

COMMERCE

FOR

Senior Secondary School

1

Practice Questions and Answers



EDUBASE

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QUESTIONS

TOPIC: BANKING SERVICES

DIRECTION: Choose the correct answer from the lettered options.

1. The weapons used by the central bank to control credit is _____
 - A. open market operations
 - B. treasury bills
 - C. collateral
 - D. commission

2. "Apex Bank" is alternative name for _____ bank.
 - A. central
 - B. saving
 - C. African
 - D. commercial

3. A Cheque which a bank official draws on the bank's deposits in another bank is known as _____
 - A. cashier's cheque
 - B. bank draft
 - C. certified cheque
 - D. traveler's cheque

4. A cheque issued in January 1997 which the holder failed to present for payment until September 1997 is called a _____
 - A. crossed cheque
 - B. traveler's cheque
 - C. post-dated cheque
 - D. stale cheque

5. Another name for fixed deposit account is _____
- A. personal account
 - B. current account
 - C. savings account
 - D. time deposit
6. Which of these qualities guarantees the keeping of money for a long period?
- A. Acceptability
 - B. Divisibility
 - C. Durability
 - D. Homogeneity
7. The provision of adequate number of berths by which ships can load and off-load is the function of the _____
- A. department of Customs & Excise
 - B. ports Authority
 - C. shipping and Forwarding Agent
 - D. national Shipping Line
8. Which of the following services is NOT provided by the Customs and Excise Authority?
- A. Collection of import duties
 - B. Improvement of ports facilities
 - C. Checking smuggling
 - D. Control of goods in the bonded warehouse
9. A simple crossed cheque bears _____ parallel diagonal lines across its face.
- A. 4
 - B. 2

- C. 5
- D. 3

10. The followings are features of a cheque EXCEPT _____

- A. the account number of the drawer
- B. the amount to be paid to the payee
- C. the stamp duty
- D. discounting bills of exchange

Use this document to answer the questions

XYZ bank Nigeria plc.

47085234 market Branch Lagos 5/12/05

Pay Obioma Emmanuel or order

The sum of Twenty Thousand Naira Only

Kate C

#20,000.00

Kate Chinasa 47085234

11. Kate Chinasa and Obioma Emmanuel are respectively _____

- A. acceptor and endorser
- B. drawer and payee
- C. endorser and payee
- D. payee and drawer
- E. writer and acceptor

12. A financial institution established for acceptance of fixed deposits from members of the public with the aim of encouraging them to build their own houses by offering them long - term loans is _____

- A. discount house
- B. mortgage bank

- C. merchant bank
- D. development bank

13. To pay money into a current account, the customer needs a _____

- A. bank statement
- B. cheque
- C. passbook
- D. teller
- E. withdrawal slip

14. All these are functions of money EXCEPT

- A. general acceptability
- B. medium of exchange
- C. standard for deferred payment
- D. store of value
- E. unit of account

15. "Not Negotiable" means that, the _____

- A. cheque is not crossed
- B. drawer is bankrupt
- C. no cash in the bank
- D. cheque may not be endorsed to another person

Use this document to answer the questions

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Kate C

#20,000.00

Kate Chinasa 47085234

16. XYZ Bank Nigeria Plc is the _____

- A. bearer
- B. drawee
- C. drawer
- D. endorser
- E. payee

17. A financial institution that provides short, medium and long - term loans, accepts large deposits, bills and deals in stocks is _____

- A. co-operative bank
- B. mortgage bank
- C. merchant bank
- D. commercial bank

18. The practice whereby customers purchase goods without being attended to by shop assistants is _____

- A. pre-sale service
- B. after sales services
- C. self-services
- D. impulse buying

19. The functions of a merchant bank includes the following EXCEPT

- A. buying and selling of foreign exchange
- B. discounting of bills of exchange
- C. provision of capital for floating companies
- D. regulating the money in circulation
- E. selling of shares, bonds, stocks and other securities

20. One of the following means is NOT how the central bank control the commercial banks.

- A. Special credit
- B. Special direction
- C. Special deposit
- D. Bank rate

21. The responsibilities of the Nigerian Port Authority do NOT include _____

- A. collecting custom duties
- B. dredging harbour
- C. maintaining dry dock
- D. providing re-fuelling facilities at the port
- E. provision of crane

22. The Central Bank of Nigeria started operation in _____ year.

- A. may, 1955
- B. October, 1955
- C. July, 1959
- D. January, 1963

23. Which of these functions performed by the central bank?

- (i) Issuing of currency
- (ii) Control of credit
- (iii) Control of employment
- (iv) Lenders of last resort

- A. i and ii
- B. i and iii
- C. i, ii and iv only
- D. all of the above

24. A mortgage bank is primarily concerned with financing the acquisition of _____

- A. motor vehicle
- B. research equipment
- C. computer machine
- D. dwelling houses

25. The central bank of Nigeria performs the following functions, EXCEPT _____

- A. the government bank
- B. the banker's bank
- C. control of credit
- D. pay salaries to government workers

26. A bulk money a bank gives to its customer or others that meet the requirements for such money is called _____

- A. credit
- B. gift
- C. loan
- D. allowance

27. The instruction by the central bank to the commercial banks on definite credit guidelines is referred to as _____

- A. cash reserves
- B. bank rate
- C. open market operation
- D. special deposit
- E. special directives

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28. The document above is a/an _____

- A. bill of exchange
- B. bearer cheque
- C. certified cheque
- D. order cheque
- E. standing order

29. A cheque drawn on behalf of a customer to guarantee payment is referred to as _____

- A. certified
- B. crossed
- C. dishonored
- D. post dated
- E. stale

TOPIC: FINANCE AND FINANCIAL INSTITUTIONS

DIRECTION: Choose the correct answer from the lettered options.

1. Which of the following is an avenue for raising long term capital?

- A. Money market
- B. Capital market
- C. International market
- D. Domestic

2. Promissory notes, bank drafts and cheques are classified as _____

- A. bank deposits
- B. legal tender
- C. documents of title
- D. credit instruments
- E. representative money

3. by barter is a form of in which _____ is exchanged for _____

- A. goods/rice
- B. money/goods
- C. goods/goods
- D. notes/coin
- E. None of the above

4. Which of the following services is NOT rendered by Commercial Banks?

- A. Business advice
- B. Currency notes issue
- C. Accepting deposits
- D. Credit transfers

5. Which of the following is not a function of money?

- A. Portability
- B. Unit of account
- C. Store of value
- D. Standard of deferred payment
- E. Medium of exchange

6. Use the following information to answer question below.

A cheque written payable to M. Olu, has at its back 'Pay K.Ojono' and signed by Olu.

K. Ojono is now the _____

- A. drawer
- B. payee
- C. drawee
- D. payer
- E. debtor

7. Central bank controls commercial banks in the following ways EXCEPT _____

- A. open market operation
- B. liquidity ratio
- C. special directives
- D. lender of last resort
- E. none of the above

8. _____ is NOT a function of commercial banks.

- A. Accepting deposit
- B. Lending to customer
- C. Safe keeping of valuables

- D. Discounting of bills
- E. Lender of last resort

9. Use the following information to answer question below.

A cheque written payable to M. Olu, has at its back 'Pay K. Ojono' and signed by Olu.

The above cheque is _____

- A. a bearer cheque
- B. an order cheque
- C. a crossed cheque
- D. a certified cheque
- E. a stale cheque

10. Which of the following encourages people to save towards owning a house?

- A. Merchant bank
- B. Development bank
- C. Mortgage bank
- D. Commercial bank

11. One of the effects of instability in farmers' income in Nigeria is _____

- A. lack of infrastructural facilities
- B. rural-urban migration
- C. inadequate supply of fertilizer
- D. low level of technology

12. The buying and selling of securities from and to commercial banks in order to increase and reduce the money in circulation by the Central Bank is called _____

- A. open market operation
- B. shareholding

- C. liquidity ratio
- D. credit

13. The regulatory body that co-ordinates the activities of commercial banks in Nigeria is known as _____

- A. Reserve Bank of Nigeria
- B. Central Bank of Nigeria
- C. Nigerian Development Bank
- D. Corporate Affairs Commission

14. The modern trend of exchanging goods or services that are paid for, in whole or part, with other goods or services is known as _____

- A. counter-
- B. credit
- C. barter system
- D. international

15. Which of the following is NOT a benefit of making transactions with cheque?

- A. It makes payment convenient
- B. Reduces the risk of carrying cash
- C. General acceptability
- D. Removes the burden of carrying bulk money

16. The challenge of double coincidence of wants is a characteristics of _____

- A. division of labour
- B. barter system
- C. demand and supply
- D. foreign

17. When the amount specified on a cheque has been deducted from the current account of the drawer and credited to the person presenting it, the cheque is said to be

- A. cleared
- B. discounted
- C. accepted
- D. dishonoured
- E. retired

18. When a cheque is issued and it cannot be cashed by the payee at the counter, the cheque is likely to be _____

- A. a bearer cheque
- B. an open cheque
- C. an order cheque
- D. a crossed cheque

19. Which of the following reduces the risk of carrying large amount of money?

- A. Bank draft
- B. Wallet
- C. Vouchers
- D. Cash

20. The practice by which the Central Bank controls the money in circulation through the purchase and sale of government bonds is called _____

- A. open market operation
- B. moral suasion
- C. special directive
- D. bank rate

21. The universal banking system is geared towards _____

- A. the emergence of a large bank in Nigeria
- B. the bringing of a positive change in the nation's financial industry
- C. full capitalization of the financial industry
- D. a reduction in the collapse of banks
- E. raising the capital formation of insurance companies

22. The most important quality of money is _____

- A. Acceptability
- B. Malleability
- C. Durability
- D. Divisibility

23. If a customer is allowed an overdraft of ₦1, 000 and he received a bank statement showing an overdraft of ₦100. This means that he _____

- A. cannot draw more cheques
- B. is owed ₦100 by the bank
- C. owes the bank at least ₦900
- D. owes the bank ₦100 only

24. The financial instrument for borrowing in which the collateral is usually more than the amount borrowed is known as _____

- A. trust certificate
- B. detachable warrant
- C. mortgage bond
- D. convertible securities

25. Which of the following is NOT a quality of money?

- A. Acceptability
- B. Scarcity
- C. Durability
- D. Portability
- E. Partiality

26. A cheque is dishonoured if it bears _____

- A. the current date
- B. altered figures without initials
- C. the same amount in words and figures
- D. the payee's name only

27. Which amongst these challenges are NOT consider in adopting the barter system?

- A. Discouragement of large scale production
- B. Discouragement of installment payments
- C. Homogeneity
- D. Non-durability of the goods involved

28. The market where short-term loans can be obtained by investors is called the _____

- A. capital market
- B. foreign exchange market
- C. finance market
- D. stock exchange
- E. money market

29. An institution set up to safeguard valuable documents and keep money is known as _____

- A. finance house
- B. exchange commission
- C. commercial bank
- D. development house

30. The financial institution set up for keeping and lending money to people with the main purpose of profit making is known as _____

- A. development bank
- B. central bank
- C. commercial bank
- D. mortgage bank

31. Which of the following institutions is a lender of last resort?

- A. Commercial bank
- B. Central bank
- C. Merchant bank
- D. Federal mortgage bank

32. _____ is anything that is generally accepted as a medium of exchange in payment for goods and services or settlement of debt.

- A. Coin
- B. Money
- C. Cowries
- D. Note
- E. Dollar

33. A loan taken to sustain a building construction is usually called a_____

- A. mortgage
- B. overdraft
- C. deferred payment
- D. lease
- E. debenture

34. Which of the following is NOT a financial institution?

- A. Commodity Board
- B. Insurance company
- C. Clearing house
- D. Stock exchange

35. Businessmen in promoting their activities often go for _____

- A. savings account
- B. time deposit account
- C. fixed deposit account
- D. current account

36. Which of the following is the most important factor to consider before a commercial bank can grant a loan?

- A. The collateral security offered
- B. Previous financial dealings with the bank
- C. Government policy on bank lending
- D. The period of repayment

37. _____ is a partial money that is accepted within a restricted area.

- A. Token money

- B. coin
- C. money order note
- D. bank special

38. The maximum period a cheque can be presented for withdrawal in a commercial bank is _____

- A. 3 months
- B. 6 months
- C. 12 months
- D. 6 weeks

39. Central Bank of Nigeria carries out all of the following functions EXCEPT

- A. being federal government's banker
- B. issuing of currency
- C. issuing of backdraft
- D. regulation of the national economy

40. An issue of bank (money) notes not backed up by gold, but by government securities and their acceptance based on faith is termed

- A. fiduciary issue
- B. token issue
- C. goodwill
- D. allotment issue

41. Money backed by a force of law in a country which makes it generally acceptable as a medium of exchange connotes _____

- A. token money
- B. lingua franca
- C. legal tender
- D. paper money

42. Use the following information to answer the question below.

A cheque written payable to M. Olu, has at its back 'Pay K. Ojono' and signed by Olu.

The inscription pay K. Ojono means that the cheque is

- A. endorsed
- B. dishonoured
- C. crossed
- D. not negotiable
- E. acceptable

43. Which of the following is NOT a quality of money?

- A. Divisibility
- B. Adaptability
- C. Storability
- D. Portability

44. When a customer writes a cheque in his own name and withdraws cash with it from his account, he is both the _____

- A. drawee and the payee
- B. drawee and the payer
- C. drawee and the drawer
- D. drawer and the payee

45. Which of the following is not a way the Central Bank controls the activities of commercial banks?

- A. Special directive
- B. Monetization
- C. Open market operation
- D. Cash ratio

46. Standard of deferred payment is a function of money which _____

- A. discourages savings
- B. makes lending difficult
- C. facilitates credit sales
- D. forbids borrowing

47. Money orders, promissory notes, stamps and other instruments used in lieu of legal tender are called

- A. token money
- B. representative money
- C. commodity money
- D. paper money

48. Commercial banks perform all of the following functions EXCEPT

- A. acceptance of deposits
- B. issuing of backdrafts
- C. discounting bills of exchange
- D. issuing of currency

49. Overdraft as a type of credit facility with commercial banks is only enjoyed by the holders of _____

- A. current account
- B. capital account
- C. savings account
- D. fixed deposit account

50. Which of the following is NOT a source of credit to a business?

- A. Bank

- B. Leasing
- C. Hire purchase
- D. Foreign exchange market
- E. Issuance house

51. A government policy that restricts bank loans is _____

- A. price control
- B. credit squeeze
- C. monetary policy
- D. exchange control
- E. open market operations

TOPIC: INTRODUCTION TO COMMERCE

DIRECTION: Choose the correct answer from the lettered options.

1. The pivot on which the wheel of commerce rotates is
 - A. tariff
 - B. trade
 - C. taxation
 - D. price

2. The activity of stimulating the demand for goods and services by informing the public about the uses of such goods and where to obtain them is _____.
 - A. stimulation
 - B. advertising
 - C. sensitization
 - D. campaigning

3. Commercial activities like warehousing, banking and insurance are all classified as _____.
 - A. functions of commerce
 - B. ancillaries to trade
 - C. occupational distribution
 - D. agents of commerce

4. Commerce performs the following functions EXCEPT
 - A. facilitating international cooperation
 - B. necessitating the development of infrastructural facilities
 - C. destabilization of national economic reforms
 - D. promotion of exchange among nations

5. Commerce is important in any country for the following reasons, EXCEPT

- A. Provision of employment opportunities
- B. Exchange of goods and services
- C. Financing of trading activities
- D. Creation of electoral colleges

6. _____ are those services that can make buying and selling to thrive.

- A. trade
- B. Development
- C. Entrepreneurship
- D. Ancillary to trade
- E. Home

7. The growth of Commerce has been enhanced in West Africa as a result of _____

- A. political instability
- B. warehousing
- C. engineers
- D. technicalities

8. The management function concerned with making decisions and setting standards is known as _____

- A. organizing
- B. coordinating
- C. controlling
- D. planning
- E. staffing

9. Commerce is divided into _____ major groups.

- A. two
- B. three
- C. four
- D. five
- E. six

10. All, but one of the following are functions of commerce.

- A. creation of goods
- B. provision of employment
- C. maintaining national deficit
- D. distribution of goods

11. The aspect of commerce that enhances product sale is known as _____

- A. transportation
- B. advertising
- C. insurance
- D. banking

12. All of these are functions of Commerce EXCEPT _____

- A. it increases the standard of living
- B. it is creates career opportunities and expands
- C. it facilitates internal/international cooperation's
- D. it necessitates the development of infrastructural facilities
- E. it cripples the economy

13. Commercial activities in Nigeria have been enhanced by the following EXCEPT

- _____
- A. smuggling
- B. building of railways
- C. advertising
- D. introduction of banking and currency facilities

14. _____ is a branch of production which is concerned with the distribution, exchange of goods and services and all activities which assist or facilitate trade, e.g. banking, insurance, transportation, communication, tourism etc.

