

**AGA KHAN UNIVERSITY EXAMINATION BOARD**

**SECONDARY SCHOOL CERTIFICATE**

**CLASS IX**

**ANNUAL EXAMINATIONS 2022**

**Economics**

**Time: 1 hour 40 minutes    Marks: 50**

**INSTRUCTIONS**

1. Read each question carefully.
2. Answer the questions on the separate answer sheet provided. DO NOT write your answers on the question paper.
3. There are 100 answer numbers on the answer sheet. Use answer numbers 1 to 50 only.
4. In each question, there are four choices A, B, C, D. Choose ONE. On the answer grid, black out the circle for your choice with a pencil as shown below.

Correct Way	Incorrect Ways
1 (A) (B) ● (D)	1 (A) (B) (C) (D)
	2 (A) (B) (C) (D)
	3 (A) (B) (C) (D)
	4 (A) (B) (C) (D)

Candidate's Signature

5. If you want to change your answer, ERASE the first answer completely with a rubber, before blacking out a new circle.
6. DO NOT write anything in the answer grid. The computer only records what is in the circles.
7. The marks obtained on the 50 MCQs will be equated to the total marks of 75 for the theory examination results.
8. You may use a simple calculator if you wish.

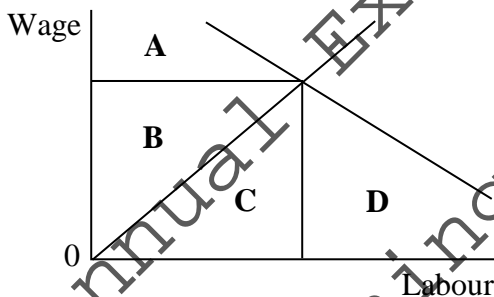
- Any manufacturing activity that is performed to serve humanity while ignoring financial motive is classified as a/ an
  - economic and non-productive activity.
  - economic and productive activity.
  - non-economic and non-productive activity.
  - non-economic and productive activity.

- An example of a non-productive effort is the collection of
  - antiques to display in a museum.
  - data for commodity prices for a governmental organisation.
  - food supplies for a charity foundation.
  - postal stamps from Pakistan Post.

- Pakistan has some of the largest glaciers in the world which are a source of fresh drinking water.

According to the types of wealth, these glaciers are classified as a/ an

- individual wealth.
  - international wealth.
  - national wealth.
  - public wealth.
- In the given graph, the area for transfer earning is labelled as



- Which of the following statements CORRECTLY distinguish between price and value?
  - Price is independent and value is dependent.
  - Price is intrinsic and value is extrinsic.
  - Price is the worth and value is the cost.
  - Price is what you pay and value is what you receive.
- Opportunity cost is the direct implication of
  - elasticity.
  - marginality.
  - scarcity.
  - utility.

7. A study was conducted on grade V students to determine the effect of their sleeping hours on the scores of their mathematics annual exam of 3 hours.

In the given situation, the dependent variable and independent variable would be

	<b>Dependent Variable</b>	<b>Independent Variable</b>
A	duration of sleep	the test score
B	the test score	duration of sleep
C	duration of test	the test score
D	duration of sleep	duration of test

8. Read the following features of a type of good:

- Has positive externalities
- Directly impacts the society
- Based on the consumers' preferences
- Given by the government for a particular segment of the society

The type of good identified based on the given features is a

- A. consumer good.  
 B. demerit good.  
 C. merit good.  
 D. non-economic good.
9. Which of the following activities will be categorised as a non-productive effort?
- A. Abbas is an accountant and he is responsible for maintaining the accounts of the business.  
 B. Karima designs hand-made embroidery and party wear dresses for a renowned garment store.  
 C. Salman is a manufacturer of sports goods.  
 D. Uzma is a housewife and is responsible for nurturing her child.
10. The study of macroeconomics MAINLY encompasses around the study of
- A. financier's motive.  
 B. governmental policies.  
 C. industrialist's approach.  
 D. investor's interest.
11. The study of economics enables an individual to
- A. comprehend socio-cultural behaviours of the human beings.  
 B. learn sufficient allocation of the resources.  
 C. manage everyday household activities.  
 D. record business transactions either in cash or credit.

