SAMPLE ENTRY TEST FOR ADMISSION TO M.SC. ECONOMICS

Pattern

The test shall comprise of seven sections with following distribution of multiple choice questions:

Microeconomic Theory:	*15%*
Macroeconomic Theory:	*15%*
Mathematical Economics:	*10%*
Basic Algebra:	*20%*
Analytical Ability:	*10%*
Current Affairs and General Knowledge:	*10%*
English (Vocabulary and Grammar):	*20%*

Sample questions

Microeconomics

Cross price elasticity of demand is negative for

A: Complementary goods   B: substitute goods   C: Luxury goods   D: Necessities of life

Each of the following, except one, is a condition that characterizes a perfectly competitive labor market in the long run. Which is the exception?

A: Workers appear identical to firms.
B: Workers receive wages that are above their marginal revenue product .
C: There are no barriers to entering the labor market.
D: There are no barriers to exiting from the labor market

Macroeconomics

The marginal propensity to consume equals 1 minus the

A: Marginal propensity to invest   B: Marginal propensity to save
C: Marginal propensity to import   D: Marginal propensity to pay taxes

All of the following are government expenditure items except

A: Interest on government debt   B: Transfer payments
C: Purchase of corporate bonds   D: purchase of goods and services

Basic Algebra:

A container that can hold 16 liters of water is ¾ filled. How much water will it contain after 4 liters of water are poured out of it

A: 1/2   B: 1/4   C: 1/5   D: 1/3

Find those values of x and y which simultaneously satisfy equations i) and ii).

i) $y = 2x - 4$ ii) $y = 5x + 8$

A: (-4, -12)   B: (4, -12)   C: (4, 12)   D: (-4, 12)

Mathematical Economics

For the demand function $Q = 10 - 0.5P$, what is the price elasticity of demand at $P = 5$

A: 0.25   B: 0.50   C: 0.75   D: 1.50

If the total cost function is $C = 3Q^2 + 4Q + 5$, then the value of marginal cost at $Q = 3$ is:

A: 20   B: 22   C: 34   D: 44

Analytical Ability

Zahid is taller than Jamal. Wahab is taller than Saleem. Saleem is taller than Aslam. To determine who among them is the tallest, which further information, if any, is required?
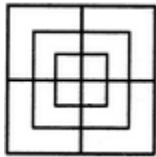
A: Zahid is taller than Aslam and Saleem   B: No further information is needed

C: Zahid is taller than Saleem   D: Aslam is taller than Zahid

Count the number of squares in the given figure.

A: 8   B: 12   C: 15   D: 18

Current Affairs and General Knowledge

The headquarter of SAARC is in:

A: Islamabad   B: Colombo   C: New Delhi   D: Kathmandu

Official name of Pakistan is:

A: Democratic Islamic Republic of Pakistan   B: Islamic Republic of Pakistan

C: Islamic Democratic Republic of Pakistan   D: Democratic Republic of Pakistan

English (vocabulary and grammar)

Click on a word which best describes the word 'Pragmatic'

A: Practical   B: Pregnant   C: Liar   D: Arrogant

Choose the right phrase to fill in the blank space.

They speak well, _____?

A: do they   B: are they   C: don't they   D: didn't they