- A. Production
- B. trade
- C. Commerce
- D. Banking
- E. Tourism

15. Communication is important to Commerce for the following reasons, EXCEPT

- A. it makes known goods and services to potential buyers
- B. it makes internal possible
- C. it bridges the gap between the poor and the rich
- D. it provides information on government commercial policies to business men

16. The act of storing goods produced ahead of demand until the time they will be needed is called _____

- A. banking
- B. storage
- C. warehousing
- D. leverage

17. Advertising ensures access to facts pertaining to goods while warehousing _____

- A. makes exchange inevitable
- B. ensures adequate distribution
- C. guarantees safety of goods
- D. enhances storage of goods

18. Which of the following companies was instrumental to the development of commerce in Nigeria?

- A. Royal Niger Company
- B. Royal Exchange Assurance
- C. Gold Mines Limited
- D. United African Society

19. Another name for home is _____

- A. domestic
- B. wholesale
- C. retail
- D. large scale

20. The study of commerce has continually remained globally relevant because it _____

- A. establishes and maintains military cooperation
- B. facilitates international cooperation
- C. promotes exchange of goods and services locally
- D. is a means to an end

21. The following are part of the ancient coastal trading towns in Nigeria EXCEPT

- A. Bonny

- B. Lagos
- C. Kaduna
- D. Opobo

22. Commerce facilitates the exchange of goods and services through _____ means.

- A. risk bearing
- B. rapid transfer
- C. transportation
- D. workers
- E. banking

23. Which among these is NOT a type of insurance which a person can take up?

- A. Life assurance
- B. Accident insurance
- C. Motor vehicle insurance
- D. Fidelity guaranty insurance
- E. Service insurance

24. The process of exchange of goods for goods in home is known as _____

- A. entrecoate trade
- B. by barter
- C. commodity
- D. distributive

25. The buying and bringing in of goods and services from one country to another is known as _____

- A. international

- B. export
- C. import
- D. foreign

26. The United African Company (UAC) in Nigeria aided _____

- A. the development of commerce
- B. the strengthening of banks
- C. consolidated warehousing policies
- D. the pioneering of insurance business

27. Commerce is best defined as _____

- A. retailing and wholesaling
- B. all activities concerned with the distribution of income and expenditure
- C. all activities concerned with the buying, selling and distribution of goods and services
- D. ancillaries to trade

28. _____ enables a trader to obtain compensation in the event of losses in business transaction.

- A. Premium
- B. Insurance
- C. Synergy
- D. Empathy note

29. _____ is the exchange, buying and selling of goods and services within a country.

- A. Retail
- B. Foreign
- C. Home

- D. Import
- E. Export

30. Which of these is a factor that can contribute to the growth of Commerce?

- A. Lack of enough capital
- B. Political instability
- C. Political stability
- D. Low savings
- E. Absence of developed markets

31. Commerce is basically divided into _____ and _____

- A. and antecedents of trade
- B. and ancillaries to trade
- C. and industry
- D. production and exchange

32. Commerce in its scope is limited to _____

- A. warehousing and banking
- B. import and export
- C. and aids to trade
- D. banking, transport and warehousing

33. The central focus of commerce is _____

- A. banking
- B. tourism
- C. commerce
- D. production
- E. exchange

34. The division of commerce that covers those services which make buying and selling to thrive is called _____

- A. ancillaries to trade
- B. production possibility curve
- C. trading cost
- D. consumer services

35. The aspect of commerce that facilitates the distribution of products is known as _____

- A. transportation
- B. advertising
- C. branding
- D. trading

36. Industry is a term used to denote activities concerned with the physical production of goods while commerce is the _____

- A. exchange and distribution of goods
- B. production of goods and services
- C. organization of trading activities
- D. conversion of raw materials into finished goods

37. The ancillary to that informs the public about the availability of a product is _____

- A. marketing mix
- B. sales promotion
- C. advertising
- D. sensitization

38. The major components of a business environment are _____

- A. economic, political, cultural, legal and technological
- B. technological, legal, cultural political and moral
- C. legal, democratic, academic, cultural and technological
- D. economic, moral, legal, academic and technological

39. Which of these factors led to the growth of commerce?

- A. Lack of capital
- B. Political instability
- C. Low national income
- D. Economic stability
- E. Absence of developed markets

40. Home is divided into _____ and _____

- A. import and export
- B. wholesale and retail
- C. foreign and export
- D. wholesale and imports
- E. international and export

41. Warehousing as an ancillary to is a function of the _____

- A. wholesaler
- B. retailer
- C. consumer
- D. marketer

42. Which among these is a means of transferring liquid goods like petroleum through pipe?

- A. Transport by land
- B. Transport by water
- C. Transport by air
- D. Transport by pipeline
- E. All of the above

43. Which of the following is NOT a factor that adversely affects the growth of commerce in West Africa?

- A. Inadequate facilities
- B. Poor communication system
- C. Favourable balance of trade
- D. Immobility of labour

44. The pivot on which the wheel of commerce rotates is known as _____

- A. tariff
- B. trade
- C. taxation
- D. price

45. The initial commercial centres that developed in Nigeria were _____

- A. Agbor, Benin, Calabar
- B. Bayelsa, Onitsha
- C. Calabar, Onitsha, Aboh
- D. Omoku, Ughelli
- E. Buguma, Calabar, Agbor

46. Commerce involves all EXCEPT one of the following.

- A. The distribution of goods and services on large scale
- B. and aids to trade
- C. Production and reproduction
- D. Home and foreign

47. The following are ancillaries to EXCEPT

- A. Advertising
- B. Modelling
- C. Warehousing
- D. Insurance

48. _____ is a provision made for the protection of persons or objects against risks.

- A. Issuance
- B. Risk bearing
- C. Insurance
- D. Bad debt
- E. Ancillary to trade

49. Home can also be called _____

- A. International
- B. Internet
- C. Export and import
- D. Ancillary to trade
- E. Domestic or internal

50. Which of the following makes money available for the production of goods and services?

- A. Advertising
- B. Insurance
- C. Warehousing
- D. Banking

51. The major divisions of Commerce are _____ and _____

- A. Import, export and wholesale
- B. Home and foreign
- C. Wholesale and export retail
- D. import and export
- E. and aids to trade

52. The Trans-Saharan involved the following places EXCEPT

- A. Kano
- B. Western Sudan
- C. North Africa
- D. Kaduna

53. Which of these is not a factor that delayed the development of Commerce?

- A. Lack of capital
- B. Insurance
- C. Political instability
- D. Low national income
- E. Low savings

54. Which among these is not a function of commerce?

- A. Increase in importation of goods
- B. Exchange of goods and services
- C. Risk bearing
- D. Promotes rapid transfer of information
- E. Increase in standard of living

55. The barter system of manifests in _____

- A. exchange of goods for services
- B. exchange of goods for goods
- C. monetary transaction
- D. monetization

56. Banking activities manifest in all of the following, EXCEPT

- A. Giving of loans and overdraft
- B. Provision of capital
- C. Registration of new companies
- D. Foreign exchange transactions

57. Division of commerce includes all EXCEPT

- A. trade
- B. transportation
- C. capital
- D. insurance

TOPIC: OCCUPATIONS

DIRECTION: Choose the correct answer from the lettered options.

1. Which of these is NOT a commercial occupation?
 - A. Transport
 - B. Industrial work
 - C. Advertising
 - D. Insurance
 - E. None of the above

2. Which of the following will NOT influence the location of an industry?
 - A. Transportation
 - B. Labour supply
 - C. Advertising expenses
 - D. Large markets

3. Who among the following is a manufacturer?
 - A. Building contractor
 - B. Custom's officer
 - C. Fisherman
 - D. Road engineer
 - E. Shoe maker

4. The following factors determine the type of occupation Nigerians engage in EXCEPT
 - A. education, skill and training
 - B. natural resources
 - C. salaries and wages
 - D. division of labour

5. In which of the following classes of occupation would you place a private mechanic?

- A. Extractive
- B. Commercial
- C. Direct service
- D. Indirect service

6. Which of these is not an extractive occupation?

- A. Industrial work
- B. Mining
- C. Hunting
- D. Fishing
- E. Farming

7. In selling tomato, the best channel of distribution is _____

- A. producer---wholesaler----consumer
- B. producer----consumer
- C. producer----retailer-----consumer
- D. producer---wholesaler----retailer----consumer

8. Primary production activities directly relates to _____

- A. extractive occupation
- B. commercial occupation
- C. developmental occupation
- D. manufacturing occupation

9. Which of the following is the most important duty of the entrepreneur?

- A. Bearing organization's risk

- B. Coordinating all other factors of production
- C. Sales promotion
- D. Customer services

10. The performance by professional singers for which people pay to be entertained is an example of _____

- A. direct service
- B. indirect service
- C. commerce
- D. aids to trade

11. Occupation can be classified into three broad groups, namely:

- A. extractive, manufacturing, construction
- B. extractive, commerce, services
- C. industry, commerce, services
- D. industry, manufacturing, construction
- E. manufacturing, construction, commerce

12. Which of these is NOT a determinant of occupation?

- A. Salary and wages
- B. Natural resources
- C. Education, skill and training
- D. Climatic and weather differences
- E. Constructive occupation

13. Direct services include

- A. fishing, farming, hunting and mining
- B. welding, bricklaying and black smiting

- C. the services of house maids, gardeners and cooks
- D. transport, advertising and insurance
- E. industrial work, bag making and weaving

14. All, but ONE of the following is a part of the extractive industry.

- A. mining
- B. agriculture
- C. banking
- D. fishing

15. Which of the following is not a responsibility of the wholesaler to the producer?

- A. Fixing of market price
- B. Storage of goods in the warehouse
- C. Advising the producer on market trends
- D. Finds market for the product on sale

16. Which of these is a constructive occupation?

- A. Teacher
- B. Civil servants
- C. Police
- D. Blacksmithing
- E. Weaving

17. The process of changing the form of a raw material is known as _____

- A. extraction
- B. conversion
- C. production
- D. trade

18. Capital goods as a form of production refers to ____

- A. goods intended for immediate consumption
- B. goods used to produce other goods
- C. goods under processing
- D. goods ready for export

19. A cobbler who specializes in the making of shoes is involved in _____

- A. extractive occupation
- B. manufacturing occupation
- C. commercial occupation
- D. constructive occupation

20. Welding as a profession can best be classified as _____

- A. commercial occupation
- B. constructive occupation
- C. extractive occupation
- D. manufacturing occupation

21. The mainstay of the Nigerian economy is directly linked to the _____

- A. manufacturing industry
- B. processing industry
- C. extractive industry
- D. construction industry

22. Which of these is an extractive occupation?

- A. Welding
- B. Bricklaying
- C. Blacksmithing

- D. House maid
- E. Farming

23. Which of the following types of occupation directly relates to land resources?

- A. Extractive occupation
- B. Commercial occupation
- C. Manufacturing occupation
- D. Indirect occupation

24. Which of these is NOT a factor affecting choice of occupation?

- A. Education
- B. Gender
- C. Government policy
- D. Remuneration
- E. Tribe

25. Which occupation involves people whose activities are directed at the process of bringing out natural resources from the soil and the sea?

- A. Constructive occupation
- B. Extractive occupation
- C. Manufacturing occupation
- D. Commercial occupation
- E. Direct services

26. The conversion of raw materials into finished goods is carried out by the _____

- A. extractive industry
- B. primary industry
- C. constructive industry
- D. manufacturing industry

27. Which of these is a commercial occupation?

- A. Insurance
- B. Advertising
- C. Transport
- D. A & B only
- E. A, B & C

28. Julius Berger is a major player in the _____

- A. manufacturing industry
- B. processing industry
- C. secondary industry
- D. construction industry

29. The activity that involves the derivation of raw materials from land and sea is known as _____

- A. manufacturing
- B. commerce
- C. extraction
- D. farming

30. The last link in the chain of distribution is _____

- A. the retailer
- B. the consumer
- C. the producer
- D. the wholesaler

31. Which of the following is NOT a factor to be considered in determining the channel of distribution?

- A. Perishability of the goods involved
- B. Location of market for the product
- C. Consumer's income
- D. The size of the order

32. Which of these is an indirect service?

- A. Police
- B. Bricklaying
- C. Cooks
- D. Hunting
- E. Bag making

33. The services rendered by the Police and Army can be classified as _____

- A. direct services
- B. indirect services
- C. customer services
- D. consumer services

34. The changing of the form of an existing product for the use of consumers is known as

- A. extraction
- B. commerce
- C. construction
- D. manufacturing
- E. quarrying

35. Which of the following is NOT a classification of Occupation?

- A. Movie industry
- B. Manufacturing industry
- C. Construction industry
- D. Extractive industry

36. Oil drilling is an example of the _____

- A. extractive industry
- B. processing industry
- C. constructive industry
- D. manufacturing industry

37. Indirect services are _____

- A. welding and black smiting
- B. farming
- C. mining and bricklaying
- D. bag-making and weaving
- E. police and civil servants

38. Indirect services include

- A. teaching, police and civil service
- B. the services of house maids, gardeners and cooks
- C. transportation, advertising and insurance
- D. fishing, farming, hunting and mining
- E. transportation, advertising and insurance

39. Which of the following can be classified under extractive occupation?

- A. Road construction

- B. Coal mining
- C. Soap making
- D. Singing

40. Which of the following services does a lawyer in private practice render?

- A. Industrial services
- B. Indirect services
- C. Direct service
- D. Commercial services

TOPIC: PRODUCTION, SPECIALISATION AND EXCHANGE

DIRECTION: Choose the correct answer from the lettered options.

1. Intermediate goods are goods meant for _____
 - A. immediate consumption
 - B. further production
 - C. optional sale
 - D. dumping

2. Which of the following is not a modern trend in retailing?
 - A. Use of vending machine
 - B. After-sale service
 - C. Pre-packaging
 - D. itinerant

3. A durable asset of a business organization that can last for a very long time is known as _____
 - A. fixed capital
 - B. circulating capital
 - C. current capital
 - D. social capital

4. The following are advantages of specialization EXCEPT
 - A. time saving
 - B. increase in production
 - C. improvement in the quality of goods
 - D. monotony of work

5. Capital is highly durable.

- A. True
- B. False

6. Production activities involve the following EXCEPT

- A. manufacturing
- B. extraction
- C. payment
- D. fabrication
- E. cultivation

7. The middlemen in the distribution channel comprises _____

- A. producers and consumers
- B. retailers and wholesalers
- C. producers and wholesalers
- D. consumers and retailers

8. The reward for land is _____

- A. labour
- B. entrepreneur
- C. land
- D. rent
- E. factor of production

9. The process of production is complete only when _____

- A. goods and services are advertised
- B. goods and services reach the final consumers

- C. goods are sold to wholesalers and retailers
- D. there is a feedback channel

10. Which of the following factors of production is characterized with immobility?

- A. Labour
- B. Organization
- C. Land
- D. Capital

11. Teachers who teach in government schools can be classified under _____

- A. primary service
- B. direct service
- C. indirect services
- D. secondary service

12. A police officer who gives security to a commercial bank is engaged in _____

- A. direct service
- B. commercial service
- C. indirect service
- D. extractive occupation

13. Capital goods are goods and services meant for the production of further _____

- A. circulating capital
- B. current capital
- C. fixed capital
- D. consumers
- E. goods and services

14. _____ goods are final goods specifically intended for the mass market.

- A. Capital
- B. Secondary
- C. Primary
- D. Wholesale
- E. Consumer

15. The three main divisions of production are _____

- A. Banking, Transportation and Advertising
- B. Industry, Commerce and Services
- C. Industry, Distribution and Services
- D. Industry, Commerce and Banking

16. The reward for labour are salaries and _____

- A. fixed capital
- B. labour
- C. entrepreneur
- D. wages
- E. capital

17. The creation of utility is ensured through the _____ process.

- A. production
- B. delivery of commercial services
- C. transportation of goods to consumers
- D. ancillaries'

18. Which among these options is NOT a feature of capital?

- A. Capital is man made

- B. Capital can change form
- C. Capital constitutes wealth
- D. Capital is highly durable
- E. Capital is a social responsibility

19. Which of these is an immaterial want?

- A. Capital goods
- B. Consumer goods
- C. Food
- D. Amusement
- E. Clothing

20. Which among these options is NOT a feature of land?

- A. Land is immobile
- B. Land is a free gift of nature
- C. Land is relatively indestructible
- D. Land can't be bought
- E. The quality and value of land vary from place to place

21. Human wants are _____

- A. insatiable
- B. indifferent
- C. unproductive
- D. satiable

22. Which of the following is NOT a factor of production?

- A. Labour
- B. Planning

- C. Entrepreneur
- D. Capital

23. Goods and services meant for the production of other goods are classified as _____

- A. Capital goods
- B. Progressive goods
- C. Consumer goods
- D. Material goods

24. Land as a factor of production does not vary in _____

- A. quantity
- B. nature
- C. quality
- D. cost

25. Production is said to be complete when the goods or services produced reach the final user or _____

- A. producer
- B. manufacturer
- C. government authority
- D. consumer
- E. distributor

26. Which among these options is not a demerit of division of labour?

- A. It makes work monotonous
- B. It brings about immobility of labour
- C. It brings about increase in independence among individuals and industries

- D. The use of machines reduces employment opportunity
- E. It leads to innovation and intervention

27. A distinguishing characteristic of labour is that it is _____

- A. constant
- B. expensive
- C. mobile
- D. cheap

28. Mass production has the advantage of _____

- A. cheaper unit price
- B. high production time
- C. high labour input
- D. high market demand

29. _____ may be defined as wealth reserved or set aside for the production of more wealth.

- A. Land
- B. Labour
- C. Capital
- D. Entrepreneur
- E. Production

30. _____ is defined as the system of breaking down production processes into different stages so that each stage is undertaken or handled by an individual.

