**SAINTGITS COLLEGE OF APPLIED SCIENCES**

**First Internal Assessment Examination, JANUARY 2019**

**Department of Corporate Economics, Semester6**

**MACRO ECONOMICS II**

**Total : 50 marks Time: 2Hours**

**Section A**

**Answer all questions. Each question carries 1 mark.**

1. Real income
2. Aggregate demand
3. Autonomous investment
4. Induced investment
5. MPS

  **(5 X 1 = 5 marks)**

**Section B**

**Answer any 5 questions. Each question carries 2 marks**

1. What is multiplier?
2. Explain under employment.
3. What is Consumption Function?
4. Explain capital output ratio.
5. Explain MPC and multiplier.
6. What is accelerator? **(5 X 2 = 10 marks)**

**Section C**

**Answer any 5 questions. Each question carries 4 marks.**

1. Explain the causes of fall in aggregate demand.
2. Explain the types of investment.
3. Explain the components of aggregate demand?
4. Explain the theory of money multiplier?
5. Discuss the interaction principle of multiplier and accelerator.
6. What is speculative demand for money?

 **(5 X 4= 20 marks)**

**Section D**

**Answer any 1 question. Question carries15 marks.**

1. Explain the Keynesian theory of demand for money?
2. Write a note on Hicksian theory of business cycle?

 **(1 X 15 = 15 marks)**