

## NAT II Management Science Economy

Sr	Questions	Answers Choice
1	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
2	What remains after deduction of direct taxes lions the personal income:	A. NNI B. DPI C. NDI D. GNP
3	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
4	Consumer goods are those goods which are used by a man:	A. Directly B. Off and On C. Indirectly D. Never
5	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
6	In 2005-06, the crop area of sugarcane in thousand hectares was:	A. 540 B. 642 C. 756 D. 907
7	Which of the following is TRUE for a Giffen good?	A. Its marginal utility is zero B. Its demand curve is perfectly elastic C. Its substitution effect is positive D. Its demand curve is positively sloped
8	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.
9	If we compare Gross Domestic Product (GDP) with Gross National Product (GNP) then:	A. $GNP = GDP - \text{Net income from abroad}$ B. $GNP = GDP + \text{Net income from abroad}$ C. $GNP = NNP - \text{Net income from abroad}$ D. $GNP = NNP + \text{Net income from abroad}$
10	Which of the following economists came up with a theory regarding the tradeoff between unemployment and inflation?	A. A.W. Phillips B. John Maynard Keynes C. Joseph Schumpeter D. Milton Friedman
11	International trade has the benefits:	A. One B. Three C. Two D. Unlimited
12	The growth rate of Sri-lanka in 2005-06?	A. 4.4 percent B. 5.9 percent C. 1.8 percent D. 7.5 percent
13	A nation's balance of payments can be affected by changes in:	A. Foreign income B. The differential between domestic and foreign interest rates C. The real exchange rate D. All of the given options
14	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Decreases D. None of the given options

		<p>C. Diminishes</p> <p>D. Negative</p>
15	According to law of increasing return, marginal product:	<p>A. Increases</p> <p>B. Decreases</p> <p>C. Remains constant</p> <p>D. None of these</p>
16	The elasticity of demand of durable goods is	<p>A. More than unity</p> <p>B. Equal to unity</p> <p>C. Less than unity</p> <p>D. Zero</p>
17	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:	<p>A. 6.6 percent</p> <p>B. 1.6 percent</p> <p>C. 4.6 percent</p> <p>D. 5.0 percent</p>
18	A market is said to be in equilibrium when:	<p>A. Demand equals output</p> <p>B. There is downward pressure on price</p> <p>C. The amount consumers wish to buy at the current price equals the amount producers wish to sell at that price</p> <p>D. All buyers are able to find sellers willing to sell to them at the current price</p>
19	How much amount was allocated for Prime Minister's special initiative for livestock during 2005-06 ?	<p>A. Rs. 672 million</p> <p>B. Rs. 812 million</p> <p>C. Rs. 1,696 million</p> <p>D. Rs. 2,400 million</p>
20	Marginal cost curve always intersects average cost curve at:	<p>A. The maximum point</p> <p>B. The central point</p> <p>C. The minimum point</p> <p>D. The vertical point</p>