- A. Origin of labour
- B. Specialization
- C. Division of labour

- D. Quantity
- E. Under-production

31. Which among these options is NOT a merit of division of labour?

- A. Time saving
- B. Production increase
- C. Increase in Fatigue
- D. It leads to specialization
- E. Increase in leisure

32. Which of the following can be classified under primary production?

- A. Gold mining
- B. Bucket making
- C. Stock exchange activities
- D. Police work

33. _____ is the ability of any commodity or service to satisfy human wants.

- A. Production
- B. Exchange
- C. Utility
- D. Specialization
- E. Want

34. The theory of Division of labour was enunciated by _____

- A. Adam Smith
- B. Reverend Malthus
- C. David Ricardo
- D. Baron de Montesquieu

35. Creating value and satisfying of wants is known as _____

- A. commerce
- B. extraction
- C. industry
- D. production
- E. utility

36. Which of the following is in the right order?

- A. Producer ----> Consumer ---> Retailer ---> Wholesaler
- B. Producer---> Retailer ---> Consumer ---> Wholesaler
- C. Producer ---> Wholesaler ---> Retailer ---> Consumer
- D. Producer ---> Wholesaler ---> Consumer ---> Retailer

37. Two main type of goods are _____ and _____

- A. giffen goods and consumer goods
- B. consumer goods and capital goods
- C. capital goods and primary goods
- D. secondary and primary goods
- E. wholesale goods and retail goods

38. Land as a factor of production does not vary in

- A. quantity
- B. nature
- C. quality
- D. cost

39. ____ are those material that can change their form in the process of production into finished products.

- A. Recurrent materials
- B. Raw materials
- C. Natural materials
- D. All of the above
- E. None of the above

40. ____ is the oldest factor of production.

- A. Land
- B. Capital
- C. Production
- D. entrepreneur
- E. Labour

41. _____ is defined as the area of concentration on single subtask in which a worker channels his or her efforts into the entire production process.

- A. Indigenization
- B. Concentration
- C. Specialization
- D. Population
- E. Division of labour

42. Which of the following has a relatively fixed supply?

- A. Capital
- B. Entrepreneurship
- C. Current assets
- D. Land

43. ____ are those durable assets of a business organization that can last for a very long time.

- A. Circulating capital
- B. Social capital
- C. Fixed capital
- D. Current capital
- E. Re-current capital

44. A process by which scarce resources are put together to create utilities that can be paid for is termed ____

- A. production
- B. managing
- C. co-ordinating
- D. staffing
- E. organizing

45. ____ are the unfinished goods or materials put together through human efforts with or without the help of machines into finished goods.

- A. Entrepot
- B. Capital
- C. Raw materials
- D. Machines
- E. Aids to

46. Which of these are not capital goods?

- A. Equipment
- B. Tools
- C. Factories

D. Machines

E. Meat pie

47. Capital as a man-made aid to production includes ____

A. land, capital and entrepreneur

B. building, machinery and labour

C. business sites

D. semi-finished goods, land and entrepreneur

E. Physical cash, buildings, machinery, semi-finished goods, tools etc.

48. ____ is a factor of production which is a free gift of nature and is fixed.

A. Land

B. Capital

C. Production

D. entrepreneur

E. Labour

49. ____ production is concerned with the process of obtaining raw materials or resources in their natural form from the land, sea and rivers.

A. Primary

B. Secondary

C. Tertiary

D. Packaged

E. Stored

50. The type of labour which requires workers with little or no education is known as ____

A. semi-skilled labour

- B. semi-labour
- C. unskilled labour
- D. skilled labour
- E. full skilled labour

51. The act of a firm or an individual concentrating its resources and efforts in the production of relatively few commodities is regarded as _____

- A. Utility
- B. Management
- C. Specialization
- D. Division of labour

52. The wholesaler performs the following functions EXCEPT

- A. warehousing of goods
- B. selling on credit to retailers
- C. buying in large quantities from the producer
- D. selling in small quantities to the consumers

53. A retailing unit that sells a wide variety of products at less than the catalogue or invoice prices to the buyer is known as _____

- A. discount houses
- B. hypermarket
- C. franchising
- D. chain stores

54. Which of the following factors of production takes care of risk bearing?

- A. Entrepreneur
- B. Labour

- C. Capital
- D. Land

55. Who enunciated the theory of division of labour in 1776?

- A. Paul Samuelson
- B. David Ricardo
- C. Adam Smith
- D. Karl Marx
- E. Thomas Malthus

56. Capital is a man-made factor of production.

- A. True
- B. False

57. Which of these is not a feature of labour?

- A. Labour is man made
- B. Labour is variable in supply
- C. Labour is fixed
- D. The reward for labour is wages
- E. Labour is mobile

58. Which among these options is NOT a factor of production?

- A. Land
- B. Capital
- C. Production
- D. Labour
- E. Entrepreneur

59. Another name for current capital is _____

- A. fixed capital
- B. liquid capital
- C. Social capital
- D. Circulating capital

60. Capital can constitute wealth.

- A. True
- B. False

61. Which of the following usually makes use of the warehouse in the distribution channel?

- A. Wholesalers
- B. Consumers
- C. Producers
- D. Retailers

62. What are the types of human wants?

- A. Commercial and service wants
- B. Direct and indirect wants
- C. Primary and secondary wants
- D. Material and immaterial wants
- E. Industrial and commercial wants

63. Which of these is not a function of an entrepreneur?

- A. Risk bearing
- B. He takes decision
- C. Efficient management

- D. Provision of capital
- E. Managing resources inefficiently

64. Production is classified into the following EXCEPT

- A. primary production
- B. secondary production
- C. tertiary production
- D. mass production

65. The reward for management as a factor of production is _____

- A. interest
- B. profit
- C. dividend
- D. rebate

66. The oldest factor of production is _____

- A. Land
- B. Labour
- C. Capital
- D. Entrepreneur

67. In the distribution channel, the distribution of perishable goods is best handled by _____

- A. the retailer
- B. the wholesaler
- C. the producer
- D. the consumer

68. Capital can change form.

- A. True
- B. False

69. _____ are wants that may be satisfied with the use of the gift of nature.

- A. Immaterial wants
- B. Capital wants
- C. Material wants
- D. primary wants
- E. consumer wants

70. One of the following is said to have taken place when a production process is broken into different stages so that each stage is handled by an individual.

- A. Specialization
- B. Division of labour
- C. Commerce
- D. Production

71. A distinguishing characteristic of labour as a factor of production is that it is _____

- A. constant
- B. expensive
- C. mobile
- D. cheap

72. Which of these is an example of consumer goods?

- A. Foreign goods
- B. Milk

- C. light goods
- D. bulky goods
- E. All of the above

73. Production is best defined as _____

- A. creation of goods and services
- B. creation of goods and services and its distribution in order to satisfy human wants
- C. creation of utility
- D. goods and services bought to satisfy human wants

74. In starting a retail business, all the following is very important EXCEPT

- A. accessibility to customers
- B. selling price of goods
- C. huge capital
- D. the location of the business

75. _____ includes those workers who use their mental effort in the production process.

- A. Semi-skilled labour
- B. Semi-labour
- C. Unskilled labour
- D. Skilled labour
- E. Full skilled labour

76. _____ is said to be complete when the goods and services produced reach the final user or consumer.

- A. Utility
- B. Production

- C. Exchange
- D. Wants
- E. Specialization

77. Capital cannot constitute wealth.

- A. True
- B. False

78. _____ are goods and services that can satisfy the consumer's immediate wants.

- A. Capital goods
- B. Secondary goods
- C. Primary goods
- D. Consumer's goods
- E. Wholesale goods

79. How many types of labour do we have?

- A. One type
- B. Two types
- C. Three types
- D. Four types
- E. Five types

TOPIC: TRADE

DIRECTION: Choose the correct answer from the lettered options.

1. What factor should be considered when siting or starting small-scale retail business?

- A. Capital and source of supply
- B. Advertising of the goods
- C. Weighing measurement and packaging
- D. Sales in unit
- E. Itinerant traders

2. Which is the commonest method of distribution among farmers and other producers of perishable goods?

- A. Wholesaler channel of distribution
- B. Consumer channel of distribution
- C. Indirect channel of distribution
- D. Direct channel of distribution
- E. Size channel of distribution

3. The document that indicates the country from which goods are imported is called _____

- A. bill of lading
- B. ship manifest
- C. certificate of origin
- D. actuary

4. _____ are taxes imposed on goods that come from other countries into a particular country.

- A. Free

- B. Protectionist laws
- C. Infant industries
- D. Tariffs
- E. By-laws

5. Urban stores specializes in a particular line of trade.

- A. True
- B. False

6. Automatic vending machines facilitate _____

- A. wrapping
- B. cash deposit
- C. sale of tools
- D. self-service

7. Warehousing generates revenue.

- A. True
- B. False

8. Non accessibility to customers can lead to the failure of retail shops.

- A. True
- B. False

9. Entrepot trade exist when _____

- A. goods imported is to be re-exported
- B. goods are exchanged for goods
- C. goods exported is to be re-imported
- D. export is rejected at the port of entry

10. Which of the options below is NOT an advantage of hawking?

- A. Hawking is carried out with a small amount of capital
- B. It provides door-to-door services to consumer
- C. Food items are exposed to health hazards
- D. There are no running expenses like rent and wages in hawking
- E. Goods sold by hawkers are relatively cheap

11. The refund made on goods re-exported after being imported into a country is regarded to as _____

- A. Custom's drawback
- B. Excise duty refund
- C. Export duty
- D. Excise drawback

12. Limited function wholesaler includes

- A. drop shippers, truck distributor, rack jobbers, and cooperative whole sale society
- B. auctioneers, brokers and factors, commission agents and del credere agents
- C. manufacturer's agents, sales agents, shipping and forwarding agents and advertising agents
- D. general merchandise, wholesaler, single wholesaler
- E. specialist wholesaler and mobile shop wholesaler

13. Tariffs are imposed on imports for ONE of the following reasons.

- A. To improve a country's balance of payment
- B. For self-reliance purposes
- C. To avoid dumping
- D. To educate the public on smuggling

14. Vending machine does not ensure time and place convenience.

- A. True
- B. False

15. Which among these options is NOT a feature of variety chain store?

- A. They are strategically located in urban centres
- B. They need little or no advertising
- C. Unrelated products are stored for sale
- D. The prices of their goods are higher
- E. Absence of credit facilities and delivery services

16. The comparison of a country's visible and invisible exports and her visible and invisible imports expressed in price is known as _____

- A. balance of payment
- B. balance of trade
- C. terms of trade
- D. deficit balance of payment

17. When a country's total visible and invisible exports are more than its visible and invisible imports, it has _____

- A. favourable balance of payments
- B. favourable balance of trade
- C. unfavourable balance of trade
- D. unfavourable balance of payments

18. Urban stores are small scale retailers.

- A. True
- B. False

19. A situation where there are no restrictions imposed on goods and services coming in and out of a country is referred to as _____

- A. free trade
- B. trade movement
- C. excise free trade
- D. economic union

20. Urban stores have high turnover.

- A. True
- B. False

21. _____ is the exchange, buying and selling of goods and services between two or more countries.

- A. National trade
- B. Multinational trade
- C. Politics trade
- D. Currency trade
- E. International trade

22. Branding builds the company's goodwill.

- A. True
- B. False

23. The balance of payments of countries is

- A. a record of imports and exports
- B. a systematic record of transactions among countries at a given time
- C. the current and the capital accounts and their payments
- D. the relationships and payments among nations

24. Which of these options is NOT an effect of devaluation?

- A. Export becomes cheaper
- B. Imports becomes more expensive
- C. Increase in exports
- D. Decrease in imports
- E. Dumping

25. Goods warehouse can also refer to as _____

- A. public warehouse
- B. state warehouse
- C. queen warehouse
- D. bonded warehouse
- E. none of the above

26. Which of these options are NOT attributes of hawking?

- A. Hawking is a form of small scale retail
- B. Popular consumer goods like food items are mainly sold by hawkers
- C. It provides door to door selling
- D. Hawkers operates from a particular point
- E. The products are sold at relatively low price

27. Which of the following is issued at the warehouse for goods taken into the store?

- A. Excise drawback
- B. Receipt
- C. Dock warrant
- D. Invoice

28. Tariffs are usually associated with _____

- A. supply
- B. demand
- C. protectionism
- D. internal
- E. None of the above

29. Favourable terms of trade is generated when:

- A. the prices at which a country's export exchange for her imports are greater
- B. the prices at which a country's imports exchange for her exports are greater
- C. the prices at which a country's exports exchange for her imports are equal
- D. countries give loans to other nations as a temporary measure

30. Which of the following worsens balance of payment deficit?

- A. Increased export of goods
- B. Reduced imports
- C. Foreign exchange control
- D. Devaluation
- E. Increased imports

31. _____ is defined as the trader who buys goods from the wholesaler or directly from the manufacturer and sells in small units to the public or customers.

- A. An importer
- B. An exporter
- C. A wholesaler
- D. A retailer
- E. None of the above

32. Exports are divided into _____categories.

- A. two
- B. three
- C. four
- D. five
- E. six

33. Hypermarkets are established mainly at the periphery of a town because they occupy large space areas.

- A. True
- B. False

34. Which of these options is NOT a factor that should be considered by a retailer when making his purchases?

- A. Quality
- B. Quantity
- C. The extent of credit facilities offered
- D. Terms of payment
- E. Business hours

35. Who are the middlemen?

- A. Wholesalers
- B. Retailers
- C. Producers
- D. Manufacturers

36. Which of the options is not a means of payment in international trade?

- A. Mail transfer

- B. Telegraphic and cable transfer
- C. Foreign bills of exchange
- D. Guaranteed mail transfer
- E. Consular transfer

37. Which of the following would enable goods to be correctly assessed for import duties?

- A. Pro-forma invoice
- B. Bill of exchange
- C. Documentary credit
- D. Consular invoice
- E. Bill of lading

38. The prices of goods in supermarkets are higher than those of hypermarkets.

- A. True
- B. False

39. _____ is the comparison of a country's total visible exports and her total visible imports.

- A. Balance of payment
- B. Import duties
- C. Export duties
- D. Balance of trade
- E. Capital trade

40. _____ are newly established or undeveloped industries.

- A. Free industries
- B. Protectionist Law

- C. Infant industries
- D. Tariffs
- E. By-laws

41. Queen warehouse is also known as _____

- A. bonded warehouse
- B. state warehouse
- C. ordinary warehouse
- D. stock warehouse
- E. public warehouse

42. Village stores have high overhead cost.

- A. True
- B. False

43. Excise duty is the tax _____

- A. imposed on imported goods
- B. imposed on exported goods
- C. imposed on locally made goods
- D. imposed on perishable goods
- E. imposed on capital equipment

44. Absence of large market is a problem of warehousing?

- A. True
- B. False

45. A wholesaler assists the manufacturer in advertising?

- A. TRUE
- B. FALSE

46. The type of situation where a producer sells directly to the consumer is known as _____

- A. systemized channel of production
- B. direct channel of distribution
- C. indirect channel of distribution
- D. Consumer channel of distribution
- E. wholesaler channel of distribution

47. The index of the total value of a country's exports divided by that of its imports is called _____

- A. balance of trade
- B. terms of trade
- C. balance of payments
- D. surplus
- E. deficit

48. Which of these documents is used in home trade?

- A. Bill of lading
- B. Consular invoice
- C. Delivery note
- D. Letter of credit
- E. Mate's receipt

The correct answer is option[C]

49. Which of the following requires huge amount of capital for their establishment?

- A. Department stores
- B. Village stores
- C. Hawking business
- D. Roadside retailing business
- E. None of the above

50. Which of the following provides information and incentives to Nigerians wishing to sell locally made goods abroad?

- A. Nigeria Ports PLC
- B. Customs and Excise Authority
- C. Shipping, Clearing and Forwarding Agents
- D. Nigerian Export Promotion Council
- E. Nigerian National Shipping Line

51. The introduction of after sales services is due to the fact that certain products do not require technical knowledge.

- A. True
- B. False

52. Urban stores opens as early in the morning and may not close until midnight.

- A. True
- B. False

53. Which of the following is NOT a function of a retailer?

- A. Providing after sales service
- B. Stocking variety of goods
- C. Selling in small units to the consumers
- D. Financing manufacturers

54. Goods seized as contrabands by the board of customs and excise and kept until they are sold on auction to the members of the public are stored in _____

- A. an ordinary warehouse
- B. a bonded warehouse
- C. state warehouse
- D. public warehouse

55. _____ is the face to face meeting of the sales man with potential buyers in their houses, offices or market place.

- A. Party selling
- B. Personal selling
- C. Internet selling
- D. Rivete selling
- E. Contact selling

56. Cooperative shops are small-scale retailers.

- A. True
- B. False

57. _____ is a group of retail stores that share a brand and central management.

- A. Supermarket
- B. Chain store
- C. Departmental store
- D. Cooperative retail shop

58. The relative prices of a country's exports to imports is called _____

- A. balance of trade
- B. terms of trade

- C. balance of payments
- D. surplus
- E. deficit

59. A wholesaler is defined as that trader who buys goods in _____ from the manufacturer or producer and sells in smaller quantities to the retailer.

- A. small quantities
- B. large quantities
- C. wholesale
- D. retail

60. _____ is a situation where one or more intermediaries or agents are involved in the movement of goods between the producers and the consumers.

