

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	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
2	In 2005-06, the percentage of total investment to GDP was:	A. 8 percent B. 10percent C. 15percent D. 20percent
3	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
4	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
5	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
6	Inflation on prices:	A. Decrease B. Remains constant C. Increase D. Become zero
7	The market structure in which strategic considerations are most important is:	A. Monopolistic competition. B. Oligopoly. C. Pure competition. D. Pure monopoly.
8	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
9	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
10	In 2005-06 which country had the highest growth rate among the following?	A. Egypt B. Singapore C. Kuwait D. Nigeria
11	For a firm buying labor competitively, the marginal input cost is equal to the:	A. Wage B. Interest rate C. Price of output D. Cost of raw materials
12	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output
13	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
14	Which of the following event will lead towards cost-push inflation and therefore stagflation?	A. An increase in taxes on individuals B. A decrease in real interest rates C. A union settlement that increases wage levels D. An increase in government purchases
15	The economy gets maximum prosperity during:	A. Recession B. Recovery C. Boom D. Depression
16	As more of a good is consumed, then total utility typically:	A. Increases at a decreasing rate. B. <div>Decreases as long as marginal utility is negative</div> C. <div>Decreases as long as marginal utility is positive</div> D. <div>Is negative as long as marginal utility is decreasing.</div>
17	Who criticized Prof. Robbin's definition?	A. Marshall, J.B B. Beveridge C. Clark D. Pigeou
18	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
19	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.
20	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