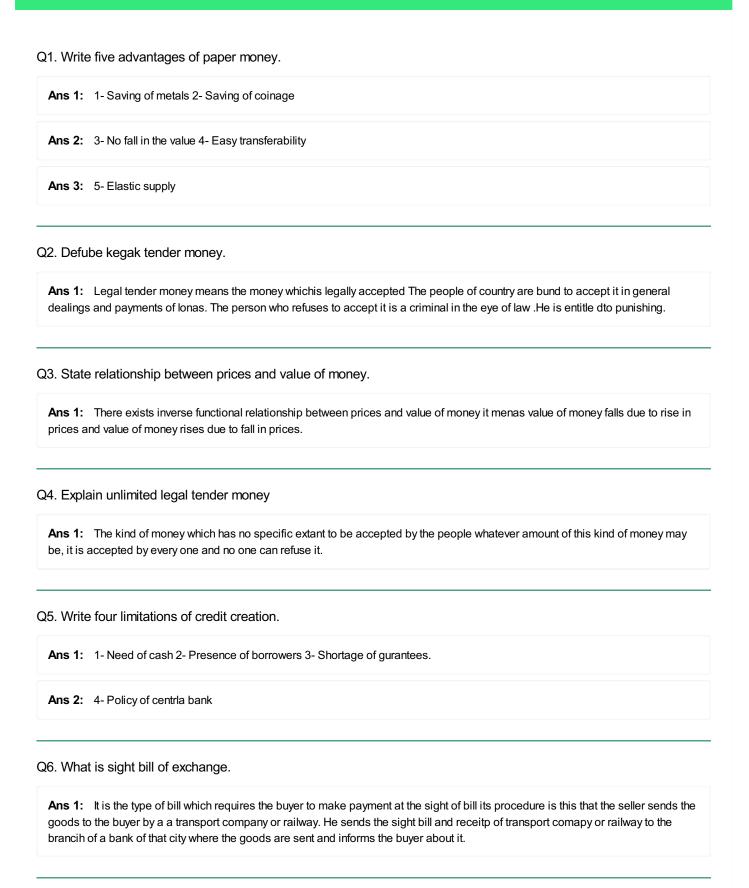


Economics - ICS Part 2 Economics English Medium Chapter 2 Online Short Questions Test



Q7. Write Fisher equation of exchange.

Ans 1: P= MV+ M'V'/T
Q8. Write assumptions of equatity theory of money.
Ans 1: 1- Quantity of goods should not change. 2- Velocity of cirulation of money shuld nbot clange.
Ans 2: 3- Quantity of barter trade should not change. 4- Quantity of hoaded oney shuld ot change
Ans 3: 5- Issued money should be in use.
Q9. Write main sources of supply of money.
Ans 1: 1- Individual savings 2- Public savings 3- Corporate savings
Ans 2: 4- Insurance companies
Q10. What is domestic bill of exchange.
Ans 1: If the bill of exchange is used for transaction of goods by the traders of same country then such bill is called domestic bill. Time period of this bill may be from three months to nine months.