

Academic year: 2024/2025	<p align="center">Department of Management of Companies and Administrations</p> <p align="center">Monetary and Financial Economics class</p> <p align="center">First semester Final Exam</p> <p align="center">Model answer</p>	<p align="center">Level: Sophomores</p> <p align="center">Dr. Attia Moufida</p>
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Part.1: Circle the correct answer (Only one choice). (5pts)

<p>1."Economic problem" is an economic term that refers to:</p> <p>a. Scarcity of golden money. b. Limited funds for investment. Ⓒ Limited resources and unlimited needs.</p> <p>2. The study of financial system includes:</p> <p>a. Money functions. Ⓓ Money market. c. Money forms.</p> <p>3.The following characteristic is not considered as one of inflation's signs:</p> <p>Ⓐ High unemployment rate. b. Rapid and continuous change in prices of goods and services. c. Increase in the level of demand.</p> <p>4. The term business cycle refers to:</p> <p>a. Investment. b. One of the main assumptions of the Keynesian school of thoughts. Ⓒ Phases that any economy may go through.</p> <p>5. which one of the following words cannot be used referring to recession:</p> <p>a. Depression. b. Contraction. Ⓒ Expansion.</p>	<p>6. An economic scholar who does not belong to the classical school of thoughts:</p> <p>Ⓐ John Maynard Keynes. b. Adam Smith. c. David Ricardo.</p> <p>7. In a barter system, people are exchanging goods and services:</p> <p>Ⓐ Directly. b. After a period of time. c. Using a medium of exchange.</p> <p>8. A hard money means:</p> <p>a. Difficult to be divided into smaller pieces. Ⓓ Money made with gold and silver. c. Not easy to carry it.</p> <p>9. In a paper money:</p> <p>a. Face value = Intrinsic value. Ⓓ Face value > Intrinsic value. c. Face value < Intrinsic value.</p> <p>10. The invisible hand is one of the main pillars of :</p> <p>a. Socialism Ⓓ Capitalism c. Islamic economic system</p>
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Part.2: answer the following questions.

1. Translate the following Arabic economic terms to English. (5 pts)

Terms in english	المصطلح العربية	Terms in english	المصطلح العربية
Withdrawals	سحوبات الأموال	Depositors	المودعين
Current account deposits	ودائع جارية	Borrowers	المقترضين
Fixed or Time deposits	ودائع لأجل	Lenders	المقرضين
Saving account deposits	ودائع ادخارية	Loans	القروض
Notice Deposits	ودائع بإخطار	Deposits	الودائع

2. What are main the differences between the monetary policy and fiscal policy (3 pts)

Monetary policy	Fiscal policy
<p>a. Undertaken by the central bank</p> <p>b. Aims at maintaining prices stability by controlling the money in circulation.</p> <p>c. The use of a range of instruments, for example: open market operations, interest rates, rediscounting rate,...etc.</p>	<p>a. Undertaken by the government</p> <p>b. It aims at reaching to major objectives, the first one is raising the economic growth rate. And the second one is reducing poverty.</p> <p>c. The use of two main instruments, which are: public spending and taxation.</p>

3. Give the dates related to the three following famous economic events. (3 pt)

- The great financial crises: 2008.
- The great depression crises: 1929.
- Stagflation crises: 1974.

4. In a scheme, try to draw the different components of a direct external financing. (4 pts)

