

Economics

Index Numbers

- Q1.** In Laspeyre's index number, the weight pertains to: **1 Mark**
A Base year quantities. B Current year. C Both (a) and (b). D None of the above.
- Q2.** Price-relative is expressed in terms of: **1 Mark**
A $P = \frac{P_n}{P_0}$ B $P = \frac{P_0}{P}$ C $P = \frac{P_n}{P_0} \times 100$ D $P = \frac{P_n}{P_0} \times 100$
- Q3.** Index numbers can be used for: **1 Mark**
A Forecasting B Fixed prices C Different prices D Constant prices
- Q4.** _____ is the short form of Bombay Stock Exchange Sensitive. **1 Mark**
A BSES B BSE C SENSEX D None
- Q5.** Index number is an _____ barometer. **1 Mark**
A Economic B Weather C Atmospheric D None of the above
- Q6.** Index number for the base period is always taken as: **1 Mark**
A 100 B 50 C 1 D 200
- Q7.** If the current price index of pulses is 295, what is the increase in prices of pulses in comparison to base years prices. **1 Mark**
A 195% B 295% C 250% D 195 times
- Q8.** For consumer price index, price quotations are collected from: **1 Mark**
A Fair price shops B Government depots C Retailers D Whole-sale dealers
- Q9.** _____ is used in calculating the purchasing power of money and real wage. **1 Mark**
A CPI B WPI C IIP D None
- Q10.** _____ measure the changes in the physical volume of production, construction or employment. **1 Mark**
A Price index numbers B Quantity index numbers C Production index
D None of the above
- Q11.** If the new series is connected with the old series, it is known as _____. **1 Mark**
A Base shifting B Backward splicing C Forward splicing D All the above
- Q12.** In notation P01, 1 stand for: **1 Mark**
A Current year. B Reference year. C Both (a) and (b). D None of these.
- Q13.** Fisher's index number is considered ideal because: **1 Mark**
A It is based on variable weights. B It satisfies Time Reversal Test. C It satisfies Factor Reversal Test.
D All of these.
- Q14.** An index number that can serve many purposes is called: **1 Mark**
A General purpose index B Special purpose index C Cost of living index D None of them
- Q15.** While calculating index numbers, the period with which the comparison is to be made, is known as the _____. **1 Mark**

- A** Compared period **B** Base period **C** Comparable period **D** None of these
- Q16.** The base year for SENSEX is _____. **1 Mark**
- A** 1976-1977 **B** 1978-19779 **C** 1977-1978 **D** None
- Q17.** Which country rank first in terms of HDI index? **1 Mark**
- A** Canada **B** Japan **C** Norway **D** USA
- Q18.** In most of the weighted index numbers, the weight pertains to: **1 Mark**
- A** Base year. **B** Current year. **C** Both base and current year.
D Base year or current year.
- Q19.** Fisher's index number is the: **1 Mark**
- A** Arithmetic mean of index numbers of Laspeyre and Passche.
B Harmonic mean of index number of Laspeyre and Paasche.
C Geometric mean of index numbers of Laspeyre and Passche. **D** None of the above.
- Q20.** Index numbers reveal the state of _____. **1 Mark**
- A** Inflation **B** Deflation **C** Both (a) and (b) **D** Neither (a) nor (b)
- Q21.** The average monthly emoluments of PSU officers were Rs. 25,000 pm in 1995 when the consumer price index was 150 in 1995, in 2006 their monthly emoluments went up to Rs. 35,000 due to additional DA paid from time to time which is directly based on consumer price index. The consumer price index in 2006 is _____. **1 Mark**
- A** 210 **B** 200 **C** 196 **D** 215
- Q22.** _____ is not a dimension of Human Development Index. **1 Mark**
- A** Per Capita income **B** Education **C** Life expectancy **D** Moral value
- Q23.** An index number which accounts for the relative importance of the items is known as: **1 Mark**
- A** Weighted index. **B** Simple aggregative index. **C** Simple average of relatives.
- Q24.** _____ play a very important part in the construction of index nos. **1 Mark**
- A** Weights. **B** Classes. **C** Estimations. **D** None.
- Q25.** P10 is the index for time: **1 Mark**
- A** 1 on 0 **B** 0 on 1 **C** 1 on 1 **D** 0 on 0
- Q26.** Which of the following devices is used for measuring differences in the magnitude of a group of related variables? **1 Mark**
- A** Arithmetic mean. **B** Index number. **C** Correlation. **D** Mode.
- Q27.** Indices calculated by the chain base method are free from: **1 Mark**
- A** Seasonal variations **B** Errors **C** Percentages **D** Ratios
- Q28.** When the prices of rice are to be compared, we compute: **1 Mark**
- A** Volume index **B** Value index **C** Price index **D** Aggregative index
- Q29.** Fisher named the geometric cross formula as an ideal index formula in the year _____. **1 Mark**
- A** 1901 **B** 1910 **C** 1920 **D** 1950
- Q30.** The item having the highest weight in consumer price index for industrial workers is: **1 Mark**
- A** Food. **B** Housing. **C** Clothing.
- Q31.** A series of numerical figures which show the relative position is called: **1 Mark**
- A** Index number. **B** Relative number. **C** Absolute Number. **D** None of the above.

