



MFE 11

**I Semester M.B.A. (F.E.) Examination, June/July 2010
MACRO MONETARY ECONOMICS (O.S.)**

Time : 3 Hours

Max. Marks : 80

SECTION – A

Answer **all** sub-questions. **Each** question carries **two** marks.

(5×2=10)

1. a) What is Opportunity Cost ?
- b) Distinguish between Micro and Macro Economics.
- c) What is Fiscal Policy ?
- d) Define Inflation.
- e) What is Repo Rate ?

SECTION – B

Answer **any five** questions. **Each** question carries **seven** marks.

(5×7=35)

2. What is Elasticity of Demand ? Explain different types of Elasticity of Demand.
3. Explain various types of market scenarios.
4. Discuss the effects of Government Price Controls.
5. Briefly explain monetary policy and its types.
6. Explain the role of government in market economies.
7. What is Production Possibility Frontier ?
8. Explain the concepts of absolute and comparative advantage.

P.T.O.



SECTION – C

Answer **any two** questions. **Each** question carries **ten** marks. **(2×10=20)**

9. Briefly explain the macro economic policy tools in market economies.
10. Explain the importance of macro economic indicators.
11. What is exchange rate policy ?
12. What is law of demand ? Explain the shifts in market demand for a commodity.

SECTION – D

Answer **any one** question. **Each** question carries **fifteen** marks. **(1×15=15)**

13. Discuss in detail the causes, effects and management of inflation.
 14. Explain the prerequisites of macro economic frame work and a stable macro economic environment.
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