NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The share of agriculture in the national economy in 2005-06, was:	A. 21.6percent B. 16.2percent C. 12.8percent` D. 13.4percent
2	Reward the labour is:	A. Interest B. Wages C. Profit D. Rent
3	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output
4	Give the share of commodity producing the sector in the GNP in 2005-06?	A. 2.5 percent B. 4.3percent C. 3.8percent D. 7.2percent
5	The market structure in which strategic considerations are most important is:	A. Monopolistic competition. B. Oligopoly. C. Pure competition. D. Pure monopoly.
6	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
7	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
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	In 2005-06 the growth rate of Saudi Arabia was 6.5 percent, Kuwait 8.5 percent and Bangladesh 5.8 percent. What was the growth rate of Iran?	A. 4.2 percent B. 3.1 percent C. 6.7 percent D. 5.9 percent
10	The Diamer Bhasha Dam will be completed in :	A. 2009 B. 2010 C. 2012 D. 2015
11	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
12	Who presented the quantity theory of money:	A. Marshall B. Robbins C. Taussig D. Keynes
13	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
14	A good for which income and quantity demanded are inversely related is known as:	A. Inferior good B. Complementary good

		C. Normal good D. None of the given options
15	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
16	Which of the following is true about supply curve under monopoly?	A. It is same as the competitive market supply curve B. It is the portion of marginal cost curve where marginal costs exceed the minimum value of average variable costs C. It is the result of market power and production costs D. None of the given statements is true
17	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Diminshes D. Negative
18	The supply of perishable goods is:	A. Fixed B. Variable C. Minor change D. Zero
19	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
20	In 2005-06, the crop area of sugarcane in thousand hectares was:	A. 540 B. 642 C. 756 D. 907