- Q32.** In general, inflation is calculated by using: **1 Mark**
A Wholesale price index. **B** Consumer price index. **C** Producers' price index.
- Q33.** An index number is used to measure changes in: **1 Mark**
A Quantity only. **B** Demand only. **C** A variable over time. **D** Price only.
- Q34.** Index numbers are also known as _____. **1 Mark**
A Economic barometers **B** Signs and guide posts **C** Both (a) and (b) **D** Neither (a) nor (b)
- Q35.** The Paasche's index number is based on: **1 Mark**
A Base year quantities. **B** Current year quantities. **C** Average of current and base years.
D None of the above.
- Q36.** CPI stands for _____. **1 Mark**
A Customer Price Index **B** Consumer Price Index **C** Customer Petrol Index **D** Consumer Petrol Index
- Q37.** A consumer price index measures changes in: **1 Mark**
A Retail prices. **B** Wholesale prices. **C** Producers prices.
- Q38.** Which of these is not a common tests for a good index number formula. **1 Mark**
A Forward test **B** Circular test **C** Factor reversal test **D** Time reversal test
- Q39.** Index numbers can measure the averages of variables with _____ units: **1 Mark**
A Same. **B** Diverse. **C** Both (a) and (b). **D** None of these.
- Q40.** _____ covers all those index numbers which measures the changes in total money worth during some period compared with other period. **1 Mark**
A Value Index Numbers **B** Quantity Index Numbers **C** Price Index Number
D None of above
- Q41.** Fisher's index number is based on: **1 Mark**
A The Arithmetic mean of Laspeyre's and Paasche's index numbers.
B The Median of Laspeyre's and Paasche's index numbers.
C The Mode of Laspeyre's and Paasche's index numbers. **D** None of above.
- Q42.** An index number of 250 indicates that _____. **1 Mark**
A The value is two hundred fifty times that of the base period.
B The value is two hundred fifty more than that of the base period.
C The value is two and half times that of the base period. **D** None of the above.
- Q43.** Poi is the index for time: **1 Mark**
A 1 on 0 **B** 0 on 1 **C** 1 on 1 **D** 0 on 0
- Q44.** Price of top 30 shares of Bombay Stock Exchange increased, which of these will increase? **1 Mark**
A WPI. **B** CPI. **C** Inflation rate. **D** Sensex.
- Q45.** If the sensex rises, it indicates _____. **1 Mark**
A That the market is doing well and investors expect better earnings from companies.
B It indicates a growing confidence of investors in the basic health of the economy.
C Both A and B. **D** None.
- Q46.** If the index of prices is estimated to be 112 in 2018, it means that in comparison to the base year, prices in 2018 are higher by: **1 Mark**
A 12% **B** $12 \times 2 = 24\%$ **C** 112% **D** None of these.
- Q47.** The prices of a commodity in the year 1975 and 1980 were 25 and 30 respectively taking 1980 as base year the price relative is: **1 Mark**

