



**2022– 2023/ First Semester**

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**Q1/ Define the following terms:**

Cash Economy:

Currency:

Electronic money:

Barter System:

Near Money:

Bank Money:

Money (Functionally):

Plastic Card:

Paper Money:

Monetary Base (Mb):

Monetary System:

Money in Circulation (M0):

Gold Standard:

Supply of Money:

Gold Coin Standard:

Monetary policy:

Discount Rate:

Central Bank:

Credit Control:

**Q2/ Fill the blankets:**

1-World Economic Stages are: ..... ,.....  
.....

2- Homogeneity means that each unit of money must be same in:

..... ,..... ,.....

3- Types of Currency: .....

4- Primary Functions of money are: .....  
.....

5- Components of the Monetary System are:

.....,.....

6-Types of Monetary Standard are: .....,.....

7-People used metals as money through the following three forms: ....., .... ,.....

8-Types of E- Money are: ..... ,..... ,.....

9- Monetary policy has two types are: ..... ,.....

10- Contractionary Monetary policy used to .....

11- Expansionary Monetary policy used to .....

12- The monetary policy has three quantitative tools are: ..... ,..... ,.....

13- Losers from rising prices are: .....,.....

14- Gainers from rising prices are: .....,.....,.....

### **Q3/ Count the following statements:**

1- Difficulties of Barter System

2- Characteristics of Money

3- Defects of Common Commodity Money

4- Advantages of E-Money

5- The disadvantages of the gold standard

6- Characteristics of Currency

7- Characteristics of a good Monetary System

8- Defects of Metallic Money

9- Functions of Central Bank

10- Objectives of Credit Control by the Central Bank

11- Methods of Credit Control

12- Objectives of Open Market Operations

13- Measures of Selective Credit Control

### **Q4: Explain the following statements:**

1- Effect of Money on Economic Activity (Way of Interest Rate) (**Use Graph**)

2- Characteristics of E-Money

3- What are the Advantages of Fiat Standard?

4- What are the Advantages of Bimetallic Standard?

5- What are the Advantages of Gold Standard?

6- Select the Characteristics of Money?

7- Determine the defects of metallic money?

8- What are the difficulties of the barter system?

9- Types of Money (**Use Graph**)

- 10- What are Goals or Objectives of Monetary Policy?
- 11- What is The Impact of Contractionary Monetary Policy on GDP? (**by using curve**)
- 12- How to use Open Market Operations?
- 13- How to use Required Reserve?
- 14- How to use Discount Rate?
- 15- The Implementation of contractionary monetary policy tools together to reduce recession (**Use Graph**)
- 16- The Implementation of contractionary monetary policy tools together to reduce inflation (**Use Graph**)
- 17- Steps of Money Issuing (**Use Graph**)
- 18- Conditions for the Success of the Bank Rate Policy
- 19- Conditions for the Success of Open Market Operations
- 20- Effect of Money on Economic Activity (Way of Demand) (**Use Graph**)
- 21- Effect of Money on Income Distribution (Losers and reasons from rising prices)
- 22- Effect of Money on Income Distribution (Gainers and reasons from rising prices)

**Q5/ Compare the following statements:**

1-

<b>Bimetallic Standard</b>	<b>Fiat Money Standard</b>

2-

<b>Barter System</b>	<b>Cash Economy</b>

3- Central Bank Balance Sheet (Assets and Liabilities)

**Q6/ Suppose that (amounts in billion dollars):**

Coins= 100      Notes= 110      Demand Deposit= 120      Reserves= 80

Calculate each of M0, Mb and M1?

<b>Components Classifications</b>	<b>Coins</b>	<b>Notes</b>	<b>Reserves</b>	<b>Demand Deposit</b>	<b>Sum</b>
<b>M0</b>					
<b>Mb</b>					
<b>M1</b>					

**Suppose that (amounts in billion dollars):**

Saving Deposit = 60      Coins= 90      Notes= 100      Reserves= 70

Demand Deposit= 110      All Other Deposits = 80      Time Deposit= 120

Calculate each of M0, Mb, M1, M2 and M3?

**Suppose that (amounts in billion dollars):**

Saving Deposit = 80      Coins= 100      Notes= 150      Reserves= 90

Demand Deposit= 120      All Other Deposits = 70      Time Deposit= 100

**Required:** Calculate each of M0, Mb, M1, M2, and M3?

Good luck