

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	In 2005-06 total production of fish inland and marine in Pakistan was:	A. 5,81,000 tons B. 6,72,000 tons C. 7,44,000 tons D. 8,33,000 tons
2	Which sector contributed to 22 percent to GDP in Pakistan in 2005-06?	A. Services B. Transport C. Mining D. Agriculture
3	Who is responsible for profit and loss in the business:	A. Capitalist B. Entrepreneur C. Labour D. Middleman
4	In 2005-06, the crop area of cotton was 3,096 thousand hectares and the crop area of rice was:	A. 2,620 B. 982 C. 8,303 D. 4,702
5	When price falls supply:	A. Expands B. Contracts C. Remains zero D. Becomes fixed
6	International trade has the benefits:	A. One B. Three C. Two D. Unlimited
7	The Kachhi Canal water project shall be completed in:	A. September 2008 B. June 2008 C. April 2009 D. December 2008
8	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
9	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
10	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
11	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
12	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
13	As compared to existing firms, a new firm entering in monopolist market has:	A. High costs B. Low costs C. Equal costs D. None of the given options
		A. It refers to the effect of changes in the price level on quantity of investment demanded which in turn affects interest rates B. <div>It refers to the effect of interest rates on borrowing which in

14	What is the interest rate effect that explains why the aggregate demand curve slopes downward?	<p>turn affects consumption spending.</p> <p></div></p> <p>C. It refers to the effect of changes in the price level on interest rates which in turn affects the quantity of investment demanded</p> <p>D. It refers to the shifts in aggregate demand when interest rates change</p>
15	The interest rate parity is the basic identity that relates which of the following?	<p>A. Interest rates and exchange rates</p> <p>B. Interest rates and inflation rate</p> <p>C. Exchange rates and inflation rate</p> <p>D. Discount rate and inflation rate</p>
16	Reward the labour is:	<p>A. Interest</p> <p>B. Wages</p> <p>C. Profit</p> <p>D. Rent</p>
17	A nation's balance of payments can be affected by changes in:	<p>A. Foreign income</p> <p>B. The differential between domestic and foreign interest rates</p> <p>C. The real exchange rate</p> <p>D. All of the given options</p>
18	In the short run, the equilibrium price level and the equilibrium level of total output are determined by the intersection of:	<p>A. The aggregate demand, the short-run aggregate supply and the long-run aggregate supply curves</p> <p>B. The short-run aggregate supply and the long-run aggregate supply curves</p> <p>C. The aggregate demand and the short-run aggregate supply curves</p> <p>D. The aggregate demand and the long-run aggregate supply curves</p>
19	The price elasticity of demand measures the responsiveness of quantity demanded to:	<p>A. Quantity demanded</p> <p>B. Quantity supplied</p> <p>C. Price</p> <p>D. Output</p>
20	A firm is charging a different price for each unit purchased by a consumer. This is called:	<p>A. First-degree price discrimination</p> <p>B. Second-degree price discrimination</p> <p>C. Third-degree price discrimination</p> <p>D. None of the given options</p>