

Roll No:

Name

Sign.

The LNM Institute of Information Technology (Deemed-To-Be-University)

Department of HSS

Quiz: Macro Economics for Managers (Odd Sem. 2019-20)

Max. Marks – 10 Time – 15 minutes

Instructions: a) Each question carries one mark. b) Marks will be deducted for changing the response. C) In all questions there is only one correct answer. Answer with a tick mark.

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Q.1 Which out of the following is phenomenon that leads to disinflation?

- (a) It is a decrease in the rate of inflation**
- (b) It is a situation of persistent rise in inflation
- (c) It is the situation where prices fall below base year price level
- (d) It represents zero rate of inflation

Q.2 Match the following:

- | | |
|------------------------|---|
| (i) Creeping inflation | (1) out of control |
| (ii) Running inflation | (2) Manageable |
| (iii) Hyper inflation | (3) Might accelerate into Galloping inflation |

- (a) 3 1 2
- (b) 1 2 3
- (c) 3 2 1
- (d) 2 3 1**

Q.3 Which two of the following accurately represents the so-called ‘Phillips curve’?

- (a) There is a positive relationship between unemployment and inflation
- (b) There is a negative relationship between unemployment and inflation
- (c) Statistically a rise in the level of unemployment is associated with a rise in price inflation
- (d) Statistically a rise in the level of unemployment is associated with a fall price inflation

- (a) b and c
- (b) a and d
- (c) b and d**
- (d) a and d

Q.4 When unanticipated deflation occurs, debtors are economically worse off.

- (a) True**
- (b) False

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Q.5 On the basis of the fourth RBI bi-annual monetary policy of 2019-20, arrange the following in descending order:

1. CRR
2. Repo rate
3. Reverse repo rate
4. Marginal standing facility rate

(a) 1 2 3 4

(b) 4 2 3 1

(c) 1 3 2 4

(d) 4 1 2 3

Q.6 What is the biggest item of government expenditure in budget 2019-20?

- (a) Loan repayment
- (b) Defense expenditure
- (c) Expenditure on Central Plans
- (d) Share of the states in taxes and fees**

Q.7 What is the biggest item of income of the central government in budget 2019-20?

- (a) Goods and Service Tax
- (b) Corporation tax
- (c) Borrowings and other liabilities
- (d) a and b both are equal**

Q.8 During 2018-19, which of the commodity had largest share (%) in India's imports?

- (a) Transport equipment
- (b) Chemicals**
- (c) Pearls, Precious & semi-precious stone
- (d) Electrical & machinery

Q.9 If Italy uses fewer resources to produce wine than France, then Italy has a comparative advantage over France in wine production.

- (a) True
- (b) False**

Q.10 Which one of the following continents accounts for the maximum share in exports (%) from India in 2018-19?

- (a) Asia**
- (b) Europe
- (c) Africa
- (d) China