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12. The term, 'economics' is derived from the word '*Oikonomia*' of which language?
- A. Egyptian
  - B. French
  - C. Greek
  - D. Latin
13. Upon reviewing Smith's, Marshall's and Robbin's proposed definitions of economics, it can be concluded that the subject matter of economics is MAINLY categorised as
- A. natural science.
  - B. technical knowledge.
  - C. relative study.
  - D. both science and art.
14. According to Professor Alfred Marshall, economics can be defined as a science of
- A. choice.
  - B. material welfare.
  - C. scarcity.
  - D. wealth.
15. Read the following features of an economy:
- No private ownership of property is allowed.
  - The government exercises the control in the name of its citizens.
  - It aims to eliminate the gap between the rich and poor and bring about economic equality.
- As per the given features, the economy can be classified as
- A. Islamic.
  - B. mixed.
  - C. Marxist.
  - D. welfare.
16. The concept of economics given by Professor Alfred Marshall has been generally criticised. This is because his concept of
- A. scarcity is unmeasurable.
  - B. utility is unmeasurable.
  - C. wealth is unmeasurable.
  - D. welfare is unmeasurable.
17. All of the following are considered as merits of capitalism EXCEPT
- A. consumer's choice.
  - B. economic growth and expansion.
  - C. efficiency of economics.
  - D. encourages and promotes monopoly.

18. Following are the main features of an economy:

- Individuals are free to make decisions about what and when to produce and the price value of the product.
- Individuals should compete freely without interference from government or any other external forces.

As per the given features, the economy can be classified as

- A. capitalist.
- B. Islamic.
- C. socialist.
- D. welfare.

19. As per law of demand, the demand of an individual depends on his/ her

- A. ability to pay and will to purchase.
- B. ability to pay only.
- C. ability to pay and trends to purchase.
- D. will to purchase only.

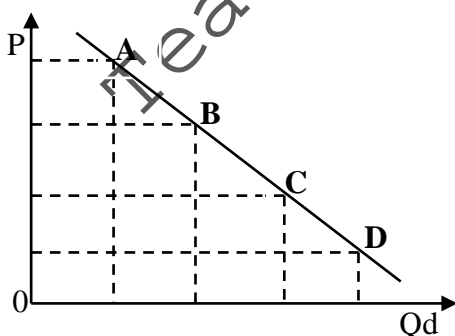
20. The slope of a normal demand curve is always

- A. negative.
- B. positive.
- C. undefined.
- D. zero.

21. One of the fundamental assumptions of law of demand is that

- A. there is no change in the prices of related commodities.
- B. the commodity should be homogenous.
- C. the demand for the commodity should not be continuous.
- D. there should be a substitute for the commodity.

22. In the given graph, the point at which the price is minimum and quantity demanded is maximum has been labelled as



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23. With reference to number of buyers in the market, the given images, **I** and **II** illustrate the comparison of the economic concepts of



**Image I**



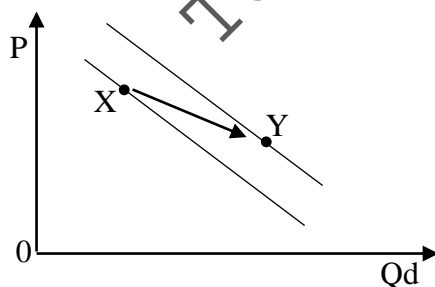
**Image II**

	<b>Image I</b>	<b>Image II</b>
A	scarcity	supply
B	desire	demand
C	demand	scarcity
D	individual demand	market demand

24. Nabeel is an expert in preparing embroidered products and usually receives personalised orders from customers. He would like to initiate a small embroidery workshop through which he can extend his business. For this purpose, he needs to estimate the market demand for his products to find out how much production would be required.

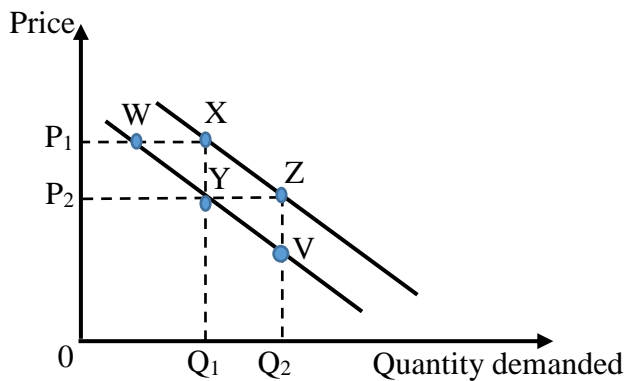
He can estimate the monthly market demand of his products by

- averaging the aggregate demand of all orders in the last month.
  - only considering the largest order he received last month.
  - only considering the last order he received.
  - summing up all the orders he has prepared in the last month.
25. In the given graph, all of the following reasons cause a change in demand from point **X** to **Y** EXCEPT for the change in