- A. Wholesaler channel of distribution
- B. Consumer channel of distribution
- C. Indirect channel of distribution
- D. Direct channel of distribution
- E. Size channel of distribution

61. _____ functions in complex buildings.

- A. Chain stores
- B. Supermarkets
- C. Hypermarkets
- D. Variety chain store

62. Which of the following offers self-service?

- A. Hawking
- B. Mail Order

- C. Supermarket
- D. Mobile shop

63. In international trade, goods that are conveyed from one place to another is known as _____

- A. freight
- B. consignment
- C. manifest
- D. commodity

64. Infant industries are protected through all of the following means EXCEPT

- A. tariff
- B. import quota
- C. import licence
- D. increase in excise duties

65. Which among these options is a factor that leads to the failure of retail shops?

- A. Wrong purchase
- B. After sales service
- C. Weighing measurement and packaging
- D. Itinerant traders
- E. Home

66. Which of the following is NOT a cause of unfavourable balance of payment?

- A. Inflation
- B. Mono-economy
- C. Increase in a country's export
- D. High taste for foreign made goods

67. The sale of goods through coin-operated machine is known as _____

- A. branding
- B. automatic vending
- C. spot cash
- D. self-service

68. If the price at which a country's imports are greater than exports, she experiences

- A. favourable terms of trade
- B. preferential terms of trade
- C. tariff terms of trade
- D. unfavourable terms of trade
- E. quota terms of trade

69. Branding is a useful tool in marketing because it gives the product _____

- A. value
- B. beauty
- C. safety
- D. uniqueness

70. Branding misinforms the buyers.

- A. True
- B. False

71. Small stores can be divided into ____ and ____

- A. village and local stores
- B. village and urban stores
- C. village and market stores
- D. village and rural stores
- E. village and intermediate stores

72. Which of the following worsens balance of payment deficit?

- A. Increased export of goods
- B. Reduced imports
- C. Foreign exchange control
- D. Devaluation
- E. Increased imports

73. The amalgamation of firms in the same line of business or stage of production process is called _____

- A. horizontal integration
- B. vertical integration
- C. backward integration
- D. forward integration

74. Internal trade is also known as _____

- A. free zone
- B. cultural
- C. domestic
- D. foreign
- E. multinational

75. Specific duty connotes _____

- A. a tax or duty imposed based on the value of goods
- B. tax or duty levied on the quantity or weight of the goods
- C. non-dutiable goods
- D. duty levied on both the value, weight and quantity of goods

76. Brand name may be defined as a name or mark used in differentiating a product from that are _____

- A. similar ones
- B. packaged ones
- C. branded ones
- D. sold ones
- E. procured ones

77. _____ buy in bulk directly from the manufacturers and sell in smaller quantities to retail outlets.

- A. Limited function wholesaler
- B. Rack jobbers
- C. Cooperative wholesalers
- D. Single line wholesalers
- E. Speciality wholesalers

78. The major criticism leveled against middlemen are _____

- A. that the manufactures are not doing their own part
- B. that they lack retail shop
- C. high rising prices and scarcity of goods
- D. low prices of goods
- E. warehousing of products

79. Village shops do not specialize in any particular stock.

- A. True
- B. False

80. The difference between a country's exports and imports is called ____

- A. terms of trade
- B. foreign exchange
- C. balance of trade
- D. balance of payment

81. Which of the following is NOT a function of a retailer?

- A. Supplying goods to the final consumer
- B. Bulk breaking
- C. Giving information to the wholesaler
- D. Branding and packaging of goods

82. After-sales service means the service a retailer renders to a customer after the product has been _____

- A. purchased
- B. advertised
- C. packaged
- D. manufactured
- E. introduced

83. Full service wholesalers includes _____

- A. drop seller, truck seller, rack seller
- B. cooperative seller, society wholesaler, and agent seller
- C. general merchandise wholesaler, single line wholesaler and speciality wholesaler
- D. shipping and forwarding seller, advertising seller, and auctioneer seller
- E. broker and factor seller, sales agent saler and Broadway seller

84. Discriminate duties charged on certain goods in order to discourage the importation of these goods from certain countries is known as _____

- A. tariff
- B. import quota
- C. import licence
- D. preferential duties
- E. exchange control

85. Mobile shopping involves selling from a _____

- A. motor van
- B. particular spot in the city
- C. multiple shops only
- D. vending machine

86. _____ are establish mainly at the periphery of a town because they occupy large area.

- A. Supermarkets
- B. Variety chain stores
- C. Small scale shops
- D. Retail shops
- E. Hypermarkets

87. Which of these options is NOT a feature of street or road side retailing?

- A. They are found in busy roads and junctions
- B. Wares are displayed on make-shift platform or stores
- C. Trading is usually conducted near the trader's home
- D. Prices of goods are very low
- E. Trading is not conducted near the trader's home

88. Pre-packaging makes for ease of handling.

- A. True
- B. False

89. Majority of goods sold in retail come mainly from wholesalers except in exceptional cases when retailers buy directly from manufacturers.

- A. True
- B. False

90. _____ are privately owned warehouses that are meant for renting purposes.

- A. State warehouse
- B. Ordinary warehouse
- C. Public warehouse
- D. Bonded warehouse
- E. Stock warehouse

91. The comparison of the sum total of a country's receipts from her exports and the total payments made for her imports is known as _____

- A. balance of trade
- B. balance of payment
- C. terms of trade
- D. income distribution

92. Which of these options is NOT a problem of warehousing?

- A. Problem of stock valuation
- B. Problem of pilfering
- C. Lack of qualified manpower
- D. Availability of large market

93. Which of the following is NOT true of a Hypermarket?

- A. it requires a huge amount of capital
- B. it deals in a variety of goods
- C. it provides more luxurious shopping facilities
- D. it deals in foreign goods only
- E. it offers goods at lower prices

94. Self-service vending machines enjoy a low overhead cost.

- A. True
- B. False

95. All of these are functions of the retailer EXCEPT

- A. he stocks variety of goods
- B. sells in unit
- C. offers after sales service
- D. he buys directly from the producer

96. Which among these options is NOT a disadvantage of small scale retail trade?

- A. It faces the problem of inadequate capital
- B. Limited expansion as a result of lack of enough capital
- C. Small scale retail does not enjoy economies of scale
- D. The amount of profit it makes is low compared to large ones
- E. They bring about decline of craftsmanship

97. _____ is defined as the reduction of the value of a country's currency in terms of the value of the currencies of the nations and the world.

- A. Export drive
- B. Devaluation

- C. Balance of payments
- D. Export drive
- E. Improve drive

98. Which of the following is NOT to be considered in starting a retail trade?

- A. Size of the business
- B. Nature of business
- C. Amount of capital required
- D. Level of tax payable

99. The accounting record of all monetary transactions between a country and the rest of the world is known as _____

- A. balance of payment
- B. financial capital
- C. transfer payment
- D. balance of trade
- E. capital

100. Nigerian Association of Small Scale Industrialists is an example of _____

- A. trade union
- B. chamber of commerce
- C. commercial association
- D. trade association

101. Rural markets deal in _____

- A. spare parts
- B. frozen foods
- C. manufactured goods

- D. farm produce
- E. locally manufactured goods

102. A banker's guarantee to honour the exporter's invoice when presented for payment is called _____

- A. irrevocable letter of credit
- B. documentary credit
- C. unconfirmed credit
- D. confirmed irrevocable letter of credit

103. Which of these is the most suitable in the chain of distribution?

- A. Producer - wholesaler - retailer - consumer
- B. Producer - retailer - consumer - wholesaler
- C. Producer - retailer - wholesaler - consumer
- D. Producer - wholesaler - consumer - retailer
- E. Producer - consumer - wholesaler - retailer

104. Vending machine does not enjoy a low overhead cost.

- A. True
- B. False

105. Rack jobbers distributes goods mainly to _____

- A. limited function wholesalers
- B. drop shippers
- C. single line wholesalers
- D. supermarkets and departmental stores
- E. general merchandise wholesalers

106. A retail outlet which sells a fairly narrow range of goods with a number of branches in different towns is a _____

- A. supermarket
- B. mail-order shop
- C. mobile shop
- D. multiple shop

107. The destruction of a ship or throwing goods overboard by the master or crew without good intention is regarded as _____

- A. Barratry
- B. Loss in transit
- C. ex-div
- D. cum-div

108. A bonded warehouse is used to store goods which are _____

- A. manufactured in a country
- B. to be exported
- C. awaiting payment of duties
- D. seized as contrabands

109. Ordinary warehouse is also known as bonded warehouse.

- A. True
- B. False

110. Which among these options is not a type of warehouse?

- A. Ordinary warehouse
- B. Bonded warehouse
- C. State warehouse

- D. Federal warehouse
- E. Public warehouse

111. Which among these options is a disadvantage of self-service vending machine?

- A. The machine offers 24 hours service per day
- B. It requires no assistance except when replenishing it
- C. It enjoys a low overhead cost
- D. It ensures time and place convenience
- E. High maintenance cost

112. Which of these options are not under agent middlemen?

- A. Auctioneers
- B. Brokers
- C. Drop shippers
- D. Sales agents
- E. Advertising agents

113. A wholesaler is defined as that trader who buys goods in large quantity from the manufacture or producer and sells in _____

- A. small quantities
- B. large quantities
- C. stock broking firms
- D. cooperative societies
- E. drop shipper

114. After sales services serve as a compensation a retailer gives for buying an expensive product.

- A. True
- B. False

115. Which of the following is NOT a visible item?

- A. Petroleum
- B. Iron-ore
- C. Machinery
- D. Tourism

116. Exports are divided into

- A. visible and invisible exports
- B. visible, invisible, external and internal exports
- C. visible, external and internal exports
- D. exchange and non-exchange export
- E. all of the above

117. There are how many types of warehouses?

- A. One
- B. Two
- C. Three
- D. Five
- E. None of the above

118. Terms of is defined as the comparison of a country's visible and invisible exports and her visible and invisible imports expressed in _____

- A. disadvantage
- B. price

- C. tariff
- D. trade
- E. quantity

119. Warehousing checks smuggling.

- A. True
- B. False

120. The problems of warehousing include stock valuation, problem of pilfering, /and problem of deterioration, lack of qualified manpower, inaccessibility and _____

- A. too many qualified manpower
- B. accessibility to road network
- C. unreliable supply of goods to the warehouse
- D. employment generation
- E. promotion of economic growth

121. Devaluation has the following effects EXCEPT

- A. increase in import
- B. increase in export
- C. improvement in balance of payment
- D. exports becomes cheaper

122. Imports are divided into how many major groups?

- A. Two
- B. Three
- C. Four
- D. Five
- E. Six

23. Branding is conducted through the post office.

- A. True
- B. False

124. Self-service vending machines ensure time and _____

- A. requirements
- B. place convenience
- C. customer order
- D. place installed
- E. maintenance cost

125. The following are used to correct an adverse balance of payment EXCEPT

- A. borrowing from friendly nations
- B. decreasing import
- C. devaluation of the currency
- D. embargo on importation
- E. increasing export

126. Which of the following encourages self-service?

- (i) Large floor space
 - (ii) Price of goods
 - (iii) Packaging
 - (iv) Hire purchase
 - (v) Branding
- A. i, iii and v only
 - B. i, iii, iv and v only
 - C. i, iii and iv only

D. ii, iv and v only

E. ii, iii and iv only

127. After-sales services tend to last for a definite period stated in the guarantee after which anything that happens to the product, the cost will be borne by the buyer.

A. True

B. False

128. Which of these options are not large-scale retailers?

A. Itinerant traders

B. Mail order firms

C. Cooperative shops

D. Supermarkets

E. None of the above

129. Which among these options is NOT a reason for branding?

A. To create artificial monopoly

B. To make it easier for customers to identify their brand of goods

C. To create scarcity

D. To avoid competition from rival companies

130. _____ is defined as the exchange, buying and selling of goods and services within a country.

A. international trade

B. external trade

C. Internal trade

D. countryside trade

E. foreign trade

131. Shops that confine whatever they sell in a single commodity which their producer supply directly to them are known as _____

- A. local shops
- B. tied shops
- C. vending shops
- D. rural shops
- E. mobile shops

132. Ordinary warehouse can also be called _____

- A. state warehouse
- B. goods warehouse
- C. queen warehouse
- D. federal warehouse
- E. public warehouse

133. Re-exporting goods which have been imported is known as _____

- A. visible trade
- B. counter trade
- C. invisible trade
- D. entrepote trade

134. Urban stores do not insured high overhead cost.

- A. True
- B. False

135. A place where government keeps goods whose owners have not paid their required duty is known as

- A. custom house

- B. public warehouse
- C. government warehouse
- D. stock warehouse
- E. bonded warehouse

136. Which of these options is NOT a tool used in controlling international trade?

- A. Exchange control
- B. Imposition of embargo
- C. Reduction of excise duties
- D. Import monopoly
- E. Direct order

137. The retailer sells in bulk.

- A. True
- B. False

138. Village stores are large-scale traders.

- A. True
- B. False

139. _____ is defined as the exchange, buying and selling of goods and services amongst countries.

- A. Internal trade
- B. International trade
- C. Cultural trade
- D. Currency trade
- E. Exchange trade

140. ____ are gigantic supermarkets that sell different kind of goods at competitive prices.

- A. Variety chain stores
- B. Mail order stores
- C. Hypermarkets
- D. Franchise shops

141. The retailer is very important because he is closer to the consumer.

- A. True
- B. False

142. Door-to-door traders are also called _____

- A. traders
- B. hagglers
- C. hawkers
- D. prizes
- E. none of the above

143. Wholesalers can be classified into two main groups' _____ and _____

- A. wholesalers and retailers
- B. full sellers and service wholesalers
- C. merchant wholesalers and agent middlemen
- D. limited sellers and faction wholesalers
- E. commission agent and sales agent

144. One roof containing a number of shops is a _____

- A. tied shop
- B. mail order firm

- C. department store
- D. chain store

145. _____ are retailing units that sell wide variety of products at less than the catalogue or invoice price to buyers.

- A. Supermarkets
- B. Variety stores
- C. Discount houses
- D. Department stores
- E. Hypermarkets

146. People who are involved in travelling from one place to another while trading are called _____

- A. price takers
- B. mobile traders
- C. Itinerant traders
- D. mobile facilitators
- E. none of the above

147. Branding makes customers select without problems.

- A. True
- B. False

148. Which of the following can be described as shopping without shops?

- A. Supermarket
- B. Mail order
- C. Unit shop
- D. Stall holder
- E. Mobile shop

149. Mail order business requires few workers for its operation.

- A. True
- B. False

150. Which of these options is NOT a tool used in protecting infant industries?

- A. Tariff
- B. Import Quota
- C. Import licence
- D. Preferential duties
- E. Terms of trade

151. Cash discount is allowance off the _____ price.

- A. cost
- B. purchase
- C. retail
- D. selling
- E. wholesale

152. _____ certifies that the price charged on the invoice is a fair one and that the parties involved are not defrauding the authorities.

- A. Consular invoice
- B. Bill of exchange
- C. Documentary credit
- D. Pro-forma invoice
- E. Bill of lading

153. Single line wholesalers deal in goods such as

- A. hardware, electrical materials, drugs, plumbing materials, farm etc

- B. groceries, fancy goods, drapery, paint, industrial tools etc
- C. spare facilities needed for servicing of the goods they sell
- D. perishable items
- E. live stocks

154. _____ is an authority given to an importer by the government of a country to import specified goods.

- A. Tariff
- B. Import Quota
- C. Import Licence
- D. Preferential duties
- E. Exchange Control

155. The reason for the introduction of after-sales service is that it serve as a guarantee for a certain period which makes buyers to agree to buy some certain products.

- A. True
- B. False

156. All these are measures taken to restrict import EXCEPT

- A. devaluation of the currency
- B. encouraging the use of home made goods
- C. import licensing
- D. reorganizing the customs and excise department
- E. stiff exchange control

157. Which of these options is NOT a feature of urban market?

- A. It insures no overhead cost
- B. It is usually sited in strategic locations like city centres and near motor parks

- C. It opens as early as 6.00 am and closes in the evening
- D. It is usually zoned in accordance with the nature and the type of goods sold
- E. It is made up of lock-up shops and stores

158. Which of the following advises members on tariff and currency regulations of other countries?

- A. Employers' association
- B. Trade union
- C. Consumer association
- D. Chamber of commerce

159. Itinerant traders are large-scale retailers.

- A. True
- B. False

160. Which among these options are agent middlemen?

- A. Drop shippers
- B. Truck distributors
- C. Rack jobbers
- D. Cooperative wholesale society
- E. Sales agents

161. How many groups are merchant wholesalers divided into?

- A. Two
- B. Three
- C. Four
- D. Five
- E. Six

162. The organization of fairs and exhibitions for the enhancement of commercial activities is the responsibility of _____

- A. trade Associations
- B. Producer's Cooperative Societies
- C. Manufacturers' Association of Nigeria
- D. Chambers of Commerce

163. Which of the following can be described as shopping without shops?

- A. Supermarket
- B. Mail order
- C. Unit shop
- D. Stall holder
- E. Mobile shop

164. _____ is a situation where there are no restrictions imposed on goods and services coming in and out of a country.

