NAT II Management Science Economy

Sr	Questions	Answers Choice
1	International trade has the benefits:	A. One B. Three C. Two D. Unlimited
2	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
3	If we compare Gross Domestic Product (GDP) with Gross National 1. Product (GNP) then:	A. GNP = GDP - Net income from abroad B. GNP = GDP + Net income from abroad C. GNP = NNP - Net income from abroad D. GNP = NNP + Net income from abroad
4	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
5	As more of a good is consumed, then total utility typically:	A. Increases at a decreasing rate. B. Decreases as long as marginal utility is negative C. Decreases as long as marginal utility is positive D. Is negative as long as marginal utility is decreasing.
6	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
7	Reward the labour is:	A. Interest B. Wages C. Profit D. Rent
8	Double counting in national income refers to:	A. Counting a product more than once B. Counting a product at the final stage of output process C. Counting both as product and as factor payment D. Counting both as real goods and as money flow
9	Rent of building is included in:	A. Fixed cost B. Variable cost C. Marginal cost D. Selling cost
10	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
11	Macro Economics was introduced by	A. Alfred Marshall B. J.M. Keynes C. N.W. Senior D. J.B. Clark
12	Due to devaluation exports become:	A. Smaller B. Larger C. Cheaper

		D. Expensive
13	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
14	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.
15	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Diminshes D. Negative
16	In 2005-06, bajra was grown on 438 thousand hectares and its production in thousand tons was:	A. 190 B. 221 C. 350 D. 475
17	Who wrote "The Nature and Significance of Economics":	A. Adam Smith B. Marshall C. Robbins D. Keynes
18	In February 2006, the Avian Influenza was reported by poultry farm in:	A. Hyderabad B. Karachi C. Multan D. Charsadda
19	The elasticity of demand of durable goods is:	A. Zero B. More than unity C. Less than unity D. Equal to unity
20	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