

## Economics - ICom Part 2 Principles of Economics Chapter 10 Short Questions Preparation

Q1. What is meant by demand pull inflation.
Ans 1: If prices rise continuously due to rise in demand for goods, it is called demand pull inflatiion.
Q2. How many are departmet of state bank of Pakistan.
Ans 1: There are 23 department of state bank of Pakistan.
Q3. What is proportion of reserves to issue notes in Pakistan.
<b>Ans 1</b> : 33%
Q4. What is meant by Hyper inflation.
Ans 1: If prices rise very fastly then it is called Hyper inflation.
Q5. Whihc is meant by E-Commerce.
Ans 1: E-Commerce is the buying and selling of goods and services o the internet, especially the world wide web
Q6. What is meant bycost push inflation.
Ans 1: If prices rise continuously due to rise in cost of production of goods then it is called cost push inflation.
Q7. Waht is menat by Capital market.
Ans 1: Capital market means a market where the transactions for capitals and made capital merket is considsted of people or institution whihc borrorw and the institutions which provide loans for long term
Q8. Which bank has monopoly of issuing of notes of Pakistan.
Ans 1: State bank of Pakistan has the monopoly of issuing of notes in Paksitan.
Q9. What is bank rate in Pakistan.

## Q10. What is meant by Money Market.

**Ans 1:** Money market consists of all those institutions which raise short term funds The short term borrowers consists of businessmen, whole sellers, investors, and firms thus money market is a market of shrot term transactions of loans. In the short run, funds are attined in exchang of commercial papers, bills of exchange and short term securities.