CBSE
CLASS 12 | Macroeconomics
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CHAPTER-2 | National Income Accounting

QUIZ
PART-01

1. **Which of the following is an example of a "Stock" in economics?**
   A. The amount of money spent on consumption in a year
   B. The total amount of savings in a bank account at a point of time
   C. The quantity of goods produced in a month
   D. The number of jobs created in a quarter   (B)
   Explanation : A stock is measured at a particular point of time, such as the total money in a bank account.

2. **Which of the following is an example of a "Flow" in economics?**
   A. The total amount of money in a person's bank account
   B. The amount of money spent on consumption in a year
   C. The total value of goods stored in a warehouse
   D. The number of cars owned by a person   (B)
   Explanation: A flow is measured over a period of time, such as annual consumption expenditure.

3. **Which of the following is an example of an intermediate good?**
   A. A car purchased by a consumer
   B. A shirt purchased by a consumer
   C. Steel used by a car manufacturer to produce cars
   D. A television set purchased by a consumer   (C)
   Explanation: Intermediate goods are used for further production, like steel used to manufacture cars.

4. **What is the key difference between final goods and intermediate goods?**
   A. Final goods are imported, intermediate goods are domestic
   B. Final goods are ready for use, intermediate goods require further processing
   C. Final goods are durable, intermediate goods are perishable
   D. Final goods are government-produced, intermediate goods are privately produced   (B)
   Explanation : Final goods are ready for consumption or investment, while intermediate goods need further transformation.

5. **Sugar used in a sweet shop to make sweets is classified as:**
   A. A capital good
   B. A final good
   C. An intermediate good
   D. A consumption good   (C)
   Explanation: Since sugar is used in further production (sweets), it is an intermediate good.

6. **Which of the following is a capital good?**
   A. Milk consumed by households
   B. Car used by a taxi driver
   C. Shirt purchased by a consumer
   D. Bread consumed by a family   (B)
   Explanation: A car used for business purposes like a taxi enhances production capacity, making it a capital good.

7. **Which variable is measured at a particular point of time?**
   A. National Income
   B. Profit
   C. Population of India on 31st March
   D. Expenditure on goods in a year   (C)
   Explanation: Stock variables like population are measured at a point of time, unlike flows which are over a period.

8. **Which variable is measured over a period of time?**
   A. Money supply
   B. Wheat stored in a warehouse
   C. Expenditure in a year
   D. Wealth of a nation   (C)
   Explanation: Flows such as expenditure are measured over time, unlike static stocks like wealth.

9. **Real flow refers to the:**
   A. Flow of goods and services between households and firms
   B. Flow of money between households and firms
   C. Flow of imports and exports between nations
   D. Flow of taxes between government and households   (A)
   Explanation: Real flow is the physical movement of goods and services in the economy.

10. **Money flow refers to the:**
    A. Flow of money between households and firms
    B. Flow of physical goods between households and firms
    C. Flow of resources between nations
    D. Flow of raw materials between producers   (A)
    Explanation : Money flow indicates the flow of monetary payments like wages, rent, and consumption expenditure.