

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	In case of inflation Bank rate.	A. Constant B. Decreases C. Increases D. None of these
2	The Central Bank sells Govt. Securities in.	A. Summer B. Deflation C. Winter D. Inflation
3	Central Bank is the Leader of.	A. Capital Market B. Money Market C. Both a and b D. Open market
4	Qualitative methods are control over.	A. Currency B. Govt C. Banks D. Public
5	Open market operation means.	A. Purchase and sale of shares B. Purchases and sale of securities C. Purchase and sale of assets D. None of these
6	Certain Percentage of Gold to issue currency notes.	A. Fixed Fiduciary method B. Proportionate Reserve C. Min. Reserve system D. None of these
7	Up to December 1965, Pakistan used method of note issue.	A. Proportional Reserve system B. Min. Reserve system C. Fixed fiduciary system D. All of these
8	Which of the following is the most elastic method for issuing notes.	A. Fixed fiduciary system B. Minimum Reserve system C. Proportional Reserve system D. None of these
9	Quantitative methods are control on	A. Banks B. Currency C. Govt. D. Public
10	Which of the following is not an objective of central bank.	A. Economic development B. Helping Govt C. Welfare of economy D. Credit creation
11	An increase in the reserve requirement causes.	A. More credit Creation B. Less Credit Creation C. Stop credit creation D. None of these
12	If Central Bank wants to increase the quantity of money in country it.	A. Sells securities B. Purchase securities C. Create Credit D. All the above
13	The capital of state bank of the time of establishment was.	A. Rs. 30 millions B. Rs. 450 millions C. Rs. 300 millions D. Rs. 30 billions
14	In how many days would a cheque between banks clear through the clearing system.	A. 7 days B. 3 days C. 10 days D. 5 days
15	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account

