

ICS Part 2 Economics English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	Profit and loss sharing is basis of finance under this system.	A. Islamic B. Capitalistic C. Socialistic D. None
2	It is NOT an instrument of monetary policy	A. Discount Rate B. Open market operation C. Change in reserve ratio D. Issue notes
3	Acting as lender of last resort a central bank lend to.	A. Money market B. Stock exchange C. Commercial Bank D. Does not lend
4	State Bank policy of regulating interest rate is called.	A. Monetary policy B. Commercial policy C. Banking policy D. Fiscal policy
5	Bank Prepare their balance sheet.	A. Weekly B. Monthly C. Quarterly D. Annually
6	Credit money is controlled by	A. Central bank B. Market forces C. Commercial Bank D. Government
7	If you borrow from a bank the amount which the bank charges is called.	A. Interest rate B. tax rate C. discount rate D. Market rate
8	Which type of card is not issued by commercial banks	A. Credit card B. Green card C. ATM Card D. Debit card
9	A bank has Rs5 million in cash. The minimum reserve ratio is 20% What is maximum potential increase in total deposits	A. 0 B. 5 m C. 10 m D. 25 m
10	Banks discount it and advance loans.	A. Draft B. Bill of exchange C. Pay Order D. Gold
11	Every country establishes central bank to	A. Issue currency B. To establish commercial bank C. To prepare government budget D. All of the of above
12	Demand deposit mean	A. Saving account B. Chequeable deposits C. Profit loss account D. Time deposits
13	State bank was established in .	A. 1948 B. 1950 C. 1952 D. 1954
14	Treasury bill is used for	A. Getting short term loans by central bank B. Getting long term loans C. Collecting govt. taxes D. Make payments of utility bills
15	Which type of cheque is more safe for transfer of money	A. Cross cheque B. Order cheque C. Traveller cheque

D. Bearer cheque

16 Which is considered liability by a bank

- A. Loans
- B. Bank building and equipment
- C. Time deposit
- D. Securities

17 10-Rupees note is issued by

- A. National Bank
- B. State Bank
- C. Govt. of Pakistan
- D. Governor State bank

18 The following is not a bank liability.

- A. Demand deposit
- B. Time deposit
- C. Loan
- D. Saving Deposit

19 The following is not a bank liability.

- A. Demand Deposit
- B. Time deposit
- C. Loans
- D. Saving Deposit

20 The money called legal tender includes.

- A. Currency notes and credit cards
- B. Currency notes and bank deposits
- C. Currency notes and coins
- D. Currency notes and cheques