- A** 109.78 **B** 110.25 **C** 113.25 **D** None of above
- Q48.** Rate of inflation is equal to: **1 Mark**
- A** $\frac{A_1}{A_2} + A_1 \times 100$ **B** $\frac{A_2+A_1}{A_1 \times 100}$ **C** $\frac{A_1}{A_2} - A_1 \times 100$ **D** $\frac{A_2-A_1}{A_1 \times 100}$
- Q49.** The _____ value of index number is a pure number: **1 Mark**
- A** Average. **B** Commodity. **C** Price relative. **D** All of these.
- Q50.** If the index number of Aluminium in 2005 is 350 with base year 1995, the prices of aluminium must have increased by. **1 Mark**
- A** 250% **B** 350% **C** 3.5% **D** 2.5%
- Q51.** Geometric cross formula for index number is known as _____. **1 Mark**
- A** Walsh ideal formula **B** Fisher's ideal formula **C** Bowley's standard formula
D None of the above.
- Q52.** Fisher's Ideal index is the: **1 Mark**
- A** Mean of Laspeyre's and Paasche's indexes. **B** Median of Laspeyre's and Paasche's indexes.
C Geometric mean of Laspeyre's and Paasche's indexes. **D** None of the above.
- Q53.** Which of the following index number, indicates the change in the industrial production? **1 Mark**
- A** Nifty. **B** GDP. **C** CPI. **D** IIP.
- Q54.** Index no. is equal to: **1 Mark**
- A** Sum of price relatives. **B** Average of the price relatives. **C** Product of price relatives.
D None.
- Q55.** Which of the following is also known as cost of living index? **1 Mark**
- A** Consumer Price Index. **B** Producer Price Index. **C** Wholesale Price Index. **D** None of the above.
- Q56.** Stock market indexes traditionally served as a benchmark to measure the performance of which of the following types of portfolios of the investors/ promoters? **1 Mark**
- A** Equity portfolio **B** Tax saving instruments **C** Mutual Funds
D Investments in Govt Securities
- Q57.** Paasche index is based on: **1 Mark**
- A** Base year quantities **B** Current year quantities **C** Average of current and base year
D None of these
- Q58.** A quantity index that is designed to measure changes in physical volume or production level of industrial goods over time is known as: **1 Mark**
- A** Physical Volume Index. **B** Time Index. **C** Index of Industrial Production.
D None of the above
- Q59.** Index number is unit free. **1 Mark**
- A** False **B** True **C** May be **D** None of them
- Q60.** An index number is a special type of average. **1 Mark**
- A** True **B** False **C** Partly true **D** None of above
- Q61.** _____ requires that the product of price index and the corresponding quantity index number should be equal to the value index number. **1 Mark**
- A** Circular test **B** Time reversal test **C** Factor reversal test **D** Unit test
- Q62.** The base year of wholesale price index is changed from 1993-94 to. **1 Mark**
- A** 1996-97 **B** 1997-98 **C** 1999-2000 **D** 2000-2001

