

Economics - ICS Part 2 Economics English Medium Chapter 10 Online Short Questions Test

Q1. Which are important department of state bank of Pakistan.

Ans 1: 1- Issuing department 2- Banking department 3- Exchange control

Ans 2: 4- Research department

Q2. Define inflation.

Ans 1: Generally inflation means rise in price,. If value of money falls due to rise in prices, it si calledinflation, In economics inflationis an economics situations when the value of money is faililig and prices, are rising.

Q3. Write five methods to control inflation.

Ans 1: 1- Quatntity of money shouldbe controlled.

Ans 2: 2- PRoduction of goods should be increased

Ans 3: 2- Social evils should be controlled.

Ans 4: 4- Growth rate of population shuld be reduced

Ans 5: 5- Growth rate of population should be reduced

Q4. Write formula to measure inflation.

Ans 1: Inflation Rate = $\frac{P^1 - P^0}{P^0} \times 100$

Q5. Under Which principle state bank of Pakistan issues notes.

Ans 1: State bank of Pakistan issues notes under proportional reserve system or banking principle.

Q6. 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.

Q7. What is meant by privatization.

Ans 1: Selling of a government owned institution or property to private individuals as called privatization for example, in Pakistan, many banks and industries have been privatized.

Q8. What is meant by Hyper inflation.

Ans 1: If prices rise very fastly then it is called Hyper inflation.

Q9. What portion of demand deposits and time deposits, commercial bank deposit with central bank.

Ans 1: 5%

Q10. What is proportion of reserves to issue notes in Pakistan.

Ans 1: 33%
