

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

Q1. What is meant by Capital market.

Ans 1: Capital market means a market where the transactions for capitals and made capital market is consisted of people or institution which borrow and the institutions which provide loans for long term

Q2. What is meant by Galoping inflation.

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

Q3. What is bank rate in Pakistan.

Ans 1: 5.75%

Q4. 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

Q5. Which institutions advance loans in the money market

Ans 1: 1- The institutions which buy and sell bills of exchange.

Ans 2: 2- The institutions which buy and sell securities, bonds and shares.

Ans 3: 3- Commercial banks and cooperative banks.

Ans 4: 4- Insurance companies.

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 Pakistan.

Q7. State definition of inflation in the words of Prof Ackley Gardner.

Ans 1: "When the price level rises continually with a great speed. this situation is called inflation"

Q8. What is meant by creeping inflation.

Ans 1: If prices of goods rise slowly but continuously then it is called creeping inflation

Q9. What is meant by cost push inflation.

Ans 1: If prices rise continuously due to rise in cost of production of goods then it is called cost push inflation.

Q10. What portion of demand deposits and time deposits, commercial bank deposit with central bank.

Ans 1: 5%
