

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Supply of goods depends on	A. price B. income C. income and price D. utility
2	Theory of sun-spot was presented by	A. Prof Jevons and Henry L, Moor B. Prof Pigou and begehoh C. Prof Hobson D. Prof Cassel
3	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
4	Economics is a science:	A. Political B. Spiritual C. Social D. Scientific
5	Relationship of value of money with quantity of money is	A. Direct B. Indirect C. Inverse D. Positive
6	The slope of MR curve in monopoly is	A. Vertical B. Increasing C. Horizontal D. Negative
7	Third factor of production is called	A. land B. labour C. capital D. organization
8	Direct taxes are not included in:	A. Personal income B. G.N.P C. G.D.P D. Disposable personal income
9	If price of a commodity constant but its supply increases or price decreases but supply remains constant, it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
10	Quantity of a commodity which is offered for sale in a market is called:	A. Trade B. Supply C. Demand D. Stock
11	According to which theory every factor of production gets the reward of its services equal to its marginal product	A. Demand and supply theory B. Liquidity preference theory C. Marginal productivity theory D. Uncertainty theory
12	The duty of a market is not to	A. make exchange of goods B. contact buyers and sellers C. determine price D. give maximum output
13	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
14	Utility is related with	A. Usefulness B. Useless C. Necessities D. Desire
15	If supply does not change, then due to fall of demand	A. Equilibrium price decreases B. Equilibrium price increases C. Equilibrium price does not change D. Equilibrium quantity increases

16	If the most part of total supply of commodity is produced by one firm, it is called	A. Oligopoly B. Monopoly C. Perfect competition D. Monopolistic competition
17	The exchange of goods and services from country to country is called	A. Foreign B. National trade C. Corporate trade D. Domestic trade
18	When supply curve shifts rightward or down it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
19	Transfer payments are included in	A. Gross domestic income B. National income C. Disposable personal income D. Personal income
20	Market equilibrium take place where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)