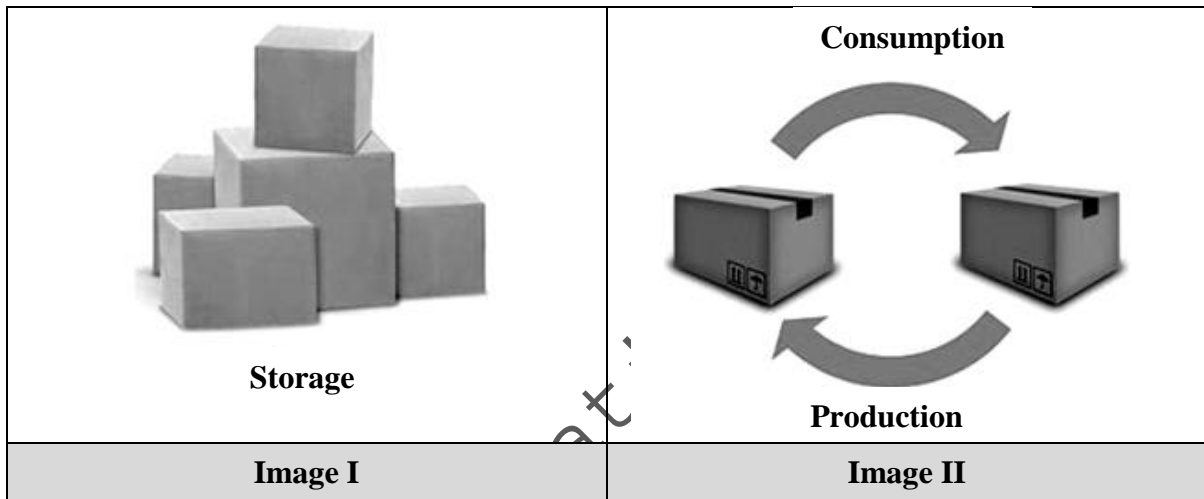
- consumer's income.
- consumer's preferences.
- price.
- weather conditions.

26. In the given graph, which of the following movements reflects the change in demand?



- A. W to X  
 B. W to Y  
 C. X to Z  
 D. Y to V
27. The formula used to compute the price elasticity of demand (PED) is
- A.  $PED = \frac{\text{percentage change in quantity demanded}}{\text{percentage change in price}}$   
 B.  $PED = \frac{\text{percentage change in price}}{\text{percentage change in quantity demanded}}$   
 C.  $PED = \frac{\text{percentage change in quantity demanded}}{\text{percentage change in income}}$   
 D.  $PED = \frac{\text{percentage change in income}}{\text{percentage change in quantity demanded}}$
28. In the vegetable markets of Pakistan, tomatoes are available throughout the year and it has inelastic demand.  
 Which of the following conditions is reflected in the given statement?
- A. Fall in price will be more than the fall in quantity demanded.  
 B. Fall in price will have no impact on the quantity demanded.  
 C. Rise in price will be less than the fall in quantity demanded.  
 D. Rise in price will be more than the fall in quantity demanded.
29. A straight line demand curve along which the price elasticity of demand is equals to 0, is the one that
- A. forms a 45° angle with the vertical axis.  
 B. forms a 60° angle with the horizontal axis.  
 C. is horizontal.  
 D. is vertical.

30. All of the following are the determinants of elasticity of demand EXCEPT the
- A. availability of substitutes.
  - B. income of the consumer.
  - C. technique of production.
  - D. nature of a product.
31. The given images illustrate the comparison between the economic concepts of



	<b>Image I</b>	<b>Image II</b>
A	stock	supply
B	hoarding	stocking
C	supply	quantity supplied
D	raw material	processed goods

32. In economics, the term 'supply' means the willingness of a seller to sell a particular good at a certain
- A. market and economic condition.
  - B. market trend and consumer preference.
  - C. desire and demand.
  - D. time and price.
33. Which of the following mathematical relationships about the law of supply is CORRECT?
- A. Price is directly proportional to the quantity supplied.
  - B. Price is inversely multiple proportionate to the quantity supplied.
  - C. Price is inversely proportional to the quantity supplied.
  - D. Price is non-proportional to the quantity supplied.



34. All of the following are the assumptions about the law of supply EXCEPT that there is no change in the
- A. business expectations.
  - B. consumer's income.
  - C. price of the factors of production.
  - D. technique of production.

