



**Continuous Assessment Test (CAT) – I AUGUST 2025**

Programme	:	B.Tech	Semester	:	Fall 2025-26
Course Code & Course Title	:	BHUM104L- Macroeconomics	Class Number	:	CH2025260101065
Faculty	:	Dr. Shahin Khan	Slot	:	C2+TC2
Duration	:	90 Minutes	Max. Mark	:	50 Marks

**General Instructions:** Write only your registration number on the question paper in the box provided and do not write other information

**Answer all questions**

Q. No	Sub Sec.	Description	Marks	CO	BT Level
1.	a.	What are the key macroeconomic issues in an economy ?	5	1	Understand
	b.	Write Quantity theory of Money Transaction Approach.	5	3	Remember
2.	a.	What is GDP Deflator ? Write down the formula.	5	2	Analyze
	b.	How can we measure Employment and Unemployment in an economy ?	5	3	Apply
3		Explain Flexible and Sticky Prices in macroeconomics with appropriate diagram.	10	3	Apply
4.	a.	Explain the 4-Sector Circular Flow of Income model, describing the roles of Households, Firms, Government, and the Foreign Sector.	10	2	Understand
	b.	Define injections and leakages in this model and give two examples of each			
	c.	State the equilibrium condition for a 4-sector economy in terms of injections and leakages.			
5.		Explain short run and long run Aggregate Demand and Aggregate Supply model with suitable diagram.	10	3	Evaluate

\*\*\*\*\*All the best \*\*\*\*\*