- Q63.** IIP stands for_____.
- A** Indian Industrial Production. **B** Index of Indian Production. **C** Index of Indian Prices.
D Index of Industrial Production. **1 Mark**
- Q64.** The chain base indices are not suitable for:
- A** Long range comparisons **B** Short range comparisons **C** Percentages
D Ratios **1 Mark**
- Q65.** Which is the symbol of the price of the current year?
- A** P_0 **B** P_1 **C** P_2 **D** None of these. **1 Mark**
- Q66.** Which of the following statement is false?
- A** The base period should be a normal period.
B The base year quantities are used as weights in Paasche's method. **C** Fisher's Index is called Ideal index.
D Laspeyres's Index makes use of base year quantities as weight. **1 Mark**
- Q67.** Which of the following satisfies factor reversal test?
- A** Laspeyres index. **B** Fisher ideal index. **C** Paasche's Index.
D Simple aggregate average index. **1 Mark**
- Q68.** Which of the following index numbers is based on the assumption that all the commodities are of equal importance?
- A** Weighted index number. **B** Simple index number. **C** Both (a) and (b).
D None of the above. **1 Mark**
- Q69.** The item having the highest weight in consumer price index for industrial workers is:
- A** Clothing. **B** Housing. **C** Food. **D** None of these. **1 Mark**
- Q70.** P_0 indicates:
- A** Price of the base year **B** Price of the current year **C** Average price
D None of these **1 Mark**
- Q71.** Index number for the base period is always taken as:
- A** 200 **B** 50 **C** 1 **D** 100 **1 Mark**
- Q72.** Laspeyres's index and Dorbish/Bowley index of a city for the year 2008 are 104.8 and 111.9, find the index number under Paasche's method _____.
- A** 116.60 **B** 114.35 **C** 119 **D** 117.90 **1 Mark**
- Q73.** Which index number indicates the change in the general price level?
- A** Agricultural Production Index. **B** Wholesale Price Index. **C** Cost of Living Index.
D Industrial Production Index. **1 Mark**
- Q74.** Deflation of index numbers is meant for calculating _____.
- A** Real wages **B** Money income index **C** Real income index **D** All the above. **1 Mark**
- Q75.** Historically the first index number is constructed in the year _____.
- A** 1764 **B** 1776 **C** 1881 **D** 1921 **1 Mark**
- Q76.** _____ number measures price changes from the producers perspective.
- A** Industrial production index **B** WPI **C** Producer price index
D Both A and C **1 Mark**
- Q77.** Consumer price index numbers are obtained by:
- A** Laspeyres's formula **B** Fisher ideal formula **C** Marshall Edgeworth formula
D Paasche's formula **1 Mark**

- Q78.** Laspeyre's index and Paasche's index of a city for 1999 are 105.8 and 110.9, find the index number under Dorbish and Bowley method. **1 Mark**
- A 109.10 B 108.35 C 110.01 D 107.90
- Q79.** We use price index numbers: **1 Mark**
- A To measure and compare prices. B To measure prices. C To compare prices.
D None of these.
- Q80.** Given that Paasche Price index and Laspeyres index being 121.5 and 117.85 respectively. Find the Dorbish and Bowley price index. **1 Mark**
- A 115.77 B 119.675 C 119.05 D 108.80
- Q81.** HDI was devised by the United Nations Development Programme (UNDP) in 1990 in their first _____ . **1 Mark**
- A HDI Ranking Report B Human Development Report C UNDP Agreement
D None of the above
- Q82.** Consumer Price Index is also known as: **1 Mark**
- A Industrial Production Index. B Cost of Living Index. C Wholesale Price Index.
D None of these.
- Q83.** In constructing index number geometric mean relatives are: **1 Mark**
- A Non-reversible B Reciprocal C Reversible D None of them
- Q84.** _____ indicates the changes in monetary value. **1 Mark**
- A Price Index B Cost Index C GDP Reflector D All the above
- Q85.** Laspayer's index is based on: **1 Mark**
- A Base year quantities. B Current year quantities. C Average of current and base year.
D None of these.
- Q86.** _____ measure the general changes in the price level from one period to another. **1 Mark**
- A Value Index Numbers B Quantity Index Numbers C Price Index Number
D None of above
- Q87.** The Fisher Index Number is _____. **1 Mark**
- A GM of Laspeyre and Paasche index numbers. B AM of Laspeyre and Paasche index numbers.
C HM of Laspeyre and Paasche index numbers.
D GM of Laspeyre and Marshall-Edge worth index numbers.
- Q88.** If the prices of pulses have gone up by 3.05 times in comparison to the base period, the present index of pulses is _____. **1 Mark**
- A 269 B 165 C 305 D 405
- Q89.** Cost of living index numbers are also used to find real wage by the process of: **1 Mark**
- A Base shifting. B Splicing of index number. C Deflating of index number.
D None of the above.
- Q90.** If the 1970 index with base 1965 is 200 and 1965 index with base 1960 is 150, the index 1970 on base 1960 will be: **1 Mark**
- A 700 B 300 C 500 D 600
- Q91.** Purchasing power of money is: **1 Mark**
- A Reciprocal of price index number. B Unequal to price index number. C Equal to price index number.
D None of the above of the above.
- Q92.** Base year is also known as: **1 Mark**

