

C.U.SHAH UNIVERSITY

Summer Examination-2019

Subject Name: Macro Economics - II

Subject Code: 4CO04MEC1

Branch: B.Com (English)

Semester: 4

Date: 15/04/2019

Time: 02:30 To 05:30

Marks: 70

Instructions:

- (1) Use of Programmable calculator & any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

- Q-1 Attempt the following questions: (14)**
- a) Which types of fluctuations have fixed time? 1
 - (A) Secular Fluctuations
 - (B) Seasonal Fluctuations
 - (C) Cyclical Fluctuations
 - (D) Random Fluctuations
 - b) Every main business cycle contains how many small business cycles? 1
 - (A) 4 or 5
 - (B) 3 or 4
 - (C) 2 or 3
 - (D) 8 or 10
 - c) To come out of recession, what should be reduced? 1
 - (A) Economic controls
 - (B) Rate of Interest
 - (C) Taxes
 - (D) Above all
 - d) Inflation is called which type of a problem? 1
 - (A) Serious
 - (B) Light
 - (C) General
 - (D) Very serious
 - e) The headquarters of World Trade Organization is in..... 1
 - (A) New York
 - (B) Simla
 - (C) Geneva
 - (D) Tokyo
 - f) The number of members nation of IMF is..... 1
 - (A) 181
 - (B) 188
 - (C) 191
 - (D) 288
 - g) How is the balance of payment, when there is finance contraction? 1
 - (A) With deficit
 - (B) Balanced
 - (C) Unstable
 - (D) With balance
 - h) Exchange rate of both the countries' currency means..... 1
 - (A) Investment rate
 - (B) Interest rate
 - (C) Exchange rate
 - (D) Foreign exchange rate
 - i) The form of purchasing power parity is..... 1
 - (A) Relative
 - (B) Absolute
 - (C) Relative and absolute
 - (D) None
 - j) Theory of balance of payment means..... 1
 - (A) Mint parity
 - (B) Purchasing power parity
 - (C) Demand and supply
 - (D) None
 - k) World Bank was established in..... 1
 - (A) 1944
 - (B) 1945
 - (C) 1991
 - (D) 2001
 - l) Food, Grains, Cloths, Machines, Sugar etc are called what in the international trade? 1



	(A)Intangible Products	(B) Indirect Products	
	(C)Tangible Products	(D) Direct Products	
m)	When inflation is limited only to certain commodities, then it is called which type of inflation?		1
	(A)Short term	(B) Partial	(C) Perfect
	(D) Long term		
n)	Every member nation of world trade organization has.....voting right.		1
	(A)One	(B) Two	(C) Three
	(D) Four		
Q-2	Attempt all questions		(14)
A	Explain meaning of Business cycle and its characteristics.		7
B	Short note : Seasonal Fluctuation		7
Q-3	Attempt all questions		(14)
A	Define causes of deficit in Balance of payment.		7
B	Evaluate the performance of the World Bank.		7
Q-4	Attempt all questions		(14)
A	Define characteristics of Inflation.		7
B	Define causes for reducing production.		7
Q-5	Attempt all questions		(14)
A	Explain the reasons for the emergence of international trade.		7
B	Give difference between the Internal trade and International trade.		7
Q-6	Explain the determination of exchange rate through the law of demand and supply with the help of the figure.		14
Q-7	Attempt all questions		(14)
A	Short note : The role of India in Doha Ministerial Meet		7
B	Define objectives of International Monetary Fund		7
Q-8	Attempt all questions		(14)
A	Explain types of inflation in relation to time.		7
B	Give definition of Balance of payment and its characteristics.		7

