

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
2	Under the kinked demand curve model, an increase in marginal cost will lead to:	A. <div>An increase in output level and a decrease in price.</div> B. <div>A decrease in output level and an increase in price.</div> C. <div>A decrease in output level and no change in price.</div> D. <div>Neither a change in output level nor a change in price.</div>
3	What was the contribution of the services sector to the GNP in FY 2005-06.	A. 9.2 percent B. 3.5 percent C. 8.8 percent D. 4.7 percent
4	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2nd and 3rd
5	Reward the labour is:	A. Interest B. Wages C. Profit D. Rent
6	Give the share of commodity producing the sector in the GNP in 2005-06?	A. 2.5 percent B. 4.3 percent C. 3.8 percent D. 7.2 percent
7	The interest rate parity is the basic identity that relates which of the following?	A. Interest rates and exchange rates B. Interest rates and inflation rate C. Exchange rates and inflation rate D. Discount rate and inflation rate
8	Marginal cost curve always intersects average cost curve at:	A. The maximum point B. The central point C. The minimum point D. The vertical point
9	The long run aggregate supply curve will shift to the right if:	A. The price level increases. B. Factors of production (such as labor and capital) increase C. Expenditures (such as consumption and net exports) increase. D. The prices of inputs used to produce goods and services (such as wages and the price of oil) decrease
10	What was the production of rice in million tons in 2005-06?	A. 4.4 B. 5.5 C. 6.6 D. 7.7
11	A nation's balance of payments can be affected by changes in:	A. Foreign income B. The difference between domestic and foreign interest rates C. The real exchange rate D. All of the given options
12	How much amount was allocated for Prime Minister's special initiative for livestock during 2005-06?	A. Rs. 672 million B. Rs. 812 million C. Rs. 1,696 million D. Rs. 2,400 million
13	In 2005-06 which country had the highest growth rate among the following?	A. Egypt B. Singapore C. Kuwait D. Nigeria

14 The supply of land is:
A. Infinity
B. Fixed
C. Variable
D. Zero

15 The shape of AR and MR under perfect competition is:
A. Vertical
B. U-shape
C. Horizontal to ox-axis
D. None of these

16 The economy gets maximum prosperity during:
A. Recessions
B. Recovery
C. Boom
D. Depression

17 Which economist presented the Cardinal Theory of Utility:
A. Marshall
B. Canon
C. Kroose
D. J.B. Say

18 In 2005-06 the share of chemicals was 9.08 percent and the share of electricals was:
A. 4.6 percent
B. 8.2 percent
C. 11.78 percent
D. 16.3 percent

19 In the short run, the equilibrium price level and the equilibrium level of total output are determined by the intersection of:
A. The aggregate demand, the short-run aggregate supply and the long-run aggregate supply curves
B. The short-run aggregate supply and the long-run aggregate supply curves
C. The aggregate demand and the short-run aggregate supply curves
D. The aggregate demand and the long-run aggregate supply curves

20 Which ASEAN nation had the highest growth rate of 7.5 percent in 2005-06?
A. Indonesia
B. Malaysia
C. Vietnam
D. Thailand
