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

UBJECT: 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) Balan	ce of Payment
2. The market where the national currencies are tra	aded for one another	is known as
(A) Domestic exchange market		gn exchange market
(C) Bazaar	(D) Shop	
3. Hybrid in management of fixed and flexible exc	` ' 1	as
(A) Managed to float	(B) Crawl	
(C) Wider Bands	(D) None	
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 k	known as	. ,
(A) Balance of Payment		ce of Trade
(C) Deficit Balance	(D) All of	these
6. When the import and export of visible items are	` /	
(A) Balance of Trade	•	ce 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	s known as	
(A) Foreign exchange rate	(B) Trade	
(C) Interest rate	(D) Balan	ce of Payment
9. The market where the national currencies are tr	aded for one another	r is known as
(A) Domestic exchange market	(B) Foreig	gn 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 exch	ange 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 Pa	nyments?	
VI : D 1		

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.