- A** Current year. **B** Reference year. **C** Periodic year. **D** Both (a) and (c).
- Q93.** Which index measures the month to month change in cost of a representative basket of goods and services bought by a typical household? **1 Mark**
- A** Retail Price Index. **B** Wholesale Price Index. **C** Fisher's Index. **D** Paasche's Index.
- Q94.** Most commonly used index number is: **1 Mark**
- A** Volume index number **B** Value index number **C** Price index number **D** Simple index number
- Q95.** If all the values are of equal importance, the index numbers are called: **1 Mark**
- A** Weighted **B** Unweighted **C** Composite **D** Value index
- Q96.** Index no for the base period is always taken as _____. **1 Mark**
- A** 200 **B** 50 **C** 1 **D** 100
- Q97.** The quotations for four different commodities for the years 2000 and 2005 are given below. Calculate the index number for 2005, with 2000 as base year by using weighted average of price relatives method. **1 Mark**
- A** 164.05 **B** 161.05 **C** 154.05 **D** 151.05
- Q98.** When the cost of edible vegetable oil increased by 60% over the last for years a housewife who maintain her former scale of consumption felt that his cost of living index has gone up by 12%. What percentage of his cost of living was due edible oil before the change in price. **1 Mark**
- A** 15% **B** 20% **C** 9% **D** 12%
- Q99.** If with the rise of 10% in prices the wages are increased by 20%, the real wage increase by _____%. **1 Mark**
- A** 20 **B** 10 **C** 30 **D** 2
- Q100.** Human development covers which of the following aspects? **1 Mark**
- A** Economic aspects **B** Social aspects **C** Cultural aspects **D** All of the above
- Q101.** In chain base method, the base period is: **1 Mark**
- A** Fixed **B** Not fixed **C** Constant **D** Zero
- Q102.** Simple aggregate of quantities is a type of: **1 Mark**
- A** Quantity control. **B** Quantity indices. **C** Both. **D** None.
- Q103.** _____ index numbers measure and permit comparison of the prices of certain goods. **1 Mark**
- A** Quantity **B** Quality **C** Price **D** Product
- Q104.** Base period for an index number should be _____. **1 Mark**
- A** A year only **B** A normal period **C** A period at distance past
D None of the above
- Q105.** Paasche's index number formula uses the weights of the _____. **1 Mark**
- A** Base period **B** Current period **C** Any arbitrarily chosen period
D None of the above.
- Q106.** The circular test is satisfied by _____. **1 Mark**
- A** Fisher's index number **B** Paasche's index number **C** Laspeyre's index number
D None of above
- Q107.** If all the values are not of equal importance the index number is called: **1 Mark**
- A** Simple **B** Unweighted **C** Weighted **D** None
- Q108.** Index nos. show _____ changes rather than absolute amounts of change. **1 Mark**

