

A central bank typically

- A. Has a monopoly in issuing currency
- B. Use monetary policy in attempts to stabilize economic growth and/or inflation
- C. Serves as a "bankers' bank" that provides services to other banks
- D. All of the above are correct

ANSWER: D

What is Fiat money.

- A. Money Issue by bank
- B. Money Issue to account holders
- C. Money transfer to account holders
- D. Money issued by the Government under emergency

ANSWER: D

ATM stands for.

- A. Automatic Transfer Machine
- B. Automatic Teller Machine
- C. Automated Teller Machine
- D. Auto telling Machine

ANSWER: C

Money is what money does" – who said.

- A. Crowther
- B. Robertson
- C. FA Walker
- D. Marshall

ANSWER: C

Direct exchange of goods against goods is called.

- A. Charter
- B. Money
- C. Barter
- D. None of these

ANSWER: C

What possess general acceptability.

- A. Bank draft
- B. Money
- C. Bill of exchange
- D. None of these

ANSWER: B

Which type of deposits gives highest rate of interest.

- A. Current deposit
- B. Fixed deposit
- C. Recurring deposit
- D. None of these

ANSWER: B

Which bank deals with the loans of seeds and fertilizers specifically.

- A. Agricultural bank
- B. Commercial bank
- C. Industrial bank
- D. None of these

ANSWER: A

Which of the following is not the function of the commercial bank.

- A. Issue of paper notes.

- B. Acceptance of deposits
- C. Advancing loans
- D. Credit control

ANSWER: A

Which bank is called lender of last resort.

- A. Commercial bank
- B. Agricultural bank
- C. Industrial bank
- D. Central bank

ANSWER: D

Which bank enjoys monopoly power of Note issue.

- A. NABARD
- B. Commercial Bank
- C. Central Bank
- D. None of these

ANSWER: C

Money performs as a.

- A. Measure of value,
- B. Medium of exchange
- C. Standard of deferred payment
- D. All of above

ANSWER: D

Credit creations of commercial banks linked with.

- A. Banking habits of the people
- B. Cash Reserve Ratio

- C. Credit policy of the central bank
- D. All of the above

ANSWER: D

Which among the following is considered to be the most liquid asset.

- A. Gold
- B. Money
- C. Land
- D. Treasury bonds

ANSWER: B

Currency notes and coins are called as.

- A. Flat money
- B. Legal tenders
- C. Fiat money
- D. Both b and c

ANSWER: D

A central bank is a bank which.

- A. Has no monopoly in issuing currency.
- B. Uses monetary policy in attempts to stabilize economic growth and/or inflation.
- C. Serves to earn high profit
- D. All of the above are correct.

ANSWER: B

What is Metallic money.

- A. Money printed on paper
- B. Money Issue to account holders
- C. Money transfer to account holders

D. Money minted metals

ANSWER: D

ATM stands for.

A. Automatic Transfer Machine

B. Automatic Teller Machine

C. Automated Teller Machine

D. Auto telling Machine

ANSWER: C

“who has defined money is anything which is commonly used and generally accepted as a medium.

A. Crowther

B. Robertson

C. FA Walker

D. RP kent

ANSWER: D

Direct exchange of goods against goods is called.

A. Charter

B. Money

C. Trade

D. None of above

ANSWER: D

Which instrument is not generally acceptable in public dealing.

A. Promisory note

B. Money

C. Metallic money

D. Paper money

ANSWER: A

Which type of account can offer the facility of bank overdraft.

- A. Current Account
- B. Fixed deposit
- C. Recurring deposit
- D. None of these

ANSWER: A

Which bank deals with the loans of plant and machinery specifically.

- A. Agricultural bank
- B. Commercial bank
- C. Industrial bank
- D. None of these

ANSWER: C

Which of the following is not the function of the commercial bank.

- A. Transfer of money.
- B. Acceptance of deposits
- C. Advancing loans
- D. None of above

ANSWER: D

The bank which controls the flow of supply of money in country is.

- A. Commercial bank
- B. Agricultural bank
- C. Central bank
- D. Industrial bank

ANSWER: C

Which bank enjoys monopoly power of Note issue in Pakistan.

- A. NABARD
- B. Commercial Banks of Pakistan
- C. Industrial Bank of Pakistan
- D. State Bank of Pakistan

Answer D

Money performs as a.

- A. Product of market
- B. Medium of exchange
- C. Credit instrument
- D. All of above

ANSWER: B

Credit creations mean.

- A. To lend the total deposit to the public
- B. To keep the total deposit with the bank
- C. To keep some portion of total deposit as a cash reserve and lend the remaining portion as loan
- D. All of the above

ANSWER: C

Paper money and Metallic money are called.

- A. Credit money
- B. Plastic money
- C. Fiat money
- D. All of above

ANSWER: C

Barter system means.

- A. Direct exchange of goods and services without human
- B. Exchange of goods and services with gold
- C. Exchange of goods and services with money
- D. Direct exchange of goods and services without money

ANSWER: D