

Question 1: In a financial market where information is symmetric:

- The same information would be known by both parties in a transaction
- One party to a transaction knows information the other party does not
- The ability to obtain information is available to only one party
- All of the given options

Question 2: Which of the following is NOT included in the assets of commercial banks?

- Cash Items
- Reserves
- Securities
- Bills payable

Question 3: An increase in wealth shifts the demand for bonds to the _____.

- Left
- Right
- No change
- All of the given options

Question 4: Which characteristic are common both in money and securities

- Transfer of risk, store of value
- Unit of account, mean of payment
- Mean of payment, transfer of risk
- Store of value, mean of payment

Question 5: A business cycle downturn shifts the bond supply to the:

- Right
- Left
- No change
- None of the given options

Question 6: If YTM equals the coupon rate the price of the bond is _____.

- Greater than its face value
- Lower than its face value
- Equals to its face value
- Insufficient information

Question 7: At which money aggregate definitions relation is stronger with inflation and growth

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