

STELLA MARIS COLLEGE (AUTONOMOUS) CHENNAI – 600 086
(For candidates admitted from the academic year 2019 – 2020 and thereafter)

B. A. DEGREE EXAMINATION, APRIL 2024
BRANCH IV - ECONOMICS
FOURTH SEMESTER

COURSE : MAJOR CORE
PAPER : MONETARY ECONOMICS
SUBJECT CODE : 19EC/MC/MO44
TIME : 3 HOURS

MAX. MARKS : 100

SECTION – A

ANSWER ANY TEN QUESTIONS. EACH ANSWER NOT TO EXCEED 50 WORDS.

(10 X 2= 20)

1. Define money.
2. Write a note on standard money.
3. What is Fiat money?
4. List the factors that affect velocity of circulation of money.
5. What is Money of Account?
6. Explain Value of money.
7. Explain Robertson's equation of demand for money.
8. Explain Liquidity Trap.
9. Define money supply.
10. Which is the most liquid form of money? Why?
11. What is high powered money?
12. What is money multiplier?

SECTION – B

ANSWER ANY FIVE QUESTIONS. EACH ANSWER NOT TO EXCEED 400 WORDS.

(5 X 8 = 40)

13. Identify the principles behind note issue in a country.
14. Differentiate between Convertible and inconvertible paper money.
15. Explain the method of preparation of Price Index numbers.
16. Discuss the determinants of the demand for money as given by Keynes.
17. How are the Cash Balance equations superior to the Cash transaction approach? Justify.
18. Identify the measures of money supply as per the Reserve Bank of India.
19. What is Credit creation? How do Commercial Banks create credit?
20. Explain Monetary Base.

SECTION – C

ANSWER ANY TWO QUESTIONS. EACH ANSWER NOT TO EXCEED 1000 WORDS.

(2 X 20 = 40)

21. Discuss the functions of money.
22. Critically evaluate Fisher's Quantity theory of money.
23. Explain Tobin's Portfolio Approach to the demand or money.
24. Discuss the determinants of money supply in an economy.
