National University of Modern Languages Islamabad
Faculty of Management Sciences
Department of Economics

GAT General will be comprised by total 125 Marks. GAT General will be 100 MCQs and 25 marks will be based on subjective economics questions. The Distribution is as follows

1. **English Verbal**   30%
2. **Analytical Reasoning**   30%
3. **Quantitative Reasoning**   40%
4. **Subjective Economics Based** 25%

Marks: 125

Time Allowed: 03 Hrs

ENGLISH VERBAL REASONING (30%)

Section – I

Choose from the following, the answer that is <u>closest in meaning</u> to the main word (Written in Capital letters).

1. ANOMALY
(A) normal | (B) straight | (C) irregularity | (D) integrity

2. ABSTRUSE
(A) showy | (B) evident | (C) difficult to manage | (D) difficult to understand

3. VACUOUS
(A) stupid | (B) truthfulness | (C) ravenous | (D) confused

Section – II

Choose from the following, the answer that is <u>opposite in meaning</u> to the main word (Written in Capital letters).

4. CONSENSUS
(A) agreement | (B) disagreement | (C) quality | (D) special case

5. FECKLESS
(A) weak | (B) careless | (C) careful | (D) unlucky

6. EMINENT
(A) imminent | (B) happy | (C) famous | (D) unknown

Section – III

Choose the pair of words that best expresses a relationship similar to that expressed in the pairs of words in capital.

7. DETERIORATE: IMPROVE
(A) feckless : careless | (B) evanescent : exigent | (C) hope : hone | (D) obstinate : tractable

8. AGGRAVATE: ALLEVIATE
(A) later : precede | (B) urbane : naïve | (C) evasive : wordy | (D) feeble : worker

Section – IV

Fill in the blanks with suitable answer from the given options.

9. In Lahore, fares are _____ high.
(A) fascinatedly | (B) extraneously | (C) exorbitantly | (D) passionately

10. As a result of the _____, no one can trade with North Korea.
(A) enigma | (B) embargo | (C) vicious | (D) voracious

11. Most of the guests arrived _____ buses.
(A) with | (B) by | (C) from | (D) in

Section – V

Read the following paragraphs carefully. Choose the correct answer from the options given below:

Unemployment is an important index of economic slack and lost output, but it is much more than that. For the unemployed person, it is often a damaging affront to human dignity and sometimes a catastrophic blow to family life. Nor is this cost distributed in proportion to ability to bear it. It falls most heavily on the young, the semiskilled and unskilled, the black person, the older worker, and underemployed person in a low income rural area who is denied the option of securing more rewarding urban employment… The concentrated incidence of unemployment among specific groups in the population means far greater costs to society that can be measured simply in hours of involuntary idleness or dollars of income lost. The extra costs include disruption of the careers of young people, increased juvenile delinquency, and perpetuation of conditions which breed racial discrimination in employment and otherwise deny equality of opportunity. There is another and more subtle cost. The social and economic strains of prolonged under-utilization create strong pressures for cost-increasing solutions… On the side of labor, prolonged high unemployment leads to "share-the-work" pressures for shorter hours, intensifies resistance to technological change and to rationalization of work rules. On the side of business, the weakness of markets leads to attempts to raise prices to cover high average overhead casts and to pressures for protection against foreign and domestic competition.

12. According to the passage, unemployment is an index of

(A) over utilization of capacity	(B) economic slack and lost output
(C) diminished resources	(D) the employment rate

13. While unemployment is damaging to many, it falls most heavily upon all except the
(A) black | (B) semiskilled | (C) unskilled | (D) white middle class

QUANTITATIVE REASONING (40%)

14. $4 + 4 - 4 \times 4 \div 4 = ?$

(A) 0 | (B) 1 | (C) 4 | (D) 8

15. $\frac{7}{8}$ of 96 is

(A) 72 | (B) 76 | (C) 80 | (D) 84

16. If $x + 3y = 12$ and $-2x - 4y = 24$. Then what are the values of x and y?

(A) $x = 24$ and $y = 60$ | (B) $x = 60$ and $y = 24$ | (C) $x = -24$ and $y = 60$ | (D) $x = 24$ and $y = -60$