- A. Free trade
- B. Protectionist law
- C. Infant industries
- D. Tariffs
- E. Law

165. What is the most popular means of retailing goods in West Africa?

- A. Terms of trade
- B. Retailing
- C. Hawking
- D. Hours of trade
- E. Trading

166. The commonest form of trade that exist between two countries of the world is known as_____

- A. multilateral international trade
- B. bilateral international trade
- C. multinational trade
- D. free zone trade
- E. cultural trade

167. Which of the options is a factor that determines the location of a warehouse?

- A. Price stabilization
- B. Bonded warehouse
- C. Stock valuation
- D. Operating cost
- E. Credit facility

168. _____ involves an exclusively between two states

- A. Mon lateral trade
- B. Bilateral trade
- C. Commerce trade
- D. Business trade

169. Laws made in a country for the control of international in order to avoid unlawful activities are called _____

- A. International laws
- B. Protectionist laws
- C. Export laws
- D. Acts of parliament

170. David Ricardo is profoundly known with the principle of _____

- A. Division of labour
- B. Specialization
- C. Comparative cost advantage
- D. Business ratio

171. _____ is a complete ban of the importation of certain goods which is a straight forward way of restriction or protection.

- A. A Tariff
- B. An Import Quota
- C. An Import Licence
- D. A Reduction of excise duties
- E. An embargo

172. Buyers often find mobile shops unsuitable because _____

- A. the choice of goods are limited
- B. they operate at odd hours
- C. they sell only perishable goods
- D. they are operated by sole traders

173. Which among these options is not a small scale retailer?

- A. Itinerant traders
- B. Roadside traders
- C. Rural stores
- D. Urban stores
- E. Supermarkets

174. Which of the following helps countries globally to solve their balance of payments difficulties?

- A. GATT
- B. EEC
- C. U.N.O
- D. IMF
- E. O.A.U

175. Uniform standard of design is the feature of a _____

- A. departmental store
- B. mail - order business
- C. mobile shop
- D. multiple shop
- E. supermarket

176. The index of terms of trade is given as:

- A. $\text{Price index of exports} / \text{Price index of imports} \times 100$
- B. $\text{Price index of imports} / \text{Price index of exports} \times 100$
- C. $\text{Quantity index of exports} / \text{Quantity index of imports} \times 100$
- D. $\text{Quantity index of imports} / \text{Quantity index of exports} \times 100$

177. _____ is the act of storing goods in a place until they are needed.

- A. Security
- B. Acquisition cost
- C. Warehousing
- D. Bulk purchasing
- E. Bonding

178. A document lodged with the department of customs and excise, giving details of goods imported and exported is termed _____

- A. Custom's specification
- B. Ship's manifest
- C. Excise drawback
- D. manifest

179. Illustration catalogues are mostly used by _____

- A. chain stores
- B. department stores
- C. mail order firms
- D. supermarkets

180. Retail cooperative society MUST be incorporated and registered.

- A. True
- B. False

181. Goods that are not allowed to enter a country are known as _____

- A. fake goods
- B. bonded goods
- C. ordinary goods
- D. requisition goods
- E. contraband goods

182. A country's balance of payments accounts is divided into _____

- A. fixed and non-fixed account
- B. micro and macro account
- C. current and capital account

- D. balance and unbalanced account
- E. None of the above

183. _____ are surplus goods and services of a country that are sent to other countries of the world.

- A. Price index
- B. Price index of export
- C. Price index of import
- D. Exports
- E. Imports

184. The activities of government of a country or its agents to promote and increase the goods and services exported from the country to other nations is known as _____

- A. balance of payment
- B. Imports
- C. Exports
- D. Export drive
- E. Import drive

185. Small scale retailers continue to survive inspite of serious competition from large scale retailers because they _____

- A. buy from many manufacturers
- B. maintain personal relationship with customers
- C. stock only one line of goods in their stalls
- D. do not separate business money from personal money

186. General merchandise wholesalers deal in goods such as

- A. hardware, electrical materials, plumbing materials, farm tools etc
- B. groceries

- C. spare facilities needed for servicing of the goods they sell
- D. perishable items
- E. live stock

187. _____ are large scale retail unit in which many different stores are housed in large buildings under the same roof.

- A. Hypermarkets
- B. Super stores
- C. Super markets
- D. Multiple shops
- E. Department shops

188. _____ involves the exchange, buying and selling of goods and services between more than two countries.

- A. Foreign exchange trade
- B. Multilateral international trade
- C. Bi-lateral international trade
- D. Multinational trade
- E. Currency trade

189. When a buyer is to pay for the cost of transporting goods, the invoice is marked _____

- A. carriage forward
- B. carriage paid
- C. cost and freight
- D. cost, insurance and freight

190. A document issued by a national government authorizing the exportation of certain goods outside its territory is known as _____

- A. bill of export
- B. export invoice
- C. export licence
- D. certificate of export
- E. consular invoice

191. _____ is NOT part of the method of restriction.

- A. Export subsidies
- B. Tariffs
- C. Entrepot
- D. Quotas

192. Why is a retailer an essential element in the channel of distribution?

- A. A retailer is an essential element because he sells in bulk
- B. A retailer is an essential element because he is nearer to the consumer
- C. A retailer is an essential element because he is the last link in the distribution chain
- D. A and B
- E. None of the above

193. Where customs and excise department keep goods on which duties have not been paid is known as _____ warehouse.

- A. bonded
- B. manufacturers
- C. public
- D. state
- E. wholesale

194. One advantage of department stores is

- A. that they require huge amount of capital to establish
- B. that they are elitist in nature
- C. they reap the benefit of large scale purchase in the form of large profit
- D. they give little or no credit facility to customers

195. Branding does not ensure quality.

- A. True
- B. False

196. One of the reasons why wholesaling must continue is that

- A. the tax paid by wholesalers on their profit enhances national revenue
- B. by creating artificial scarcity, the wholesaler enhances competition in the economy
- C. the wholesaler provides technical advice to the retailer
- D. the gap between manufacturers and retailers is reduced by wholesalers

197. Self-service vending machines do not offer 24 hours of service per day.

- A. True
- B. False

198. A document issued by a national government authorizing the importation of certain goods into its territory is known as _____

- A. export licence
- B. export invoice
- C. import licence
- D. certificate of origin
- E. consular invoice

199. Another name for state warehouse is _____

- A. bonded warehouse
- B. public warehouse
- C. government warehouse
- D. stock warehouse
- E. none of the above

200. Which of the following describes the reason for international trade?

- A. Balance of payment
- B. Comparative cost advantage
- C. Absolute cost advantage
- D. Balance of trade

201. One of the problems of warehousing is too many middlemen.

- A. True
- B. False

TOPIC: TRANSPORT AND COMMUNICATION

DIRECTION: Choose the correct answer from the lettered options.

1. The transmission of information from one end to another in order to aid business is called _____

- A. information technology
- B. advertisement
- C. communication
- D. transportation

2. Which of the following is a means of payment through the post office?

- A. Standing Order
- B. Promissory note
- C. Money order
- D. Telegraphic transfer

3. Transport is important to commerce for all the following reasons EXCEPT that _____

- A. it stimulates large scale production
- B. it influences location of industries
- C. it encourages the distribution of goods
- D. it increases savings ability

4. Which of the following mode of transport involves the use of tramp liners?

- A. Land transport
- B. Sea transport
- C. Air transport
- D. Pipeline

5. Which of the following appears to be the fastest means of transferring verbal messages?

- A. Electronic mail
- B. Telephone
- C. Internet
- D. Courier services

6. Courier services in Nigeria have an edge over public postal services in all EXCEPT one of the following.

- A. Reliability
- B. Promptness
- C. Economy
- D. Safety

7. Mail order business requires all of the following EXCEPT _____

- A. use of catalogue
- B. display room
- C. post office
- D. warehouse

8. Which of the following means of transportation is suitable for the trans-shipment of goods?

- A. Air transport
- B. Rail transport
- C. Road transport
- D. Pipeline

9. Which of the following is not a modern benefit of communication?

- A. Bridging the gap between and among nations

- B. Promotion of among businessmen
- C. Entrenchment of the barter system
- D. Enhancement of mail order business

10. Franking machine is used

- A. for self-service in retail outlets
- B. in printing postage marks on letters and parcels
- C. in transacting online businesses
- D. in place of vending machines

11. Which of the following could possibly hinder effective communication process?

- A. Distance
- B. The type of writing material
- C. Political crises
- D. Noise pollution
- E. None of the above

12. Which of the following is NOT a feature of registered mail?

- A. Safety
- B. Evidence in delivery
- C. Very cheap
- D. Quite expensive

13. Which of the following is NOT a document involved in transportation?

- A. Charter party
- B. Manifest
- C. Consignment
- D. Bill of exchange

14. The method of sending messages by the teleprinter is _____

- A. telephone
- B. cablegram
- C. telex
- D. railed

15. The post office service rendered to tourists who have no fixed addresses in towns visited is known as _____

- A. poste restante
- B. recorded delivery
- C. parcel post
- D. preference post

16. Which of the following enables producers to get in touch with one another without physical contact?

- A. Transport
- B. Communication
- C. Channels of distribution
- D. Advertising

17. The freight paid on the unoccupied space in the ship chartered for a specific voyage is known as _____

- A. dead freight
- B. demurrage
- C. transport bill
- D. import duty

18. When a telephone call is made within the same town, it is referred to as _____

- A. trunk call

- B. local call
- C. intermediate call
- D. localized call

19. Which of the following is NOT an advantage of rail transport?

- A. Suitable for bulky goods over long distances
- B. Less prone to accident
- C. Suitable for perishable goods
- D. Relatively cheap

20. Which of the following is NOT a service rendered by the post Office?

- A. Post restante
- B. Telegrams
- C. Air mail service
- D. Recorded delivery service
- E. Telex service

21. The process of exchange of information, message, ideas, attitudes, feelings and reactions is known as _____

- A. co-ordination
- B. management
- C. communication
- D. advertising

22. The means of sending and receiving information is known as _____

- A. international networking
- B. transportation
- C. telex
- D. communication

23. A freight ship which travels wherever it can find cargoes to carry is a _____

- A. liner
- B. tramp
- C. tanker
- D. ferry

24. Which of the following is a feature of rail transport?

- A. Door to door delivery
- B. High fare
- C. Movement without schedule
- D. Fixed route
- E. Carries liquids only

25. The capacity to carry bulky goods and passengers is a distinctive advantage of transportation by _____

- A. trains
- B. trailers
- C. luxury buses
- D. Lorries

26. Which of the following makes air transportation preferable to other means of transportation?

- A. Cost effectiveness
- B. Speed
- C. Safety
- D. Reliability

27. Which of the following is commonly used in carrying heavy and bulky goods in foreign trade?

- A. Ships
- B. Motor vehicles
- C. Aeroplanes
- D. Tankers
- E. Passenger trains

28. The use of sealed large metal boxes for transporting goods is known as _____

- A. standardization
- B. containerization
- C. bulk carrying
- D. packaging

29. Transportation of fragile goods within Nigeria is best done by _____

- A. road
- B. air
- C. sea
- D. pipeline

30. Which of the following means of transportation will be more appropriate in transporting official documents from Nigeria to South Africa?

- A. Road transport
- B. Air transport
- C. Rail transport
- D. Water transportation

31. Which of the following is a function of NITEL?

- A. Recruitment of federal civil servants
- B. Installation of telephones in Nigeria
- C. Collection of rates on electricity
- D. Posting of letters across borders

ANSWERS

TOPIC: BANKING SERVICES

DIRECTION: Choose the correct answer from the lettered options.

1. The weapons used by the central bank to control credit is _____

- A. open market operations
- B. treasury bills
- C. collateral
- D. commission

The correct answer is option [A]

2. "Apex Bank" is alternative name for _____ bank.

- A. central
- B. saving
- C. African
- D. commercial

The correct answer is option [A]

3. A Cheque which a bank official draws on the bank's deposits in another bank is known as _____

- A. cashier"s cheque
- B. bank draft
- C. certified cheque
- D. traveler's cheque

The correct answer is option [B]

4. A cheque issued in January 1997 which the holder failed to present for payment until September 1997 is called a _____

- A. crossed cheque
- B. traveler's cheque
- C. post-dated cheque
- D. stale cheque

The correct answer is option [D]

5. Another name for fixed deposit account is _____

- A. personal account
- B. current account
- C. savings account
- D. time deposit

The correct answer is option [D]

6. Which of these qualities guarantees the keeping of money for a long period?

- A. Acceptability
- B. Divisibility
- C. Durability
- D. Homogeneity

The correct answer is option [C]

7. The provision of adequate number of berths by which ships can load and off-load is the function of the _____

- A. department of Customs & Excise
- B. ports Authority
- C. shipping and Forwarding Agent
- D. national Shipping Line

The correct answer is option [B]

8. Which of the following services is NOT provided by the Customs and Excise Authority?

- A. Collection of import duties
- B. Improvement of ports facilities
- C. Checking smuggling
- D. Control of goods in the bonded warehouse

The correct answer is option [B]

A Bonded warehouse is a warehouse in which goods on which the duties are unpaid are stored under bond and in the joint custody of the importer, or his agent, and the customs officers.

9. A simple crossed cheque bears _____ parallel diagonal lines across its face.

- A. 4
- B. 2
- C. 5
- D. 3

The correct answer is option [B]

10. The followings are features of a cheque EXCEPT _____

- A. the account number of the drawer
- B. the amount to be paid to the payee
- C. the stamp duty
- D. discounting bills of exchange

The correct answer is option [D]

Use this document to answer the questions

XYZ bank Nigeria plc.

47085234 market Branch Lagos 5/12/05

Pay Obioma Emmanuel or order

The sum of Twenty Thousand Naira Only

Kate C #20,000.00

Kate Chinasa 47085234

11. Kate Chinasa and Obioma Emmanuel are respectively _____

- A. acceptor and endorser
- B. drawer and payee
- C. endorser and payee
- D. payee and drawer
- E. writer and acceptor

The correct answer is option [B]

12. A financial institution established for acceptance of fixed deposits from members of the public with the aim of encouraging them to build their own houses by offering them long - term loans is _____

- A. discount house
- B. mortgage bank
- C. merchant bank
- D. development bank

The correct answer is option [B]

13. To pay money into a current account, the customer needs a _____

- A. bank statement
- B. cheque
- C. passbook

- D. teller
- E. withdrawal slip

The correct answer is option [B]

14. All these are functions of money EXCEPT

- A. general acceptability
- B. medium of exchange
- C. standard for deferred payment
- D. store of value
- E. unit of account

The correct answer is option [A]

15. "Not Negotiable" means that, the _____

- A. cheque is not crossed
- B. drawer is bankrupt
- C. no cash in the bank
- D. cheque may not be endorsed to another person

The correct answer is option [D]

Use this document to answer the questions

XYZ bank Nigeria plc.

47085234 market Branch Lagos 5/12/05

Pay Obioma Emmanuel or order

The sum of Twenty Thousand Naira Only

Kate C

#20,000.00

Kate Chinasa 47085234

16. XYZ Bank Nigeria Plc is the _____

- A. bearer

- B. drawee
- C. drawer
- D. endorser
- E. payee

The correct answer is option [B]

17. A financial institution that provides short, medium and long – term loans, accepts large deposits, bills and deals in stocks is _____

- A. co-operative bank
- B. mortgage bank
- C. merchant bank
- D. commercial bank

The correct answer is option [C]

18. The practice whereby customers purchase goods without being attended to by shop assistants is _____

- A. pre-sale service
- B. after sales services
- C. self-services
- D. impulse buying

The correct answer is option [C]

19. The functions of a merchant bank includes the following EXCEPT

- A. buying and selling of foreign exchange
- B. discounting of bills of exchange
- C. provision of capital for floating companies
- D. regulating the money in circulation
- E. selling of shares, bonds, stocks and other securities

The correct answer is option [D]

20. One of the following means is NOT how the central bank control the commercial banks.

- A. Special credit
- B. Special direction
- C. Special deposit
- D. Bank rate

The correct answer is option [A]

21. The responsibilities of the Nigerian Port Authority do NOT include _____

- A. collecting custom duties
- B. dredging harbour
- C. maintaining dry dock
- D. providing re-fuelling facilities at the port
- E. provision of crane

The correct answer is option [A]

22. The Central Bank of Nigeria started operation in _____ year.

- A. may, 1955
- B. October, 1955
- C. July, 1959
- D. January, 1963

The correct answer is option [C]

23. Which of these functions performed by the central bank?

- (i) Issuing of currency
- (ii) Control of credit
- (iii) Control of employment
- (iv) Lenders of last resort

A. i and ii

B. i and iii

C. i, ii and iv only

D. all of the above

The correct answer is option [C]

24. A mortgage bank is primarily concerned with financing the acquisition of _____

A. motor vehicle

B. research equipment

C. computer machine

D. dwelling houses

The correct answer is option [D]

25. The central bank of Nigeria performs the following functions, EXCEPT _____

A. the government bank

B. the banker's bank

C. control of credit

D. pay salaries to government workers

The correct answer is option [D]

26. A bulk money a bank gives to its customer or others that meet the requirements for such money is called _____

A. credit

B. gift

C. loan

D. allowance

The correct answer is option [D]

27. The instruction by the central bank to the commercial banks on definite credit guidelines is referred to as _____

- A. cash reserves
- B. bank rate
- C. open market operation
- D. special deposit
- E. special directives

The correct answer is option [A]

Use this document to answer the questions

XYZ bank Nigeria plc.

