

## TIME SERIES ANALYSIS

### MULTIPLE CHOICE QUESTIONS

1. Purchasing power of money is stated as \_\_\_\_\_ price index ( )
  - a. Equal to
  - b. Unequal to
  - c. Reciprocal of**
  - d. None
  
2. Index numbers are known as a specific type of \_\_\_\_? ( )
  - a. Average**
  - b. Correlation
  - c. Dispersion
  - d. None
  
3. Index number is also known as economic \_\_\_\_\_? ( )
  - a. Parameter
  - b. Barometer**
  - c. Constant
  - d. None
  
4. Which of the following is known as the ideal index number ( )
  - a. Fisher's**
  - b. Paasches
  - c. Laspeyres
  - d. None
  
5. Weight in Laspeyres price index number is known as \_\_\_\_? ( )
  - a. Quantity during the current year
  - b. Quantity in the base year**
  - c. Price during the current year
  - d. Price in the base year
  
6. In case the values are of equal importance, then the index number is known as \_\_\_\_ ( )
  - a. Weighted
  - b. Composite
  - c. Unweighted**
  - d. Value index
  
7. Calculate fisher's ideal index, given Laspeyres index = 110, Paasche's index = 108.( )
  - a. 100
  - b. 108
  - c. 109**
  - d. 110

9. In the consumer price index, the household budget method is also known as \_\_\_\_? (      )
- b. Average of weights
  - c. The weighted average of relatives**
  - d. All of the above

10. Which one of the following is the use of an index number? (      )
- a. To measure changes in quantity
  - b. To measure changes in demand
  - c. To measure changes in price
  - d. To measure changes in variables over a period of time.**