- A** Relative **B** Percentage **C** Both (a) and (b) **D** None of above
- Q109.** If the index number of aluminium in 2014 is 350 with base year 2010, the prices of aluminium must have increased by _____.
- A** 250% **B** 350% **C** 3.5% **D** 2.5%
- Q110.** If the prices of all commodities in a place have decreased 35% over the base period prices, then the index number of prices of that place is now:
- A** 35 **B** 135 **C** 65 **D** None of these.
- Q111.** Human development is the end of all activities, while _____ is only a means to this end.
- A** Economic growth **B** Profit **C** Supply of output **D** All of the above
- Q112.** Index number represents the relative changes that are:
- A** Expressed in numbers. **B** Expressed in percentage. **C** Expressed as an average.
D Both (a) and (c).
- Q113.** Fisher's Ideal Index number is expressed in terms of:
- A** $(P_{on})^F = \sqrt{\text{Laspeyer's Index} \times (\text{Paashe's Index})}$
B $(P_{on})^F = \text{Laspeyer's Index} \times \text{Paashe's Index}$
C $(P_{on})^F = \sqrt{\text{Marshall Edge worth Index} \times \text{Paashe's Index}}$ **D** None of these.
- Q114.** Laspeyre's index number is also known as _____.
- A** Fixed base index **B** Given year method index **C** Base year method index
D None of the above
- Q115.** Marshall and Edgeworth price index number formula utilizes the weights as _____.
- A** Quantities of the base year **B** Quantities of the current year
C Combined quantities of base and given year **D** Any of the above
- Q116.** Consumer Price Index (CPI) is expressed in terms of:
- A** $\frac{\sum P_n q_n}{\sum P_0 q_n}$ **B** $\frac{\sum P_0 q_0}{\sum P_n q_0}$ **C** $\frac{\sum P_n q_n}{\sum P_0 q_n} \times 100$ **D** None of these.
- Q117.** The best average for constructing an index number is:
- A** Harmonic Mean. **B** Arithmetic Mean. **C** Geometric Mean. **D** None of these.
- Q118.** Index number serves as a _____ for measuring the value of money:
- A** Parameter. **B** Barometer. **C** Both (a) and (b). **D** None of these.
- Q119.** Which of the following measures changes in retail price of the commodities?
- A** Wholesale Price Index. **B** Weighted Index. **C** Consumer Price Index. **D** None of the above.
- Q120.** The _____ is widely used to measure the rate of inflation.
- A** IIP **B** CPI **C** WPI **D** None of the above
- Q121.** Which of these is/ are not component of HDI index?
- A** Knowledge **B** Longevity **C** Income **D** Health
- Q122.** Fisher's index number satisfies:
- A** Time Reversal Test. **B** Factor Reversal Test. **C** Both (a) and (b). **D** None of these.
- Q123.** Using 2005 as base year , the price of a commodity in 2007 is 125. Calculate the index number for 2007 if 2006 is taken as the base year.
- A** 105.93 **B** 104.23 **C** 103.93 **D** 112.3
- Q124.** A quantity index that is designed to measure changes in physical volume or production levels of industrial goods over time is known as the:

A Time reversal test **B** Circular test **C** Factor reversal test **D** Unit test

- Q141.** _____ is a statistical device for measuring changes in the magnitude of a group of related variables. **1 Mark**
A Correlation **B** Standard deviation **C** Index numbers **D** Both A and C
- Q142.** Paasche index is based on: **1 Mark**
A Base year quantities. **B** Current year quantities. **C** Average of current and base year.
D None of these.
- Q143.** The index number of base year is 100. **1 Mark**
A Yes **B** No **C** May be **D** None of them
- Q144.** Whose formula is considered ideal for the construction of index number? **1 Mark**
A Paasche's formula. **B** Laspeyres's formula. **C** Fisher's formula. **D** None of these.
- Q145.** Index numbers are very helpful in comparing the economic conditions of a particular group of people for _____ different periods: **1 Mark**
A Three. **B** Two. **C** Four. **D** None of these.
- Q146.** Index Numbers are often constructed from the _____. **1 Mark**
A Frequency **B** Class **C** Sample **D** None of above
- Q147.** The impact of change in the price of a commodity with little weight in the index will be: **1 Mark**
A Small. **B** Large. **C** Uncertain.
- Q148.** Year-to-year indices in the chain-base method are called _____. **1 Mark**
A Chain indices **B** Link relatives **C** Fixed based indices **D** All the above
- Q149.** Index numbers are expressed in percentages. **1 Mark**
A True **B** False **C** Partly true **D** None of above
- Q150.** A weighted aggregate price index where the weight for each item is its base period quantity is known as the: **1 Mark**
A Paasche Index **B** Consumer Price Index **C** Producer Price Index **D** Laspeyres Index
- Q151.** Paasche's index number is expressed in terms of: **1 Mark**
A $\frac{\sum P_n q_n}{\sum P_0 q_n}$ **B** $\frac{\sum P_0 q_0}{\sum P_n q_0}$ **C** $\frac{\sum P_n q_n}{\sum P_0 q_n}$ **D** $\frac{\sum P_n q_0}{\sum P_0 q_0} \times 100$
- Q152.** If the index number of prices at a place in 1994 is 250 with 1984 as base year, then the prices have increased on average: **1 Mark**
A 250 **B** 150 **C** 350 **D** None of these.
- Q153.** Human Development Index (HDI) is a composite index of which of the following? **1 Mark**
A Health, literacy and employment. **B** National income, size of population and general price level.
C National income, per capita income and per capita consumption.
D Physical resource, monetary resources and population size.
- Q154.** In most of the weighted index numbers the weight pertains to: **1 Mark**
A Base year. **B** Current year. **C** Both base and current year.
- Q155.** Index numbers are expressed _____. **1 Mark**
A In framing of economic policies. **B** In assessing the purchasing power of money.
C For adjusting national income. **D** All the above.
- Q156.** The index used to measure changes in total money value is called: **1 Mark**
A Price index. **B** Quantity index. **C** Value index. **D** None of the above.