47085234 market Branch Lagos 5/12/05

Pay Obioma Emmanuel or order

The sum of Twenty Thousand Naira Only

Kate C

#20,000.00

Kate Chinasa 47085234

28. The document above is a/an _____

- A. bill of exchange
- B. bearer cheque
- C. certified cheque
- D. order cheque
- E. standing order

The correct answer is option [B]

29. A cheque drawn on behalf of a customer to guarantee payment is referred to as

- A. certified
- B. crossed
- C. dishonored
- D. post dated
- E. stale

The correct answer is option [A]

TOPIC: FINANCE AND FINANCIAL INSTITUTIONS

DIRECTION: Choose the correct answer from the lettered options.

1. Which of the following is an avenue for raising long term capital?

- A. Money market
- B. Capital market
- C. International market
- D. Domestic

The correct answer is option [B]

2. Promissory notes, bank drafts and cheques are classified as _____

- A. bank deposits
- B. legal tender
- C. documents of title
- D. credit instruments
- E. representative money

The correct answer is option [B]

3. by barter is a form of in which _____ is exchanged for _____

- A. goods/rice
- B. money/goods
- C. goods/goods
- D. notes/coin
- E. None of the above

The correct answer is option [C]

4. Which of the following services is NOT rendered by Commercial Banks?

- A. Business advice

- B. Currency notes issue
- C. Accepting deposits
- D. Credit transfers

The correct answer is option [B]

5. Which of the following is not a function of money?

- A. Portability
- B. Unit of account
- C. Store of value
- D. Standard of deferred payment
- E. Medium of exchange

The correct answer is of option [A]

6. Use the following information to answer question below.

A cheque written payable to M. Olu, has at its back 'Pay K.Ojono' and signed by Olu.

K. Ojono is now the _____

- A. drawer
- B. payee
- C. drawee
- D. payer
- E. debtor

The correct answer is option [B]

7. Central bank controls commercial banks in the following ways EXCEPT _____

- A. open market operation
- B. liquidity ratio
- C. special directives
- D. lender of last resort

E. none of the above

The correct answer is option [D]

8. _____ is NOT a function of commercial banks.

- A. Accepting deposit
- B. Lending to customer
- C. Safe keeping of valuables
- D. Discounting of bills
- E. Lender of last resort

The correct answer is option [E]

9. Use the following information to answer question below.

A cheque written payable to M. Olu, has at its back 'Pay K. Ojono' and signed by Olu.

The above cheque is _____

- A. a bearer cheque
- B. an order cheque
- C. a crossed cheque
- D. a certified cheque
- E. a stale cheque

The correct answer is option [B]

10. Which of the following encourages people to save towards owning a house?

- A. Merchant bank
- B. Development bank
- C. Mortgage bank
- D. Commercial bank

The correct answer is option [C]

Mortgage bank is a financial institution established for the acceptance of fixed deposits from members of the public with the aim of encouraging them to build their own houses by offering them long term loan.

May/June '2000

11. One of the effects of instability in farmers' income in Nigeria is _____

- A. lack of infrastructural facilities
- B. rural-urban migration
- C. inadequate supply of fertilizer
- D. low level of technology

The correct answer is option [B]

12. The buying and selling of securities from and to commercial banks in order to increase and reduce the money in circulation by the Central Bank is called _____

- A. open market operation
- B. shareholding
- C. liquidity ratio
- D. credit

The correct answer is option [A].

13. The regulatory body that co-ordinates the activities of commercial banks in Nigeria is known as _____

- A. Reserve Bank of Nigeria
- B. Central Bank of Nigeria
- C. Nigerian Development Bank
- D. Corporate Affairs Commission

The correct answer is option [B]

14. The modern trend of exchanging goods or services that are paid for, in whole or part, with other goods or services is known as _____

- A. counter-
- B. credit
- C. barter system
- D. international

The correct answer is option [A].

Barter is the exchange of goods or services directly for other goods or services without the use of money as means of purchase or payment.

15. Which of the following is NOT a benefit of making transactions with cheque?

- A. It makes payment convenient
- B. Reduces the risk of carrying cash
- C. General acceptability
- D. Removes the burden of carrying bulk money

The correct answer is option [C].

16. The challenge of double coincidence of wants is a characteristics of _____

- A. division of labour
- B. barter system
- C. demand and supply
- D. foreign

The correct answer is option [B]

17. When the amount specified on a cheque has been deducted from the current account of the drawer and credited to the person presenting it, the cheque is said to be

- A. cleared
- B. discounted

- C. accepted
- D. dishonoured
- E. retired

The correct answer is option [A]

18. When a cheque is issued and it cannot be cashed by the payee at the counter, the cheque is likely to be _____

- A. a bearer cheque
- B. an open cheque
- C. an order cheque
- D. a crossed cheque

The correct answer is option [D].

19. Which of the following reduces the risk of carrying large amount of money?

- A. Bank draft
- B. Wallet
- C. Vouchers
- D. Cash

The correct answer is option [A]

A bank draft is like a cheque, it is an order in writing from a bank to another bank instructing the bank to pay a specified sum of money to a named person. It is drawn by a bank upon its branch or agent, or another bank,

20. The practice by which the Central Bank controls the money in circulation through the purchase and sale of government bonds is called _____

- A. open market operation
- B. moral suasion
- C. special directive
- D. bank rate

The correct answer is option [A]

21. The universal banking system is geared towards _____

- A. the emergence of a large bank in Nigeria
- B. the bringing of a positive change in the nation's financial industry
- C. full capitalization of the financial industry
- D. a reduction in the collapse of banks
- E. raising the capital formation of insurance companies

The correct answer is option [B]

22. The most important quality of money is _____

- A. Acceptability
- B. Malleability
- C. Durability
- D. Divisibility

The correct answer is option [A]

23. If a customer is allowed an overdraft of ₦1, 000 and he received a bank statement showing an overdraft of ₦100. This means that he _____

- A. cannot draw more cheques
- B. is owed ₦100 by the bank
- C. owes the bank at least ₦900
- D. owes the bank ₦100 only

The correct answer is option [D]

24. The financial instrument for borrowing in which the collateral is usually more than the amount borrowed is known as _____

- A. trust certificate
- B. detachable warrant
- C. mortgage bond

D. convertible securities

The correct answer is option [D]

25. Which of the following is NOT a quality of money?

A. Acceptability

B. Scarcity

C. Durability

D. Portability

E. Partiality

The correct answer is option [E]

26. A cheque is dishonoured if it bears _____

A. the current date

B. altered figures without initials

C. the same amount in words and figures

D. the payee's name only

The correct answer is option [B]

27. Which amongst these challenges are NOT consider in adopting the barter system?

A. Discouragement of large scale production

B. Discouragement of installment payments

C. Homogeneity

D. Non-durability of the goods involved

The correct answer is option [D].

28. The market where short-term loans can be obtained by investors is called the _____

- A. capital market
- B. foreign exchange market
- C. finance market
- D. stock exchange
- E. money market

The correct answer is option [E]

29. An institution set up to safeguard valuable documents and keep money is known as _____

- A. finance house
- B. exchange commission
- C. commercial bank
- D. development house

The correct answer is option [C].

30. The financial institution set up for keeping and lending money to people with the main purpose of profit making is known as _____

- A. development bank
- B. central bank
- C. commercial bank
- D. mortgage bank

The correct answer is option [C].

31. Which of the following institutions is a lender of last resort?

- A. Commercial bank
- B. Central bank
- C. Merchant bank

D. Federal mortgage bank

The correct answer is option [B]

32. _____ is anything that is generally accepted as a medium of exchange in payment for goods and services or settlement of debt.

A. Coin

B. Money

C. Cowries

D. Note

E. Dollar

The correct answer is option [B]

33. A loan taken to sustain a building construction is usually called a_____

A. mortgage

B. overdraft

C. deferred payment

D. lease

E. debenture

The correct answer is option [A]

34. Which of the following is NOT a financial institution?

A. Commodity Board

B. Insurance company

C. Clearing house

D. Stock exchange

The correct answer is option [A]

35. Businessmen in promoting their activities often go for _____

- A. savings account
- B. time deposit account
- C. fixed deposit account
- D. current account

The correct answer is option [D].

36. Which of the following is the most important factor to consider before a commercial bank can grant a loan?

- A. The collateral security offered
- B. Previous financial dealings with the bank
- C. Government policy on bank lending
- D. The period of repayment

The correct answer is option [C].

37. _____ is a partial money that is accepted within a restricted area.

- A. Token money
- B. coin
- C. money order note
- D. bank special

The correct answer is option [A].

38. The maximum period a cheque can be presented for withdrawal in a commercial bank is _____

- A. 3 months
- B. 6 months
- C. 12 months
- D. 6 weeks

The correct answer is option [B].

39. Central Bank of Nigeria carries out all of the following functions EXCEPT

- A. being federal government's banker
- B. issuing of currency
- C. issuing of backdraft
- D. regulation of the national economy

The correct answer is option [C].

40. An issue of bank (money) notes not backed up by gold, but by government securities and their acceptance based on faith is termed

- A. fiduciary issue
- B. token issue
- C. goodwill
- D. allotment issue

The correct answer is option [A].

41. Money backed by a force of law in a country which makes it generally acceptable as a medium of exchange connotes _____

- A. token money
- B. lingua franca
- C. legal tender
- D. paper money

The correct answer is option [C].

42. Use the following information to answer the question below.

A cheque written payable to M. Olu, has at its back 'Pay K. Ojono' and signed by Olu.

The inscription pay K. Ojono means that the cheque is

- A. endorsed
- B. dishonoured

- C. crossed
- D. not negotiable
- E. acceptable

The correct answer is option [A]

43. Which of the following is NOT a quality of money?

- A. Divisibility
- B. Adaptability
- C. Storability
- D. Portability

The correct answer is option [B]

44. When a customer writes a cheque in his own name and withdraws cash with it from his account, he is both the _____

- A. drawee and the payee
- B. drawee and the payer
- C. drawee and the drawer
- D. drawer and the payee

The correct answer is option [D]

45. Which of the following is not a way the Central Bank controls the activities of commercial banks?

- A. Special directive
- B. Monetization
- C. Open market operation
- D. Cash ratio

The correct answer is option [B].

46. Standard of deferred payment is a function of money which _____

- A. discourages savings
- B. makes lending difficult
- C. facilitates credit sales
- D. forbids borrowing

The correct answer is option [C]

Has to do with buying some commodities now and paying back in the future.

47. Money orders, promissory notes, stamps and other instruments used in lieu of legal tender are called

- A. token money
- B. representative money
- C. commodity money
- D. paper money

The correct answer is option [B].

48. Commercial banks perform all of the following functions EXCEPT

- A. acceptance of deposits
- B. issuing of backdrafts
- C. discounting bills of exchange
- D. issuing of currency

The correct answer is option [D].

49. Overdraft as a type of credit facility with commercial banks is only enjoyed by the holders of _____

- A. current account
- B. capital account
- C. savings account

D. fixed deposit account

The correct answer is option [A].

50. Which of the following is NOT a source of credit to a business?

A. Bank

B. Leasing

C. Hire purchase

D. Foreign exchange market

E. Issuance house

The correct answer is option [D]

51. A government policy that restricts bank loans is _____

A. price control

B. credit squeeze

C. monetary policy

D. exchange control

E. open market operations

The correct answer is option [C]

TOPIC: INTRODUCTION TO COMMERCE

DIRECTION: Choose the correct answer from the lettered options.

1. The pivot on which the wheel of commerce rotates is

- A. tariff
- B. trade
- C. taxation
- D. price

The correct answer is option [B]

2. The activity of stimulating the demand for goods and services by informing the public about the uses of such goods and where to obtain them is _____

- A. stimulation
- B. advertising
- C. sensitization
- D. campaigning

The correct answer is option [B]

3. Commercial activities like warehousing, banking and insurance are all classified as _____

- A. functions of commerce
- B. ancillaries to trade
- C. occupational distribution
- D. agents of commerce

The correct answer is option [B]

4. Commerce performs the following functions EXCEPT

- A. facilitating international cooperation

- B. necessitating the development of infrastructural facilities
- C. destabilization of national economic reforms
- D. promotion of exchange among nations

The correct answer is option [C]

5. Commerce is important in any country for the following reasons, EXCEPT

- A. Provision of employment opportunities
- B. Exchange of goods and services
- C. Financing of trading activities
- D. Creation of electoral colleges

The correct answer is option [D]

6. _____ are those services that can make buying and selling to thrive.

- A. trade
- B. Development
- C. Entrepreneurship
- D. Ancillary to trade
- E. Home

The correct answer is option [D]

Ancillary to are those services that can make buying and selling to thrive they include transport, banking and finance, warehousing, advertising, communication and tourism.

7. The growth of Commerce has been enhanced in West Africa as a result of _____

- A. political instability
- B. warehousing
- C. engineers
- D. technicalities

The correct answer is option [B]

8. The management function concerned with making decisions and setting standards is known as _____

- A. organizing
- B. coordinating
- C. controlling
- D. planning
- E. staffing

The correct answer is option [D]

9. Commerce is divided into _____ major groups.

- A. two
- B. three
- C. four
- D. five
- E. six

The correct answer is option [A]

Commerce is divided into two major groups namely and ancillary to (Aids to trade).

10. All, but one of the following are functions of commerce.

- A. creation of goods
- B. provision of employment
- C. maintaining national deficit
- D. distribution of goods

The correct answer is option [C]

11. The aspect of commerce that enhances product sale is known as _____

- A. transportation
- B. advertising

- C. insurance
- D. banking

The correct answer is option [B].

12. All of these are functions of Commerce EXCEPT _____

- A. it increases the standard of living
- B. it creates career opportunities and expands
- C. it facilitates internal/international cooperation's
- D. it necessitates the development of infrastructural facilities
- E. it cripples the economy

The correct answer is option [E]

13. Commercial activities in Nigeria have been enhanced by the following EXCEPT _____

- A. smuggling
- B. building of railways
- C. advertising
- D. introduction of banking and currency facilities

The correct answer is option [A]

14. _____ is a branch of production which is concerned with the distribution, exchange of goods and services and all activities which assist or facilitate trade, e.g. banking, insurance, transportation, communication, tourism etc.

- A. Production
- B. trade
- C. Commerce
- D. Banking
- E. Tourism

The correct answer is option [C]

15. Communication is important to Commerce for the following reasons, EXCEPT

- A. it makes known goods and services to potential buyers
- B. it makes internal possible
- C. it bridges the gap between the poor and the rich
- D. it provides information on government commercial policies to business men

The correct answer is option [C]

16. The act of storing goods produced ahead of demand until the time they will be needed is called _____

- A. banking
- B. storage
- C. warehousing
- D. leverage

The correct answer is option [C]

17. Advertising ensures access to facts pertaining to goods while warehousing _____

- A. makes exchange inevitable
- B. ensures adequate distribution
- C. guarantees safety of goods
- D. enhances storage of goods

The correct answer is option [D]

18. Which of the following companies was instrumental to the development of commerce in Nigeria?

- A. Royal Niger Company
- B. Royal Exchange Assurance
- C. Gold Mines Limited
- D. United African Society

The correct answer is option [A]

The Royal Niger Company was a mercantile company chartered by the British government in the nineteenth century. It formed a basis of the modern state of Nigeria.

19. Another name for home is _____

- A. domestic
- B. wholesale
- C. retail
- D. large scale

The correct answer is option [A]

20. The study of commerce has continually remained globally relevant because it _____

- A. establishes and maintains military cooperation
- B. facilitates international cooperation
- C. promotes exchange of goods and services locally
- D. is a means to an end

The correct answer is option [B]

21. The following are part of the ancient coastal trading towns in Nigeria EXCEPT

- A. Bonny
- B. Lagos
- C. Kaduna
- D. Opobo

The correct answer is option [C]

22. Commerce facilitates the exchange of goods and services through _____ means.

- A. risk bearing
- B. rapid transfer
- C. transportation
- D. workers
- E. banking

The correct answer is option [C]

23. Which among these is NOT a type of insurance which a person can take up?

- A. Life assurance
- B. Accident insurance
- C. Motor vehicle insurance
- D. Fidelity guaranty insurance
- E. Service insurance

The correct answer is option [E]

24. The process of exchange of goods for goods in home is known as _____

- A. entreccote trade
- B. by barter
- C. commodity
- D. distributive

The correct answer is option [B]

25. The buying and bringing in of goods and services from one country to another is known as _____

- A. international
- B. export

- C. import
- D. foreign

The correct answer is option [C]

26. The United African Company (UAC) in Nigeria aided _____

- A. the development of commerce
- B. the strengthening of banks
- C. consolidated warehousing policies
- D. the pioneering of insurance business

The correct answer is option [A]

27. Commerce is best defined as _____

- A. retailing and wholesaling
- B. all activities concerned with the distribution of income and expenditure
- C. all activities concerned with the buying, selling and distribution of goods and services
- D. ancillaries to trade

The correct answer is option [C]

28. _____ enables a trader to obtain compensation in the event of losses in business transaction.

- A. Premium
- B. Insurance
- C. Synergy
- D. Empathy note

The correct answer is option [B]

29. _____ is the exchange, buying and selling of goods and services within a country.

