

ICS Part 2 Economics English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	Commercial banks accept deposits and provide	A. Money B. Loans C. Bill of exchange
2	Balance sheet of a bank has two parts	A. Supply and demand for deposits B. Supply and demand of Advances C. Assests and liabilities D. Cash Reserves and loans
3	Demand depositis are.	A. Money B. Banks notes C. Legal money D. Considerd and near money
4	Every country establishes central bank to	A. Issue currency B. To establish commercial bank C. Toprepare goveremnt budget D. All of the of above
5	Credit money is created by	A. Central bank B. Commercial Bank C. Government D. All of the above
6	Banks discout it and advance loans.	A. Draft B. Bill of exchange C. Pay Order D. Gold
7	Short term loans can be obtained in.	A. Money market B. Capital market C. Exchange market D. Stock Market
8	Bank Prepare their balace sheet.	A. Weekly B. Monthly C. Quarterly D. Annualy
9	Monetary pollicy has the objective	A. Decrease unemployment rate B. Decrease tax rate C. Decreases inflation rate D. a and c of the above
10	Which is the sourceof interest for a bank	A. Advances B. Bills discounted C. Investments D. All
11	If a person is more intrested to earn income he shud deposit his money in	A. Demand deposits B. Time deposit C. Saving account D. Profit loss account
12	It creates credit	A. Central Bank B. Commercial Bank C. Government D. Stock exchange
13	When a commercial bank creaes credite. Its immediate effect is tha tit raises.	A. The exchange rate B. The money supply C. The interest rate D. The real national income
14	State Bank policy of regulating intrst rate is called.	A. Monetary policy B. Commerical policy C. Banking policy D. Fiscal policy
15	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

16	Credit money is controlled by	A. Central bank B. Market forces C. Commercial Bank D. Government
17	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
18	Which is considered liability by a bank	A. Loans B. Bank building and equipment C. Time deposit D. Securities
19	Out following the only recognised legal tender is	A. Cheque B. Currency notes and coins C. Notes and cheques D. Credit card
20	Every country establishes centralbank to	A. Issue notes B. Supervise commerical bank C. Giveloans to businessmen D. a and b of above