

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	It is a Federal Tax:	A. Excise duty B. Local Tax C. Property Tax D. None
2	Which of the following economists came up with a theory regarding the tradeoff between unemployment and inflation?	A. A.W. Phillips B. John Maynard Keynes C. Joseph Schumpeter D. Milton Friedman
3	A monopolistically competitive firm in short run equilibrium:	A. Will make negative profit (lose money). B. Will make zero profit (break-even) C. Will make positive profit D. Any of the given are possible.
4	The price elasticity of demand for any good must be less than or equal to zero unless:	A. The good is a necessity. B. The good is a luxury. C. The good is a Giffen good. D. None of the given options.
5	In monopoly, which of the following is NOT true?	A. Products are differentiated B. There is freedom of entry and exit into the industry in the long run C. The firm is a price maker D. There is one main seller
6	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
7	The production of gram in 2005-06, in thousand tons was:	A. 450 B. 500 C. 527 D. 750
8	In the FY 2005-06 the GDP growth rate of Euro area was 1.3 percent, the developing nations 8.6 percent and the world was:	A. 3.5 percent B. 4.8 percent C. 4.5 percent D. 5.5 percent
9	According to law of increasing return, marginal product:	A. Increases B. Decreases C. Remains constant D. None of these
10	Given the amount of gross fixed investment percentage of GDP during 2005-06.	A. 14.2 percent B. 18.4 percent C. 25.0 percent D. 26.6 percent
11	Give the production of sugarcane in Pakistan in 2005-06?	A. 22 millions tons B. 33 million tons C. 44 million tons D. 55 million tons
12	For knowing the spending capacity of the household sector, we have to use the concept of:	A. National income B. Personal income C. Private income D. Personal disposable income
13	National income does not include:	A. Profit B. Wages C. Interest D. Transfer payments
14	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
		A. 8 percent

15	In 2005-06, the percentage of total investment to GDP was:	B. 10percent C. 15percent D. 20percent
16	During 2005-06 maize was grown on an area of 982 thousand hectares and its production was:	A. 3.5 million tones B. 4.2 million tones C. 5.2 million tones D. 6.7 million tones
17	If total expenditure decrease with the rise in prices elasticity of demand will be:	A. Equal to unity B. Less than unity C. Greater than unity D. Equal to zero
18	Due to devaluation exports become:	A. Smaller B. Larger C. Cheaper D. Expensive
19	What was the production of cotton in 2005-06?	A. 12.4million bales B. 16.2 millionbales C. 18.8 million bales D. 24.1 million bales
20	A firm is charging a different price for each unit purchased by a consumer. This is called:	A. First-degree price discrimination B. Second-degree price discrimination C. Third-degree price discrimination D. None of the given options