- A. Retail
- B. Foreign
- C. Home
- D. Import
- E. Export

The correct answer is option [C]

30. Which of these is a factor that can contribute to the growth of Commerce?

- A. Lack of enough capital
- B. Political instability
- C. Political stability
- D. Low savings
- E. Absence of developed markets

The correct answer is option [C]

31. Commerce is basically divided into _____ and _____

- A. and antecedents of trade
- B. and ancillaries to trade
- C. and industry
- D. production and exchange

The correct answer is option [B]

32. Commerce in its scope is limited to _____

- A. warehousing and banking
- B. import and export
- C. and aids to trade

D. banking, transport and warehousing

The correct answer is option [C]

33. The central focus of commerce is _____

- A. banking
- B. tourism
- C. commerce
- D. production
- E. exchange

The correct answer is option [E]

34. The division of commerce that covers those services which make buying and selling to thrive is called _____

- A. ancillaries to trade
- B. production possibility curve
- C. trading cost
- D. consumer services

The correct answer is option [A]

35. The aspect of commerce that facilitates the distribution of products is known as _____

- A. transportation
- B. advertising
- C. branding
- D. trading

The correct answer is option [A].

36. Industry is a term used to denote activities concerned with the physical production of goods while commerce is the _____

- A. exchange and distribution of goods
- B. production of goods and services
- C. organization of trading activities
- D. conversion of raw materials into finished goods

The correct answer is option [A]

37. The ancillary to that informs the public about the availability of a product is _____

- A. marketing mix
- B. sales promotion
- C. advertising
- D. sensitization

The correct answer is option [C]

38. The major components of a business environment are _____

- A. economic, political, cultural, legal and technological
- B. technological, legal, cultural political and moral
- C. legal, democratic, academic, cultural and technological
- D. economic, moral, legal, academic and technological

The correct answer is option [A]

39. Which of these factors led to the growth of commerce?

- A. Lack of capital
- B. Political instability
- C. Low national income
- D. Economic stability

E. Absence of developed markets

The correct answer is option [D]

Commerce cannot develop in a politically rowdy atmosphere but in an atmosphere devoid of political bickering, rancore and squabbles which guarantees meaningful commercial activities.

40. Home is divided into _____ and _____

A. import and export

B. wholesale and retail

C. foreign and export

D. wholesale and imports

E. international and export

The correct answer is option [B]

41. Warehousing as an ancillary to is a function of the _____

A. wholesaler

B. retailer

C. consumer

D. marketer

The correct answer is option [A]

42. Which among these is a means of transferring liquid goods like petroleum through pipe?

A. Transport by land

B. Transport by water

C. Transport by air

D. Transport by pipeline

E. All of the above

The correct answer is option [D]

43. Which of the following is NOT a factor that adversely affects the growth of commerce in West Africa?

- A. Inadequate facilities
- B. Poor communication system
- C. Favourable balance of trade
- D. Immobility of labour

The correct answer is option [C]

44. The pivot on which the wheel of commerce rotates is known as _____

- A. tariff
- B. trade
- C. taxation
- D. price

The correct answer is option [B]

45. The initial commercial centres that developed in Nigeria were _____

- A. Agbor, Benin, Calabar
- B. Bayelsa, Onitsha
- C. Calabar, Onitsha, Aboh
- D. Omoku, Ughelli
- E. Buguma, Calabar, Agbor

The correct answer is option [C]

46. Commerce involves all EXCEPT one of the following.

- A. The distribution of goods and services on large scale
- B. and aids to trade
- C. Production and reproduction
- D. Home and foreign

The correct answer is option [C]

47. The following are ancillaries to EXCEPT

- A. Advertising
- B. Modelling
- C. Warehousing
- D. Insurance

The correct answer is option [B]

48. _____ is a provision made for the protection of persons or objects against risks.

- A. Issuance
- B. Risk bearing
- C. Insurance
- D. Bad debt
- E. Ancillary to trade

The correct answer is option [C]

49. Home can also be called _____

- A. International
- B. Internet
- C. Export and import
- D. Ancillary to trade
- E. Domestic or internal

The correct answer is option [E]

50. Which of the following makes money available for the production of goods and services?

- A. Advertising
- B. Insurance
- C. Warehousing

D. Banking

The correct answer is option [D]

51. The major divisions of Commerce are _____ and _____

- A. Import, export and wholesale
- B. Home and foreign
- C. Wholesale and export retail
- D. import and export
- E. and aids to trade

The correct answer is option [E]

Another name for aids to is ancillary to trade. it means those services that can make buying and selling to thrive e.g. transport, insurance, warehousing, advertisement, communication etc.

52. The Trans-Saharan involved the following places EXCEPT

- A. Kano
- B. Western Sudan
- C. North Africa
- D. Kaduna

The correct answer is option [D]

53. Which of these is not a factor that delayed the development of Commerce?

- A. Lack of capital
- B. Insurance
- C. Political instability
- D. Low national income
- E. Low savings

The correct answer is option [B]

54. Which among these is not a function of commerce?

- A. Increase in importation of goods
- B. Exchange of goods and services
- C. Risk bearing
- D. Promotes rapid transfer of information
- E. Increase in standard of living

The correct answer is option [A]

55. The barter system of manifests in _____

- A. exchange of goods for services
- B. exchange of goods for goods
- C. monetary transaction
- D. monetization

The correct answer is option [B]

56. Banking activities manifest in all of the following, EXCEPT

- A. Giving of loans and overdraft
- B. Provision of capital
- C. Registration of new companies
- D. Foreign exchange transactions

The correct answer is option [C]

57. Division of commerce includes all EXCEPT

- A. trade
- B. transportation
- C. capital
- D. insurance

The correct answer is option [C]

TOPIC: OCCUPATIONS

DIRECTION: Choose the correct answer from the lettered options.

1. Which of these is NOT a commercial occupation?

- A. Transport
- B. Industrial work
- C. Advertising
- D. Insurance
- E. None of the above

The correct answer is option [B]

2. Which of the following will NOT influence the location of an industry?

- A. Transportation
- B. Labour supply
- C. Advertising expenses
- D. Large markets

The correct answer is option [C]

3. Who among the following is a manufacturer?

- A. Building contractor
- B. Custom's officer
- C. Fisherman
- D. Road engineer
- E. Shoe maker

The correct answer is option [E]

4. The following factors determine the type of occupation Nigerians engage in EXCEPT

- A. education, skill and training
- B. natural resources
- C. salaries and wages
- D. division of labour

The correct answer is option [D].

5. In which of the following classes of occupation would you place a private mechanic?

- A. Extractive
- B. Commercial
- C. Direct service
- D. Indirect service

The correct answer is option [C]

6. Which of these is not an extractive occupation?

- A. Industrial work
- B. Mining
- C. Hunting
- D. Fishing
- E. Farming

The correct answer is option [A]

7. In selling tomato, the best channel of distribution is _____

- A. producer---wholesaler----consumer
- B. producer----consumer
- C. producer----retailer-----consumer

D. producer----wholesaler----retailer----consumer

The correct answer is option [B].

8. Primary production activities directly relates to _____

- A. extractive occupation
- B. commercial occupation
- C. developmental occupation
- D. manufacturing occupation

The correct answer is option [A].

9. Which of the following is the most important duty of the entrepreneur?

- A. Bearing organization's risk
- B. Coordinating all other factors of production
- C. Sales promotion
- D. Customer services

The correct answer is option [B].

10. The performance by professional singers for which people pay to be entertained is an example of _____

- A. direct service
- B. indirect service
- C. commerce
- D. aids to trade

The correct answer is option [A].

11. Occupation can be classified into three broad groups, namely:

- A. extractive, manufacturing, construction
- B. extractive, commerce, services

- C. industry, commerce, services
- D. industry, manufacturing, construction
- E. manufacturing, construction, commerce

The correct answer is option [C]

12. Which of these is NOT a determinant of occupation?

- A. Salary and wages
- B. Natural resources
- C. Education, skill and training
- D. Climatic and weather differences
- E. Constructive occupation

The correct answer is option [E]

13. Direct services include

- A. fishing, farming, hunting and mining
- B. welding, bricklaying and black smiting
- C. the services of house maids, gardeners and cooks
- D. transport, advertising and insurance
- E. industrial work, bag making and weaving

The correct answer is option [C]

14. All, but ONE of the following is a part of the extractive industry.

- A. mining
- B. agriculture
- C. banking
- D. fishing

The correct answer is option [C]

15. Which of the following is not a responsibility of the wholesaler to the producer?

- A. Fixing of market price
- B. Storage of goods in the warehouse
- C. Advising the producer on market trends
- D. Finds market for the product on sale

The correct answer is option [A].

16. Which of these is a constructive occupation?

- A. Teacher
- B. Civil servants
- C. Police
- D. Blacksmithing
- E. Weaving

The correct answer is option [D]

17. The process of changing the form of a raw material is known as _____

- A. extraction
- B. conversion
- C. production
- D. trade

The correct answer is option [C].

18. Capital goods as a form of production refers to _____

- A. goods intended for immediate consumption
- B. goods used to produce other goods
- C. goods under processing
- D. goods ready for export

The correct answer is option [B]

19. A cobbler who specializes in the making of shoes is involved in _____

- A. extractive occupation
- B. manufacturing occupation
- C. commercial occupation
- D. constructive occupation

The correct answer is option [B]

20. Welding as a profession can best be classified as _____

- A. commercial occupation
- B. constructive occupation
- C. extractive occupation
- D. manufacturing occupation

The correct answer is option [B].

21. The mainstay of the Nigerian economy is directly linked to the _____

- A. manufacturing industry
- B. processing industry
- C. extractive industry
- D. construction industry

The correct answer is option [C].

22. Which of these is an extractive occupation?

- A. Welding
- B. Bricklaying
- C. Blacksmithing
- D. House maid
- E. Farming

The correct answer is option [E]

23. Which of the following types of occupation directly relates to land resources?

- A. Extractive occupation
- B. Commercial occupation
- C. Manufacturing occupation
- D. Indirect occupation

The correct answer is option [A].

24. Which of these is NOT a factor affecting choice of occupation?

- A. Education
- B. Gender
- C. Government policy
- D. Remuneration
- E. Tribe

The correct answer is option [E]

25. Which occupation involves people whose activities are directed at the process of bringing out natural resources from the soil and the sea?

- A. Constructive occupation
- B. Extractive occupation
- C. Manufacturing occupation
- D. Commercial occupation
- E. Direct services

The correct answer is option [B]

26. The conversion of raw materials into finished goods is carried out by the _____

- A. extractive industry
- B. primary industry
- C. constructive industry

D. manufacturing industry

The correct answer is option [D]

27. Which of these is a commercial occupation?

A. Insurance

B. Advertising

C. Transport

D. A & B only

E. A, B & C

The correct answer is option [E]

28. Julius Berger is a major player in the _____

A. manufacturing industry

B. processing industry

C. secondary industry

D. construction industry

The correct answer is option [D].

29. The activity that involves the derivation of raw materials from land and sea is known as _____

A. manufacturing

B. commerce

C. extraction

D. farming

The correct answer is option [C].

30. The last link in the chain of distribution is _____

A. the retailer

- B. the consumer
- C. the producer
- D. the wholesaler

The correct answer is option [A].

31. Which of the following is NOT a factor to be considered in determining the channel of distribution?

- A. Perishability of the goods involved
- B. Location of market for the product
- C. Consumer's income
- D. The size of the order

The correct answer is option [C].

32. Which of these is an indirect service?

- A. Police
- B. Bricklaying
- C. Cooks
- D. Hunting
- E. Bag making

The correct answer is option [A]

33. The services rendered by the Police and Army can be classified as _____

- A. direct services
- B. indirect services
- C. customer services
- D. consumer services

The correct answer is option [B].

34. The changing of the form of an existing product for the use of consumers is known as

- A. extraction
- B. commerce
- C. construction
- D. manufacturing
- E. quarrying

The correct answer is option [D]

35. Which of the following is NOT a classification of Occupation?

- A. Movie industry
- B. Manufacturing industry
- C. Construction industry
- D. Extractive industry

The correct answer is option [A]

36. Oil drilling is an example of the _____

- A. extractive industry
- B. processing industry
- C. constructive industry
- D. manufacturing industry

The correct answer is option [A]

37. Indirect services are _____

- A. welding and black smiting
- B. farming
- C. mining and bricklaying
- D. bag-making and weaving

E. police and civil servants

The correct answer is option [E]

38. Indirect services include

- A. teaching, police and civil service
- B. the services of house maids, gardeners and cooks
- C. transportation, advertising and insurance
- D. fishing, farming, hunting and mining
- E. transportation, advertising and insurance

The correct answer is option [A]

39. Which of the following can be classified under extractive occupation?

- A. Road construction
- B. Coal mining
- C. Soap making
- D. Singing

The correct answer is option [B]

40. Which of the following services does a lawyer in private practice render?

- A. Industrial services
- B. Indirect services
- C. Direct service
- D. Commercial services

The correct answer is option [C]

TOPIC: PRODUCTION, SPECIALISATION AND EXCHANGE

DIRECTION: Choose the correct answer from the lettered options.

1. Intermediate goods are goods meant for _____

- A. immediate consumption
- B. further production
- C. optional sale
- D. dumping

The correct answer is option [B].

2. Which of the following is not a modern trend in retailing?

- A. Use of vending machine
- B. After-sale service
- C. Pre-packaging
- D. itinerant

The correct answer is option [D].

3. A durable asset of a business organization that can last for a very long time is known as _____

- A. fixed capital
- B. circulating capital
- C. current capital
- D. social capital

The correct answer is option [A].

4. The following are advantages of specialization EXCEPT

- A. time saving
- B. increase in production

- C. improvement in the quality of goods
- D. monotony of work

The correct answer is option [D].

5. Capital is highly durable.

- A. True
- B. False

The correct answer is option [A]

Features of capital are:

Capital can change form.

Capital is man-made.

Capital constitutes wealth.

The reward to capital is interest.

Capital is subject to depreciation.

Capital is highly durable.

6. Production activities involve the following EXCEPT

- A. manufacturing
- B. extraction
- C. payment
- D. fabrication
- E. cultivation

The correct answer is option [C]

7. The middlemen in the distribution channel comprises _____

- A. producers and consumers
- B. retailers and wholesalers
- C. producers and wholesalers

D. consumers and retailers

The correct answer is option [B].

8. The reward for land is _____

A. labour

B. entrepreneur

C. land

D. rent

E. factor of production

The correct answer is option [D]

9. The process of production is complete only when _____

A. goods and services are advertised

B. goods and services reach the final consumers

C. goods are sold to wholesalers and retailers

D. there is a feedback channel

The correct answer is option [B].

10. Which of the following factors of production is characterized with immobility?

A. Labour

B. Organization

C. Land

D. Capital

The correct answer is option [C].

11. Teachers who teach in government schools can be classified under _____

A. primary service

B. direct service

- C. indirect services
- D. secondary service

The correct answer is option [C]

12. A police officer who gives security to a commercial bank is engaged in _____

- A. direct service
- B. commercial service
- C. indirect service
- D. extractive occupation

The correct answer is option [C].

13. Capital goods are goods and services meant for the production of further _____

- A. circulating capital
- B. current capital
- C. fixed capital
- D. consumers
- E. goods and services

The correct answer is option [E]

14. _____ goods are final goods specifically intended for the mass market.

- A. Capital
- B. Secondary
- C. Primary
- D. Wholesale
- E. Consumer

The correct answer is option [E]

Consumer goods that do not need other processes before they are used by consumers are beer, milk, bread, the services of teachers, lawyers, barbers etc.

15. The three main divisions of production are _____

- A. Banking, Transportation and Advertising
- B. Industry, Commerce and Services
- C. Industry, Distribution and Services
- D. Industry, Commerce and Banking

The correct answer is option [B].

16. The reward for labour are salaries and ____

- A. fixed capital
- B. labour
- C. entrepreneur
- D. wages
- E. capital

The correct answer is option [D]

17. The creation of utility is ensured through the _____ process.

- A. production
- B. delivery of commercial services
- C. transportation of goods to consumers
- D. ancillaries'

The correct answer is option [A]

18. Which among these options is NOT a feature of capital?

- A. Capital is man made
- B. Capital can change form
- C. Capital constitutes wealth
- D. Capital is highly durable

E. Capital is a social responsibility

The correct answer is option [E]

19. Which of these is an immaterial want?

- A. Capital goods
- B. Consumer goods
- C. Food
- D. Amusement
- E. Clothing

The correct answer is option [D]

20. Which among these options is NOT a feature of land?

- A. Land is immobile
- B. Land is a free gift of nature
- C. Land is relatively indestructible
- D. Land can't be bought
- E. The quality and value of land vary from place to place

The correct answer is option [D]

21. Human wants are _____

- A. insatiable
- B. indifferent
- C. unproductive
- D. satiable

The correct answer is option [A].

22. Which of the following is NOT a factor of production?

- A. Labour
- B. Planning
- C. Entrepreneur
- D. Capital

The correct answer is option [B].

23. Goods and services meant for the production of other goods are classified as _____

- A. Capital goods
- B. Progressive goods
- C. Consumer goods
- D. Material goods

The correct answer is option [A].

