ICS Part 2 Economics English Medium Chapter 2 Online Test

Sr	Questions	Answers Choice
1	Marginal propensity to consume MPC is.	A. Total income spent on consumption B. Ratio of additionalincome consumed C. Ratio of total income consumed D. Consumption divided by saving
2	Which one is investment in economics	A. Building a factory B. Buyig shares in stock exchange C. Depositing money in bank D. Deposting money wiht housing society
3	Consumption is a function of.	A. Saving B. Investment C. Income D. Expenditure
4	In equilibrium of nationalincome.	A. S > I B. S = I C. S < I D. All are true
5	Aggregate demand means.	A. Aggregate saving B. Aggregate Income C. Aggregate investment D. Aggregate expenditure
6	Equilibrium of national income will be when	A. S >I B. S < I C. S = I D. S - 1
7	This wil cause anincrease in national income	A. Rise in exports B. Fall in consumer spending C. Rise in imports D. Increase in saving
8	Which of the following would increase national income.	A. Increase in taxation B. incerese in savings C. Increase in govt spending D. Decrease in consumption spending
9	GDP atconstnat prices, calculated according to some base year is called.	A. acutal GDP B. Real GDP C. Net GDP D. Nominal GDP
10	National income equals.	A. c+ I+g B. c-i-g C. c-s-g D. c+s+g
11	This will cause decrease in natioal income.	A. Rise in exports B. Rise in saving C. Increas in taxese D. B and C above
12	Which shows equilibrium of national income	A. Consumption = investment B. Saving = investment C. Saving > investment D. Saving < investment
13	MPC is always.	A. Positive B. Negative C. Zero D. More then APC
14	If C = 200 and I = 40 then Y will equal	A. 160 B. 240 C. 8000 D. None of the above

15	Which of the following is a withdrawal from the circular flow of income stream.	A. Taxation B. Consumption C. Subsides D. Investment
16	If money supply in a country decreses	A. Price will rise B. Price will fall C. Rate of intrese falls D. B and C of above