Principles of Economics Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	The coins whose current price is greater than their intrinsic value, are called	A. Standard coins B. Paper money C. Token money D. Credit money
2	Relationship of value of money with quantity of money is	A. Direct B. Indirect C. Inverse D. Positive
3	Relationship of level of prices and quantity of money	A. Positive B. Negative C. Indirect D. 2nd and 3rd both
4	Inconvertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
5	MRP curve of a factor represents:	A. Demand of factors B. Supply of factors C. Price of factors D. Both a and c
6	One of the following is not the difficulty of the barter system	A. Indivisibility of goods B. Lack of common measure of value C. Double coincidence of wants D. Lack of store of value
7	Cheque, bill of exchange etc are	A. Metallic money B. Paper money C. Credit money D. Near money
8	The money whose face value and intrinsic value are different	A. Token money B. Standard money C. Legal money D. Near money
9	One of the following is not the characteristic of money	A. General acceptability B. Durability C. Non homogeneity D. Convertibility
10	One of the following is not the cause of deflation	A. Decrease in demand for goods B. Decrease in consumption C. Increase in quantity of money D. Increase in supply of goods
11	During inflation increase	A. Exports B. Savings C. Consumption D. Inequality of income
12	World economic depression accured in	A. 1927 B. 1928 C. 1929 D. 1931
13	Production of an additional unit of factor refers to:	A. AP B. TP C. MP D. MR
14	Note of 500 rupees is	A. token money B. credit money C. convertible paper money D. inconvertible paper money
15	Other tern used for demand for factor is:	A. Initial demand B. derived demand C. Direct demand D. Cross demand

16	The money in which payment can be made only to certain extent is called	A. Unlimited legal tender money B. Limited legal tender money C. Metallic money D. Paper money
17	According to quantity theory of money doubling the quantity of money, prices	A. Increase B. Double C. Decrease D. One half
18	All Pakistani coins are	A. Token money B. Standard money C. Convertible money D. Inconvertible money
19	Value of money means purchasing power of money. If quantity of money is doubled then	A. Purchasing power of money will be one halved B. Purchasing power of money will be doubled C. Purchasing power of money will be tripled D. There will be no effect on the purchasing power of money
20	One of the following is not advantage of paper money	A. Saving of metals B. Saving of coinage C. Easy transferability D. Perfectly inelastic supply