand for money B. Annual increase in currency notes C. Number of timesa unit of money changes hands D. total supoly of money
18	Which One is equation of exchange.	A. PT = MV B. PV = MT C. PM = TV D. None
19	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
20	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