

THE INSTITUTE OF BANKERS PAKISTAN



ENGLISH

Read the passage carefully and answer questions 1-3

Most large corporations in the Country B were once run by individual capitalists who owned enough stock to dominate the board of directors and dictate company policy. Because putting such large amounts of stock on the market would only depress its value, they could not sell out for a quick profit and instead had to concentrate on improving the long-term productivity of their companies. Today, with few exceptions, the stock of large Country B corporations is held by large institutions – pension funds, for example – and because these institutions are prohibited by antitrust laws from owning a majority of a company's stock and from actively influencing a company's decision-making, they can enhance their wealth only by buying and selling stock in anticipation of fluctuations in its value. A minority shareholder is necessarily a short-term trader. As a result, Country B productivity is unlikely to improve unless shareholders and the managers of the companies in which they invest are encouraged to enhance long-term productivity (and hence long-term profitability), rather than simply to maximize short-term profits.

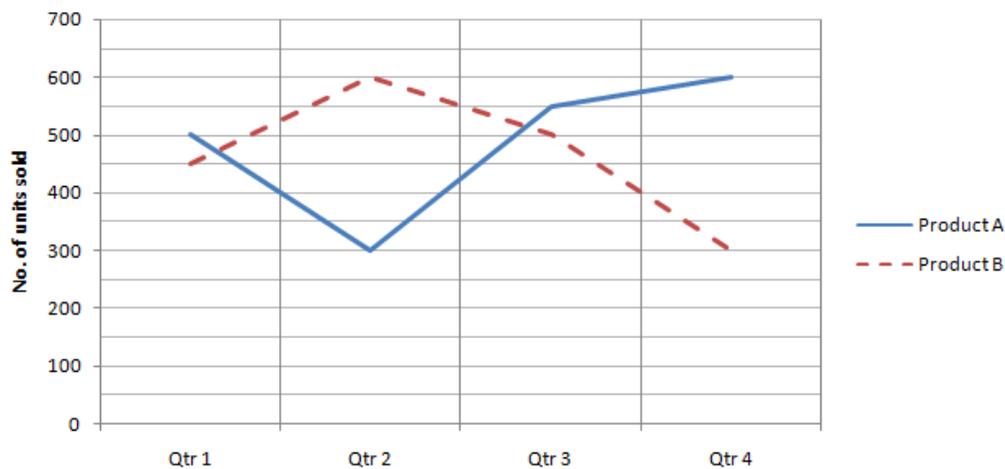
- Q1. In the passage, the author is primarily concerned with
- A. comparing two different approaches to a problem.
 - B. describing a problem and proposing a solution.
 - C. defending an established method.
 - D. presenting data and drawing conclusions from the data.
- Q2. Regarding business controlled by individual capitalists, the author assumes that
- A. each business had only a few stockholders.
 - B. institutions owned no stock in these companies.
 - C. improving long-term productivity led to increased profits.
 - D. these businesses were less profitable than the businesses today.
- Q3. The method left for institutions to increase their wealth due to antitrust laws is by
- A. trading stocks.
 - B. increasing investment.
 - C. establishing a joint venture.
 - D. buy all stocks of a company.
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- Q4. I've found six mistakes so far in this report, and _____ are just in the introduction.
- A. these
 - B. this
 - C. that
 - D. those ones

- Q5. Mariam _____ she would be late for the meeting. She _____ she was feeling ill.
- told that ; said that
 - told that ; said me that
 - told me that ; said that
 - told me that ; said me that

ANALYTICAL SKILLS

- Q6. Considering the following data, the percentage change in sales of Product A and Product B in quarter 3 is nearest to:

Sales for ABC Company, 2015



- +183% and +83% respectively
 - +83% and -16% respectively
 - +83% and -83% respectively
 - +16% and -83% respectively
- Q7. A man wants to cut 10 pieces of wood, he can either use a wood cutter machine or cut each wood by hand. The machine can cut 10 pieces of wood in 5 minutes and the man can cut the same in 20 minutes. If he started to cut through machines and electric power goes off after 4 minutes, how long will it take the man to cut the remaining woods?
- 4 minutes
 - 8 minutes
 - 10 minutes
 - 20 minutes

