



QP CODE: 19102242



19102242

Reg No :

Name :

BA DEGREE (CBCS) EXAMINATION, OCTOBER 2019

Third Semester

B.A Corporate Economics Model III

CORE COURSE - EC3CRT06 - MONETARY ECONOMICS - I

2017 Admission Onwards

FD3233BE

Maximum Marks: 80

Time: 3 Hours

Part A

*Answer any **ten** questions.*

*Each question carries **2** marks.*

1. Define Gresham's law.
2. What is the role of money in capitalism?
3. What is meant by Gold parity standard?
4. What is meant by exchange rate?
5. Define quantity theory of money.
6. What determines the transaction demand in the Keynesian framework?
7. What is the significance of 'C' and 'R' in the mechanistic model?
8. What do you mean by behavioural model of money supply?
9. Mention any two causes of inflation.
10. What should be the tax policy during inflation?
11. Define stagflation.
12. Define the effect of stagflation

(10×2=20)

Part B

*Answer any **six** questions.*

*Each question carries **5** marks.*

13. What are the different forms of money?
14. Distinguish between exchange and asset demand for money.





15. Examine the merits of paper currency.
16. What were reasons for the demonetization of Indian rupee in November 2016?
17. What determines the value of money?
18. Examine the superiority of Cambridge cash balance equation over Fisherian equation
19. What are the components of money supply?
20. Examine the various types of inflation.
21. Explain the concepts of cost push and demand pull types of inflation.

(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. Examine various systems of note issue.
23. Compare the Fisher's equation of exchange with Cambridge cash balance approach.
24. How do changes in money supply influence price level?
25. Analyse the effects of inflation on various sectors of the economy.

(2×15=30)

