

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Ushr implies on:	A. Agricultural product B. Industrial product C. Agricultural & industrial product D. None of these
2	Name the water project to be completed in April 2009:	A. Gomal Zam Dam B. Rainee Canal C. Kachhi Canal D. Mirani Dam
3	What was the production of rice in million tons in 2005-06?	A. 4.4 B. 5.5 C. 6.6 D. 7.7
4	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
5	The Kachhi Canal water project shall be completed in:	A. September 2008 B. June 2008 C. April 2009 D. December 2008
6	Which group of the following showed a negative growth of -58.6 percent during 2005-06?	A. Chemicals B. Petroleum C. Electricals D. Basic Metals
7	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
8	"Government collects zero revenue if the tax rate is 0% and if the tax rate is 100%." Which of the following best describes this statement?	A. Consumption curve B. Supply curve C. Laffer curve D. Investment curve
9	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
10	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
11	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.
12	Due to devaluation exports become:	A. Smaller B. Larger C. Cheaper D. Expensive
13	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2nd and 3rd
14	Which of the following is true about supply curve under monopoly?	A. It is same as the competitive market supply curve B. It is the portion of marginal cost curve where marginal costs exceed the minimum value of average

		variable costs
C.	It is the result of market power and production costs	
D.	None of the given statements is true	
15	Which sector contributed to 22 percent to GDP in Pakistan in 2005-06?	A. Services B. Transport C. Mining D. Agriculture
16	The shape of AR and MR under perfect competition is:	A. Vertical B. U-shape C. Horizontal to ox-axis D. None of these
17	What was the growth recorded by the manufacturing sector during 2005-06?	A. 4.2 percent B. 5.5 percent C. 7.3 percent D. 8.6 percent
18	What was the contribution of the services sector to the GNP in FY 2005-06.	A. 9.2 percent B. 3.5 percent C. 8.8 percent D. 4.7 percent
19	Canons of taxation describes:	A. Marshall B. Keynes C. Robbins D. Adam Smith
20	Phases of trade cycle are:	A. One B. Three C. Two D. Four