

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Which of the following large-scale items showed a negative growth of -47.97 percent during July-March 2005-06?	A. Sugar B. Vegetable Ghee C. Billets D. Cement
2	Give the share of commodity producing the sector in the GNP in 2005-06?	A. 2.5 percent B. 4.3 percent C. 3.8 percent D. 7.2 percent
3	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
4	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2nd and 3rd
5	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
6	Price floor results in:	A. All of the given options B. Excess supply. C. Equilibrium D. Excess demand
7	Which Economists presented the law of diminishing marginal utility:	A. Robbins B. Malthus C. Adam Smith D. Marshall
8	Phases of trade cycle are:	A. One B. Three C. Two D. Four
9	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
10	In February 2006, the Avian Influenza was reported by poultry farm in:	A. Hyderabad B. Karachi C. Multan D. Charsadda
11	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. <div>It refers to the effect of interest rates on borrowing which in turn affects consumption spending.</div> 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
12	Given the amount of gross fixed investment percentage of GDP during 2005-06.	A. 14.2 percent B. 18.4 percent C. 25.0 percent D. 26.6 percent

13	In 2005-06 the share of chemicals was 9.08 percent and the share of electricals was:	B. 8.2 percent C. 11.78 percent D. 16.3 percent
14	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Diminishes D. Negative
15	How many methods can be used for cultivation:	A. One B. Two C. Three D. Four
16	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
17	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
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	The real exchange rate is defined as the:	A. Market exchange rate adjusted for prices B. Market exchange rate adjusted for interest rates C. Market exchange rate D. Exchange rate determined by the government
20	Who presented the quantity theory of money:	A. Marshall B. Robbins C. Taussig D. Keynes