17. The ages of Sohail, Afzal and Bilal are 17, 16 and 12 respectively. If the age of Aslam also included the average of the ages is increased by 5. What is the age of Aslam?
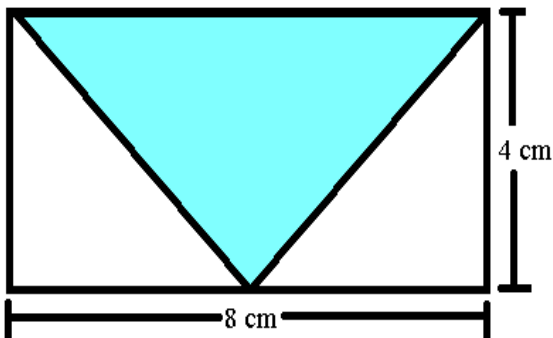
(A) 32 | (B) 33 | (C) 34 | (D) 35

18. What is the solution of the equation?

$$(2)^2 + \frac{1}{(2)^2} + (2)^{-2} + \frac{1}{(2)^{-2}} = ?$$

(A) 1 | (B) $\frac{2}{17}$ | (C) $\frac{17}{2}$ | (D) 4

19. What is area of the shaded region (coloured region) in the following diagram

4 cm

8 cm

(A) 16 cm² | (B) 18 cm² | (C) 20 cm² | (D) 22 cm²

20. A car covered 300 km of distance in 3 hour 20 minutes, and then 240 km of distance in 2 hour and 40 minutes. What is the average speed of the car during this trip?

(A) 80 km/hr | (B) 90 km/hr | (C) 100 km/hr | (D) 110 km/hr

21. Two students appeared at an examination. One of them secured 9 marks more than the other and his marks was 56% of the sum of their marks. The marks obtained by them are:

a) 39, 30 | b) 41, 32 | c) 42, 33 | d) 43, 34

ANALYTICAL REASONING (30%)

Find answers and explanation to the answers at the bottom of the page.

Questions 22 – 29

Nine individuals: Ahmed, Bilal, Danish, Faisal, Haroon, Liaquat, Maryam, Shiza and Zeeshan are to serve on three committees labeled A, B and C.

Each candidate should serve on exactly one of the committees

Every committee must have atleast one member

Committee A should consist of exactly one member more than that of committee B

Among Maryam, Shiza and Zeeshan none can serve on committee A

Among Faisal, Harron and Liaquat none can serve on committee B

Among Ahmed, Bilal and Danish none can serve on committee C

QUESTIONS

22. In case Danish and Zeeshan are the individuals serving on committee B, how many of the nine individuals should serve on committee C?

(A) 2	(B) 3	(C) 4
(D) 5	(E) 6	

23. Of the nine individuals, the maximum number that can serve together on committee C is

(A) 5	(B) 6	(C) 7
(D) 8	(E) 9	

24. In case Ahmed is the only individual serving on committee B, which among the following should serve on committee A?

(A) Bilal and Danish	(B) Bilal and Faisal	(C) Bilal and Liaquat
(D) Faisal and Haroon	(E) Danish and Haroon	

Question (25-29) 7 persons live in a street, having houses in line. Consider the following:

1. A lives in the corner's house	2. C is between E and G	3. There is 1 house between D and F
4. F is neighbor of G	5. There are two houses between A and G	

25. Who lives in the second corner?

(A) B	(B) C	(C) D
(D) E	(D) F	

26. Who lives in the middle?

(A) C	(B) D	(C) E
(D) F	(E) G	

SUBJECTIVE PART (25 Marks)

Q. No 1

Using the IS-LM Framework, Discuss the effectiveness of monetary policy keeping in view the current macroeconomic condition of Pakistan.

(10)

Q. No 2

Discuss in detail the consumer equilibrium using the ordinal theory of consumer behaviour?

(10)

Q. No 3

If the Population Regression Function of consumption function is

$$Y_i = \beta_1 + \beta_2 X_i + \mu_i$$

Discuss in detail the assumptions of Classical Linear Regression Model?

(05)

Good Luck