35. To plot a supply curve of a good on a graph, the data that can be BEST used will be

A

Price	Quantity Supplied
5	10
10	20
15	30

B

Price	Quantity Supplied
5	10
10	10
15	10

C

Price	Quantity Supplied
5	30
10	20
15	10

D

Price	Quantity Supplied
5	10
10	20
15	10

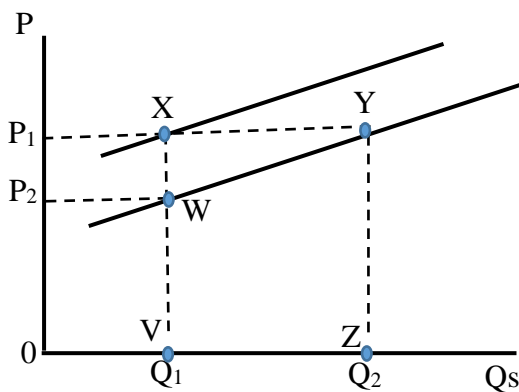
36. Which of the given scenarios CORRECTLY depicts the application of the law of supply in daily life?
- A. Saleem increases his daily consumption of dairy products as the prices are subsidised.
  - B. Aleem purchases more tomatoes as it is speculated that their price will rise in the near future.
  - C. Kaleem stitches more cotton handbags as he is getting better prices by the shopkeepers.
  - D. Ameen holds most of his manufactured wooden racks as he predicts a rise in the market price.

37. Which of the following factors causes the supply curve to have a positive slope?
- A. Weather conditions
  - B. Quantity demanded
  - C. Price
  - D. Trend

38. What causes the immediate shift in supply curve?

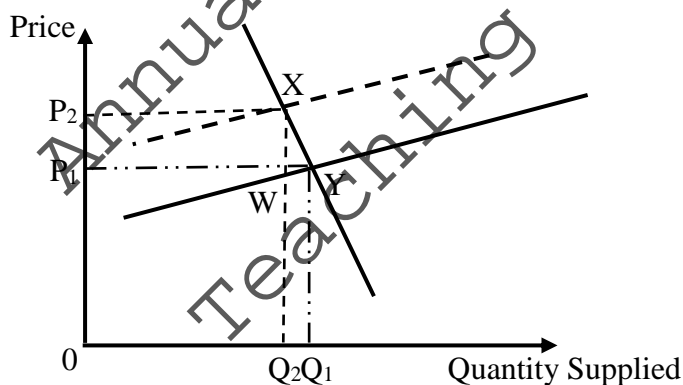
- A. Change in people's income
- B. Change in population
- C. Change in the cost of factors of production
- D. Change in the price of other commodities

39. Which of the following movements in the given graph reflects the change in quantity supplied?



- A. Y to Z
- B. W to X
- C. W to Y
- D. X to Y

40. Tomatoes are considered as one of the major ingredients of most of the South Asian cuisines and their price mostly fluctuates due to seasonal changes. The given graph illustrates the market condition of the demand and supply of tomatoes.



At point X, the change in price of tomatoes in the given condition is due to the

- A. contraction of supply.
- B. extension of supply.
- C. fall in supply.
- D. rise in supply.

41. Suppose the quantity supplied changes from 10 to 20 units.

With reference to the given hypothetical situation, the movement along the supply curve will happen

- A. as the price falls exponentially.  
 B. at a certain price.  
 C. when the price falls by one unit.  
 D. when the price rises by one unit.
42. An increase in per capita income of an economy reflects the
- A. fall in the average gross domestic product.  
 B. fall in the level of net national income.  
 C. rise in the average standard of living.  
 D. rise in the level of poverty.
43. Amna has completed her BBA programme and is looking for a suitable employment opportunity.  
 The type of unemployment described in the given situation is
- A. cyclical.  
 B. frictional.  
 C. seasonal.  
 D. structural.
44. All of the following are considered to be the causes of high unemployment rate in Pakistan EXCEPT
- A. lack of education and proper skills.  
 B. lack of physical and natural resources.  
 C. non-availability of capital.  
 D. poverty and high rate of population growth.
45. In economics, the term 'unemployment' refers to a situation where a person is
- A. not willing to work and is securing his/ her livelihood through charity.  
 B. not willing to work upon a given wage rate.  
 C. refusing to work as he/ she is expecting a better wage rate in the near future.  
 D. unable to find a job despite searching for it.
46. According to the World Bank Records 2020, countries having the highest and the lowest per capita income (PCI) in South Asian region are

	Highest PCI	Lowest PCI
A	Pakistan	Bhutan
B	Sri Lanka	Bangladesh
C	Maldives	Afghanistan
D	Nepal	India

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47. Salman has lost his job and is unable to find another job due to low economic activity in his country.

The type of unemployment describing from the given situation is

- A. cyclical.
  - B. frictional.
  - C. seasonal.
  - D. structural.
48. One of the short-term impacts of population pressure is that it results in an increase in the rate of
- A. immigration.
  - B. inflation.
  - C. malnutrition.
  - D. migration.
49. In the financial year of 2020-21, the MAJOR imports of Pakistan was/ were
- A. oil and petroleum products.
  - B. consumer goods.
  - C. leather products.
  - D. cement.
50. In economics, all of the following are identified as prime indicators of absolute poverty EXCEPT
- A. access to food.
  - B. access to higher education.
  - C. availability of clothing.
  - D. availability of shelter.

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