NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The real exchange rate is defined as the:	A. Market exchange rate adjusted for prices B. Market exchange rate adjusted for interest rates C. Market exchange rate D. Exchange rate determined by the government
2	Canons of taxation describes:	A. Marshall B. Keynes C. Robbins D. Adam Smith
3	The total cost (TC) function is given as: TC = 200 + 5Q. What is the fixed cost?	A. 5Q B. 5 C. 5 + (200/Q) D. 200
4	In 2005-06 the real GDP growth of USA was 3.5 percent, of China 9.9 percent, Japan 2.7 percent, India 8.0 percent and of Pakistan was:	A. 6.6 percent B. 1.6 percent C. 4.6 percent D. 5.0 percent
5	Reward for capital is called:	A. Rent B. Interest C. Wages D. Profit
6	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
7	Which of the following large-scale items showed a negative growth of -47.97 percent during July-March 2005-06?	A. Sugar B. Vegetable Ghee C. Billets D. Cement
8	During a year aggregate value of produced goods and services of a country is called:	A. Per-capita income B. Net national income C. Personal income D. Gross national product
9	An increase in supply is shown by:	A. Shifting the supply curve to the left B. Shifting the supply curve to the right C. Upward movement along the supply curve D. Downward movement along the supply curve
10	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
11	Inflation on prices:	A. Decrease B. Remains constant C. Increase D. Become zero
12	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
13	Which of the following event will lead towards cost-push inflation and therefore stagflation?	A. An increase in taxes on individuals B. A decrease in real interest rates C. A union settlement that increases wage levels D. An increase in government purchases
		A. Chemicals

14	Which group of the following showed a negative growth of -58.6 percent during 2005-06?	B. Petroleum C. Electricals D. Basic Metals
15	What was the difficulty in the barter System:	A. Excess of goods B. Difference language C. Lack of co-incidence D. Difference in profession
16	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
17	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
18	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
19	For a firm buying labor competitively, the marginal input cost is equal to the:	A. Wage B. Interest rate C. Price of output D. Cost of raw materials
20	Which of the following will be TRUE if real income rose and the interest rate fell following an increase in government purchases?	A. IS curve must be vertical B. LM curve must be vertical C. Central Bank must have increased the money supply at the same time D. Central Bank must have decreased the money supply at the same time