NAT II Management Science Economy

Sr	Questions	Answers Choice
1	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
2	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
3	The supply of land is:	A. Infinity B. Fixed C. Variable D. Zero
4	The Diamer Bhasha Dam will be completed in :	A. 2009 B. 2010 C. 2012 D. 2015
5	A market is said to be in equilibrium when:	A. Demand equals output B. There is downward pressure on price C. The amount consumers wish to buy at the current price equals the amount producers wish to sell at that price D. All buyers are able to find sellers willing to sell to them at the current price
6	The long run aggregate supply curve will shift to the right if:	A. The price level increases. B. Factors of production (such as labor and capital) increase C. Expenditures (such as consumption and net exports) increase. D. The prices of inputs used to produce goods and services (such as wages and the price of oil)descreases
7	A tax on the accounting profits of corporations is known as:	A. Sales tax B. Excise tax C. Corporate income tax D. Personal income tax
8	For a study of the long term growth of the economy, we use:	A. Real GNP B. Nominal GNP C. Personal income D. Disposable personal income
9	Real GDP is equal to:	A. Nominal GDP - Inflation B. Nominal GDP + Inflation C. Nominal GDP / Inflation D. Inflation / Nominal GDP
10	The quality of a commodity which satisfies the human wants:	A. Usefulness B. Loss C. Utility D. Return
11	What was the percentage in the production of cotton yarn during July-March 2005-06?	A. 11.1 percent B. 15.2 percent C. 17.6 percent D. 19.2 percent
12	It is a Federal Tax:	A. Excise duty B. Local Tax C. Property Tax D. None
13	The economy gets maximum prosperity during:	A. Recession B. Recovery C. Boom

		D. Depression
14	What is the interest rate effect that explains why the aggregate demand curve slopes downward?	A. It refers to the effect of changes in the price level on quantity of investment demanded which in turn affects interest rates B. It refers to the effect of interest rates on borrowing which in turn affects consumption spending. C. It refers to the effect of changes in the price level on interest rates which in turn affects the quantity of investment demanded D. It refers to the shifts in aggregate demand when interest rates change
15	Macro Economics was introduced by	A. Alfred Marshall B. J.M. Keynes C. N.W. Senior D. J.B. Clark
16	A monopolistically competitive firm in the long run equilibrium:	A. Will make negative profit. B. Will make zero profit. C. Will make positive profit D. Any of the given are possible.
17	According to law of increasing return, marginal product:	A. Increases B. Decreases C. Remains constant D. None of these
18	What was the production of wheat in million tones during 2005-06?	A. 16.6 B. 21.7 C. 26.2 D. 30.8
19	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Diminshes D. Negative
20	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