- Q8. There are fifty students in a class. In a 100 marks exam, 20 students scored less than 30 marks, 5 students scored more than 70 marks and the remaining scored between 30 and 70 marks. If passing score is 55 marks and 40% students have passed the test, what is the percentage of students who scored between 55 and 70?
- 45%
 - 40%
 - 35%
 - 30%
- Q9. The ratio of the father's age to the son's age is 4:1. The product of their ages is 196. The ratio of father's age to the son's age after 2 years will be
- 5:4
 - 9:5
 - 10:3
 - 11:4
- Q10. A basket contains 9 fruits and the total weight of the basket is 3 kilograms. If a piece of melon weighing 0.5 kilograms is added in the basket, the average weight of a fruit becomes
- 330 grams
 - 335 grams
 - 350 grams
 - 388 grams
- Q11. How much time did it take a journalist to write an article of two pages assuming he had not done anything else during this time?
- If he wrote at double speed it would take him 5 minutes per page
 - He has written more than 20 articles per year
- Statement 1 alone is sufficient to answer the question
 - Statement 2 alone is sufficient to answer the question
 - Both statements together are sufficient to answer the question
 - Additional data is required to answer the question

ECONOMICS INCLUDING PAKISTAN ECONOMY

- Q12. The monetary policy that is used to decrease consumption by reducing money supply thereby increasing interest rates, is called
- Contradictory Policy.
 - Expansionary Policy.
 - Fiscal Policy.
 - Budgetary Policy.

- Q13. If you are working full-time now, you could earn \$20,000 per year. Instead, you are working part-time while going to school. In your current part-time job, you earn \$5,000 per year. At your school, the annual cost of tuition, books, and other fees is \$2,000. The opportunity cost of completing your education is:
- A. \$2,000
 - B. \$5,000
 - C. \$17,000
 - D. \$20,000
- Q14. In the economy, monetary policy aims to control level of money supply and
- A. interest rate
 - B. demand
 - C. government expenditure
 - D. supply
- Q15. The liquidity trap condition occurs at
- A. low rate of interest.
 - B. very low rate of interest.
 - C. high rate of interest.
 - D. very high rate of interest.
- Q16. Assume that Equilibrium GDP is \$4,000 billion. Potential GDP is \$5,000 billion. The marginal propensity to consume is $\frac{4}{5}$ (0.8). By how much and in what direction should government purchases be changed?
- A. increase by \$1,000 billion
 - B. decrease by \$1,000 billion
 - C. increase by \$100 billion
 - D. increase by \$200 billion
- Q17. As the economy nears full capacity, the short-run aggregate supply curve
- A. becomes flatter
 - B. becomes steeper.
 - C. shifts to the right.
 - D. shifts to the left.
- Q18. The aggregate demand curve shifts to the right if there is a/an
- A. increase in purchases by the federal government.
 - B. increase in real interest rates.
 - C. appreciation of the home currency.
 - D. decrease in the supply of money.
- Q19. Which function of money was stressed more in the Keynesian Theory?
- A. Unit of money.
 - B. Medium of exchange.
 - C. An appreciation of the home currency.
 - D. Store of value.

- Q20. Quantitative easing by the central bank means:
- Lowering the money supply
 - Buying bonds for cash
 - Increasing the minimum reserve requirement
 - Distributing newly printed money to the public
- Q21. Which of the following tools is used to present relationship between an economic variable and the frequency domain?
- Time series analysis
 - Scatter diagram
 - Logarithmic scales
 - Ratio analysis
- Q22. Which of the following is NOT a leakage from circular flow of income?
- Increase in saving deposits of local banks
 - Increase in income taxes
 - Increase in domestic demand for imported mobile sets
 - Increase in public sector development expenditures

X --- END OF PAPER --- X

Disclaimer:

The questions provided in the sample are for demonstration purpose only in order to acquaint the candidate with the paper pattern. The number of questions, complexity and depth of coverage may vary in the actual examination.

Calculators will **NOT** be allowed in the examination.

Section	Weightage in paper
English	30%
Analytical Skills	30%
Economy including Pak Economy	40%

ANSWERS

Question Number	Answer	Question Number	Answer	Question Number	Answer
1	B	8	D	15	B
2	C	9	C	16	D
3	A	10	C	17	B
4	A	11	A	18	A
5	C	12	A	19	D
6	B	13	C	20	B
7	A	14	A	21	A
				22	D