- Q157.** $P_{01} = \frac{\sum p_1 q_1}{\sum p_0 q_1} \times 100$ a formula for the calculation of price index number is given by: **1 Mark**
A Marshall Edgeworth. **B** Paasche. **C** Laspeyre. **D** Fisher.
- Q158.** The Human Development Index (HDI) is introduced by _____. **1 Mark**
A UNDP **B** UNICEF **C** IMF **D** World Bank
- Q159.** We use price index numbers: **1 Mark**
A To measure and compare prices. **B** To compare prices. **C** To measure prices.
D None of these.
- Q160.** The aggregate index formula using base period quantities is known as: **1 Mark**
A Laspeyre's index. **B** Fisher's Ideal index. **C** Bowley's index. **D** Paasche's index.
- Q161.** The best average for constructing an index numbers is: **1 Mark**
A Harmonic mean. **B** Arithmetic mean. **C** Geometric mean. **D** None of these.
- Q162.** _____ is the benchmark index for the Indian stock market: **1 Mark**
A Price index. **B** Agricultural index. **C** Sensex. **D** None of these.
- Q163.** Consumer Price Index number for the year 1957 was 313 with 1940 as the base year, the average monthly wages in 1957 of the workers in a factory was *160. Their real wage is: **1 Mark**
A 48.40 **B** 51.12 **C** 40.30 **D** None of these.
- Q164.** _____ is particularly suitable for the construction of index numbers. **1 Mark**
A Harmonic meand **B** Arithmetic mean **C** Geometric mean **D** None of above
- Q165.** Index number is a _____. **1 Mark**
A Measure of relative change **B** A special type of an average **C** A percentage relative
D All the above
- Q166.** _____ has defined human development as, "Human development is the process of widening people's choices as well as raising the level of well-being achieved". **1 Mark**
A Human Development Report (1992) **B** Human Development Report (1997)
C Human Welfare Report (1992) **D** Human Welfare Report (1995)
- Q167.** If the current price index of gold is 10,000 per 10 gm. (Jan 2008), whereas the same was Rs. 8000 per 10 gm in Jan 2000. What is the increase in prices of gold in comparison to base years prices (Jan 2000) **1 Mark**
A 25% **B** 125% **C** 50% **D** 20%
- Q168.** An index number is called a simple index when it is computed from: **1 Mark**
A Multiple variable **B** Bi-variable **C** Single variable **D** None of these
- Q169.** If the old series is connected with the new series of index numbers, it is known as _____. **1 Mark**
A Base shifting **B** Backward splicing **C** Forward splicing **D** None of the above
- Q170.** Combining of two index number series having different base periods into one series with common base period is known as _____. **1 Mark**
A Splicing **B** Base shifting **C** Both (a) and (b) **D** Neither (a) and (b)
- Q171.** If the prices of all commodities in a place have decreased 35% over the base period prices, then the index number of prices of that place is now: **1 Mark**
A 35 **B** 135 **C** 65 **D** None of above
- Q172.** Fisher's method of calculating index numbers is based on: **1 Mark**
A Arithmetic mean. **B** Harmonic mean. **C** Geometric mean. **D** None of these.
- Q173.** The Human Development Report ranks countries on the basis of _____. **1 Mark**

- A** Income, health and education. **B** Income, health and death rate. **C** Income, population and education.
D Infant mortality rate, health and education.

Q174. _____ requires that the formulae for calculating an index number should give consistent results in both the directions, i.e. forward and backward.

1 Mark

- A** Circular test **B** Time reversal test **C** Factor reversal test **D** Unit test