

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

Quiz: Macro Economics for Managers (July-Dec 2019)

Roll No. -----

Students' Name & Sign. -----

Max. Marks – 10

Time – 10 minutes

Invigilator's Sign. -----

Instructions: a) Each question carries one marks. b) Marks will be deducted for changing the response.

TRUE / FALSE:

1. The base year for GDP prior to 2011-12 was 2003-04. **False**
2. The Q1 real GDP growth for FY 2019-20 is 5 per cent. **True**
3. BSE is not an index of top 50 shares. **True**
4. Market capitalization refers to number of outstanding shares multiplied by their price. **True**
5. Economic growth refers to qualitative and quantitative changes in the economy. **False**
6. The growth rate of nominal GDP is always greater than the growth rate of real GDP because changes in nominal GDP reflect both current year price and constant year quantity changes. **False**
7. Depreciation of Indian rupee against US \$ will result into increase in exports. **True**

Select only one appropriate answer:

8. The wealth effect is reflected in:
A) increases in interest rate to savers. B) the upward shift in aggregate supply.
C) **the upward shift in aggregate demand.** D) the downward shift in aggregate demand.
9. The trough of the business cycle:
A) comes right after the expansion phase. B) comes before the recession phase.
C) is a maximum level of real GDP. D) **is a minimum level of real GDP.**
10. Changing the level of government spending is an example of:
A) **fiscal policy.** B) interest rate policy.
C) monetary policy. D) exchange rate policy.