NAAHAR PUBLIC SCHOOL CBSE SENIOR SECONDARY VILLUPURAM
ACADEMIC YEAR 2022-23
MICRO REVISION -5

SUBJECT: ECONOMICS **DATE: 01.11.2022**
SUBJECT TEACHER: MRS.MYTHLI **DUR: 60 MINS**
CLASS: XII **MARKS:30**

I.MCQ **$9X \frac{1}{2}=4\frac{1}{2}$**

1.The price of one currency in terms of another is known as _________
(A) Foreign exchange rate (B) Trade rate
(C) Interest rate (D) Balance of Payment

2.The market where the national currencies are traded for one another is known as ________
(A) Domestic exchange market (B) Foreign exchange market
(C) Bazaar (D) Shop

3.Hybrid in management of fixed and flexible exchange rate is known as ________
(A) Managed to float (B) Crawling Peg
(C) Wider Bands (D) None of these

4.When was the gold standard abandoned?
(A) 1930's (B) 1920's (C) 1940's (D) 1950's

5.Trade of visible items between the countries is known as ________
(A) Balance of Payment (B) Balance of Trade
(C) Deficit Balance (D) All of these

6.When the import and export of visible items are equal, the situation is known as _______
(A) Balance of Trade (B) Balance of Payment
(C) Trade Surplus (D) Trade Deficit

7.When there is a favorable balance of trade?
(A) $X > M$ (B) $X = M$ (C) $X < M$ (D) None of these

8. The price of one currency in terms of another is known as _________
(A) Foreign exchange rate (B) Trade rate
(C) Interest rate (D) Balance of Payment

9. The market where the national currencies are traded for one another is known as ________
(A) Domestic exchange market (B) Foreign exchange market
(C) Bazaar (D) Shop

II.Very Short Answers **9X2=18**

1. What is mean by balance of trade?
2. Name the components of BoP Account?
3. Define current account of Bop?
4. Components of Current Account? Explain
5. What is mean by Capital Account of BoP
6. Explain Bop. surplus and Bop deficit
7. Define foreign exchange rate and floating exchange rate?
8. What is a fixed exchange rate?

or

Give the meaning of fixed foreign exchange rate.

9. What is foreign exchange?

or

Give meaning of foreign exchange.

III. Short Answers (any 3) **$3x2\frac{1}{2}=7\frac{1}{2}$**

1. What is the meaning of deficit in Balance of Payments?

or

How is Balance of Payment 'deficit' measured? Explain

2. Distinguish between current account and capital account of the Balance of Payments account on the basis of its components.
3.Explain the effect of appreciation of domestic currency on imports.
4.Explain the effect of depreciation of domestic currency on exports.