24. Land as a factor of production does not vary in _____

- A. quantity
- B. nature
- C. quality
- D. cost

The correct answer is option [A]

25. Production is said to be complete when the goods or services produced reach the final user or _____

- A. producer
- B. manufacturer
- C. government authority
- D. consumer

E. distributor

The correct answer is option [D]

26. Which among these options is not a demerit of division of labour?

- A. It makes work monotonous
- B. It brings about immobility of labour
- C. It brings about increase in independence among individuals and industries
- D. The use of machines reduces employment opportunity
- E. It leads to innovation and intervention

The correct answer is option [E]

27. A distinguishing characteristic of labour is that it is _____

- A. constant
- B. expensive
- C. mobile
- D. cheap

The correct answer is option [C]

28. Mass production has the advantage of _____

- A. cheaper unit price
- B. high production time
- C. high labour input
- D. high market demand

The correct answer is option [A]

29. _____ may be defined as wealth reserved or set aside for the production of more wealth.

- A. Land

- B. Labour
- C. Capital
- D. Entrepreneur
- E. Production

The correct answer is option [C]

30. _____ is defined as the system of breaking down production processes into different stages so that each stage is undertaken or handled by an individual.

- A. Origin of labour
- B. Specialization
- C. Division of labour
- D. Quantity
- E. Under-production

The correct answer is option [C]

31. Which among these options is NOT a merit of division of labour?

- A. Time saving
- B. Production increase
- C. Increase in Fatigue
- D. It leads to specialization
- E. Increase in leisure

The correct answer is option [C]

32. Which of the following can be classified under primary production?

- A. Gold mining
- B. Bucket making
- C. Stock exchange activities
- D. Police work

The correct answer is option [A]

33. _____ is the ability of any commodity or service to satisfy human wants.

- A. Production
- B. Exchange
- C. Utility
- D. Specialization
- E. Want

The correct answer is option [C]

34. The theory of Division of labour was enunciated by _____

- A. Adam Smith
- B. Reverend Malthus
- C. David Ricardo
- D. Baron de Montesquieu

The correct answer is option [A].

35. Creating value and satisfying of wants is known as _____

- A. commerce
- B. extraction
- C. industry
- D. production
- E. utility

The correct answer is option [D]

36. Which of the following is in the right order?

- A. Producer ----> Consumer ---> Retailer ---> Wholesaler
- B. Producer---> Retailer ---> Consumer ---> Wholesaler
- C. Producer ---> Wholesaler ---> Retailer ---> Consumer

D. Producer ---> Wholesaler ---> Consumer ---> Retailer

The correct answer is option [C].

37. Two main type of goods are ____ and ____

- A. giffen goods and consumer goods
- B. consumer goods and capital goods
- C. capital goods and primary goods
- D. secondary and primary goods
- E. wholesale goods and retail goods

The correct answer is option [B]

Consumer goods are those goods and services that can satisfy the consumers immediate wants while capital goods and services are meant for production of further goods and services.

38. Land as a factor of production does not vary in

- A. quantity
- B. nature
- C. quality
- D. cost

The correct answer is option [A]

39. ____ are those material that can change their form in the process of production into finished products.

- A. Recurrent materials
- B. Raw materials
- C. Natural materials
- D. All of the above
- E. None of the above

The correct answer is option [B]

40. ____ is the oldest factor of production.

- A. Land
- B. Capital
- C. Production
- D. entrepreneur
- E. Labour

The correct answer is option [A]

Land has been on earth before man started working at it.

41. _____ is defined as the area of concentration on single subtask in which a worker channels his or her efforts into the entire production process.

- A. Indigenization
- B. Concentration
- C. Specialization
- D. Population
- E. Division of labour

The correct answer is option [C]

42. Which of the following has a relatively fixed supply?

- A. Capital
- B. Entrepreneurship
- C. Current assets
- D. Land

The correct answer is option [D]

43. ____ are those durable assets of a business organization that can last for a very long time.

- A. Circulating capital

- B. Social capital
- C. Fixed capital
- D. Current capital
- E. Re-current capital

The correct answer is option [C]

44. A process by which scarce resources are put together to create utilities that can be paid for is termed _____

- A. production
- B. managing
- C. co-ordinating
- D. staffing
- E. organizing

The correct answer is option [A]

45. _____ are the unfinished goods or materials put together through human efforts with or without the help of machines into finished goods.

- A. Entrepot
- B. Capital
- C. Raw materials
- D. Machines
- E. Aids to

The correct answer is option [C]

46. Which of these are not capital goods?

- A. Equipment
- B. Tools
- C. Factories

D. Machines

E. Meat pie

The correct answer is option [E]

Examples of capital goods are machine, cars, Lorries, raw materials. They are used to produce further goods and services.

47. Capital as a man-made aid to production includes ____

A. land, capital and entrepreneur

B. building, machinery and labour

C. business sites

D. semi-finished goods, land and entrepreneur

E. Physical cash, buildings, machinery, semi-finished goods, tools etc.

The correct answer is option [E]

48. ____ is a factor of production which is a free gift of nature and is fixed.

A. Land

B. Capital

C. Production

D. entrepreneur

E. Labour

The correct answer is option [A]

49. ____ production is concerned with the process of obtaining raw materials or resources in their natural form from the land, sea and rivers.

A. Primary

B. Secondary

C. Tertiary

D. Packaged

E. Stored

The correct answer is option [A]

50. The type of labour which requires workers with little or no education is known as _____

- A. semi-skilled labour
- B. semi-labour
- C. unskilled labour
- D. skilled labour
- E. full skilled labour

The correct answer is option [C]

51. The act of a firm or an individual concentrating its resources and efforts in the production of relatively few commodities is regarded as _____

- A. Utility
- B. Management
- C. Specialization
- D. Division of labour

The correct answer is option [C].

52. The wholesaler performs the following functions EXCEPT

- A. warehousing of goods
- B. selling on credit to retailers
- C. buying in large quantities from the producer
- D. selling in small quantities to the consumers

The correct answer is option [D].

53. A retailing unit that sells a wide variety of products at less than the catalogue or invoice prices to the buyer is known as _____

- A. discount houses
- B. hypermarket
- C. franchising
- D. chain stores

The correct answer is option [A].

54. Which of the following factors of production takes care of risk bearing?

- A. Entrepreneur
- B. Labour
- C. Capital
- D. Land

The correct answer is option [A].

55. Who enunciated the theory of division of labour in 1776?

- A. Paul Samuelson
- B. David Ricardo
- C. Adam Smith
- D. Karl Marx
- E. Thomas Malthus

The correct answer is option [C]

56. Capital is a man-made factor of production.

- A. True
- B. False

The correct answer is option [A]

Capital as a man made factor of production includes physical cash, building, machinery, semi-finished goods and other equipments and tools.

57. Which of these is not a feature of labour?

- A. Labour is man made
- B. Labour is variable in supply
- C. Labour is fixed
- D. The reward for labour is wages
- E. Labour is mobile

The correct answer is option [C]

58. Which among these options is NOT a factor of production?

- A. Land
- B. Capital
- C. Production
- D. Labour
- E. Entrepreneur

The correct answer is option [C]

Land, labour, capital and entrepreneur are factors or agents which combine with other inputs of a firm before production can take place.

59. Another name for current capital is _____

- A. fixed capital
- B. liquid capital
- C. Social capital
- D. Circulating capital

The correct answer is option [B]

60. Capital can constitute wealth.

- A. True
- B. False

The correct answer is option [A]

Features of capital are:

Capital can change form.

Capital is man made.

Capital constitutes wealth.

The reward to capital is interest.

Capital is subject to depreciation.

Capital is highly durable.

61. Which of the following usually makes use of the warehouse in the distribution channel?

A. Wholesalers

B. Consumers

C. Producers

D. Retailers

The correct answer is option [A].

62. What are the types of human wants?

A. Commercial and service wants

B. Direct and indirect wants

C. Primary and secondary wants

D. Material and immaterial wants

E. Industrial and commercial wants

The correct answer is option [D]

Material wants are wants that may be satisfied with the gift of nature while immaterial wants are wants not meant to increase our material wealth but to make our lives worth living and are usually satisfied with personal services.

63. Which of these is not a function of an entrepreneur?

- A. Risk bearing
- B. He takes decision
- C. Efficient management
- D. Provision of capital
- E. Managing resources inefficiently

The correct answer is option [E]

64. Production is classified into the following EXCEPT

- A. primary production
- B. secondary production
- C. tertiary production
- D. mass production

The correct answer is option [D].

65. The reward for management as a factor of production is _____

- A. interest
- B. profit
- C. dividend
- D. rebate

The correct answer is option [B].

66. The oldest factor of production is _____

- A. Land
- B. Labour
- C. Capital
- D. Entrepreneur

The correct answer is option [A].

67. In the distribution channel, the distribution of perishable goods is best handled by _____

- A. the retailer
- B. the wholesaler
- C. the producer
- D. the consumer

The correct answer is option [C].

68. Capital can change form.

- A. True
- B. False

The correct answer is option [A]

Features of capital are:

Capital can change form.

Capital is man made.

Capital constitutes wealth.

The reward to capital is interest.

Capital is subject to depreciation.

Capital is highly durable.

69. ____ are wants that may be satisfied with the use of the gift of nature.

- A. Immaterial wants
- B. Capital wants
- C. Material wants
- D. primary wants
- E. consumer wants

The correct answer is option [C]

70. One of the following is said to have taken place when a production process is broken into different stages so that each stage is handled by an individual.

- A. Specialization
- B. Division of labour
- C. Commerce
- D. Production

The correct answer is option [B].

71. A distinguishing characteristic of labour as a factor of production is that it is _____

- A. constant
- B. expensive
- C. mobile
- D. cheap

The correct answer is option [C]

72. Which of these is an example of consumer goods?

- A. Foreign goods
- B. Milk
- C. light goods
- D. bulky goods
- E. All of the above

The correct answer is option [B]

Milk does not need other processes before they are used by consumers that is why they are called consumer goods.

73. Production is best defined as _____

- A. creation of goods and services
- B. creation of goods and services and its distribution in order to satisfy human wants

- C. creation of utility
- D. goods and services bought to satisfy human wants

The correct answer is option [B].

74. In starting a retail business, all the following is very important EXCEPT

- A. accessibility to customers
- B. selling price of goods
- C. huge capital
- D. the location of the business

The correct answer is option [C].

75. _____ includes those workers who use their mental effort in the production process.

- A. Semi-skilled labour
- B. Semi-labour
- C. Unskilled labour
- D. Skilled labour
- E. Full skilled labour

The correct answer is option [D]

76. _____ is said to be complete when the goods and services produced reach the final user or consumer.

- A. Utility
- B. Production
- C. Exchange
- D. Wants
- E. Specialization

The correct answer is option [B]

77. Capital cannot constitute wealth.

- A. True
- B. False

The correct answer is option [B]

78. _____ are goods and services that can satisfy the consumer's immediate wants.

- A. Capital goods
- B. Secondary goods
- C. Primary goods
- D. Consumer's goods
- E. Wholesale goods

The correct answer is option [D]

79. How many types of labour do we have?

- A. One type
- B. Two types
- C. Three types
- D. Four types
- E. Five types

The correct answer is option [C]

The three types of labour are skilled labour, semi skilled labour and unskilled skilled labour.

TOPIC: TRADE

DIRECTION: Choose the correct answer from the lettered options.

1. What factor should be considered when siting or starting small-scale retail business?

- A. Capital and source of supply
- B. Advertising of the goods
- C. Weighing measurement and packaging
- D. Sales in unit
- E. Itinerant traders

The correct answer is option [A]

2. Which is the commonest method of distribution among farmers and other producers of perishable goods?

- A. Wholesaler channel of distribution
- B. Consumer channel of distribution
- C. Indirect channel of distribution
- D. Direct channel of distribution
- E. Size channel of distribution

The correct answer is option [D]

Direct channel of distribution involves just the producer and the consumer. That is, the producer sells directly to the consumer.

3. The document that indicates the country from which goods are imported is called _____

- A. bill of lading
- B. ship manifest
- C. certificate of origin
- D. actuary

The correct answer is option [C].

4. _____ are taxes imposed on goods that come from other countries into a particular country.

- A. Free
- B. Protectionist laws
- C. Infant industries
- D. Tariffs
- E. By-laws

The correct answer is option [D]

5. Urban stores specializes in a particular line of trade.

- A. True
- B. False

The correct answer is option [A]

6. Automatic vending machines facilitate _____

- A. wrapping
- B. cash deposit
- C. sale of tools
- D. self-service

The correct answer is option [D]

An automatic vending machine is a machine that provides various snacks, beverages and other products to consumers. The idea is to vend products without a cashier. Items sold via vending machines vary by country and region.

7. Warehousing generates revenue.

- A. True
- B. False

The correct answer is option [A]

8. Non accessibility to customers can lead to the failure of retail shops.

- A. True
- B. False

The correct answer is option [A]

The shop should be sited in a place where it will be easily accessible to both customers and suppliers considering the delivery and the supply of goods to and from the shop.

9. Entrepot trade exist when _____

- A. goods imported is to be re-exported
- B. goods are exchanged for goods
- C. goods exported is to be re-imported
- D. export is rejected at the port of entry

The correct answer is option [A].

10. Which of the options below is NOT an advantage of hawking?

- A. Hawking is carried out with a small amount of capital
- B. It provides door-to-door services to consumer
- C. Food items are exposed to health hazards
- D. There are no running expenses like rent and wages in hawking
- E. Goods sold by hawkers are relatively cheap

The correct answer is option [C]

11. The refund made on goods re-exported after being imported into a country is regarded to as _____

- A. Custom's drawback
- B. Excise duty refund
- C. Export duty

D. Excise drawback

The correct answer is option [A].

12. Limited function wholesaler includes

A. drop shippers, truck distributor, rack jobbers, and cooperative whole sale society

B. auctioneers, brokers and factors, commission agents and del credere agents

C. manufacturer's agents, sales agents, shipping and forwarding agents and advertising agents

D. general merchandise, wholesaler, single wholesaler

E. specialist wholesaler and mobile shop wholesaler

The correct answer is option [A]

13. Tariffs are imposed on imports for ONE of the following reasons.

A. To improve a country's balance of payment

B. For self-reliance purposes

C. To avoid dumping

D. To educate the public on smuggling

The correct answer is option [C].

14. Vending machine does not ensure time and place convenience.

A. True

B. False

The correct answer is option [B]

Vending machine ensures time and place convenience.

15. Which among these options is NOT a feature of variety chain store?

A. They are strategically located in urban centres

B. They need little or no advertising

- C. Unrelated products are stored for sale
- D. The prices of their goods are higher
- E. Absence of credit facilities and delivery services

The correct answer is option [D]

16. The comparison of a country's visible and invisible exports and her visible and invisible imports expressed in price is known as _____

- A. balance of payment
- B. balance of trade
- C. terms of trade
- D. deficit balance of payment

The correct answer is option [C]

17. When a country's total visible and invisible exports are more than its visible and invisible imports, it has _____

- A. favourable balance of payments
- B. favourable balance of trade
- C. unfavourable balance of trade
- D. unfavourable balance of payments

The correct answer is option [B]

18. Urban stores are small scale retailers.

- A. True
- B. False

The correct answer is option [A]

Small scale retailers include: itinerant traders, roadside traders, market traders, village stores and urban stores.

19. A situation where there are no restrictions imposed on goods and services coming in and out of a country is referred to as _____

- A. free trade
- B. trade movement
- C. excise free trade
- D. economic union

The correct answer is option [A].

20. Urban stores have high turnover.

- A. True
- B. False

The correct answer is option [A]

21. _____ is the exchange, buying and selling of goods and services between two or more countries.

- A. National trade
- B. Multinational trade
- C. Politics trade
- D. Currency trade
- E. International trade

The correct answer is option [E]

22. Branding builds the company's goodwill.

- A. True
- B. False

The correct answer is option [A]

23. The balance of payments of countries is

- A. a record of imports and exports
- B. a systematic record of transactions among countries at a given time
- C. the current and the capital accounts and their payments
- D. the relationships and payments among nations

The correct answer is option [B]

24. Which of these options is NOT an effect of devaluation?

- A. Export becomes cheaper
- B. Imports becomes more expensive
- C. Increase in exports
- D. Decrease in imports
- E. Dumping

The correct answer is option [E]

25. Goods warehouse can also refer to as _____

- A. public warehouse
- B. state warehouse
- C. queen warehouse
- D. bonded warehouse
- E. none of the above

The correct answer is option [E]

26. Which of these options are NOT attributes of hawking?

- A. Hawking is a form of small scale retail
- B. Popular consumer goods like food items are mainly sold by hawkers
- C. It provides door to door selling
- D. Hawkers operates from a particular point

E. The products are sold at relatively low price

The correct answer is option [D]

27. Which of the following is issued at the warehouse for goods taken into the store?

A. Excise drawback

B. Receipt

C. Dock warrant

D. Invoice

The correct answer is option [C]

28. Tariffs are usually associated with _____

A. supply

B. demand

C. protectionism

D. internal

E. None of the above

The correct answer is option [C]

A tariff is a tax imposed on goods when they are moved across a political boundary. They are usually associated with protectionism, the economic policy of restraining between nations.

29. Favourable terms of trade is generated when:

A. the prices at which a country's export exchange for her imports are greater

B. the prices at which a country's imports exchange for her exports are greater

C. the prices at which a country's exports exchange for her imports are equal

D. countries give loans to other nations as a temporary measure

The correct answer is option [A]

30. Which of the following worsens balance of payment deficit?

- A. Increased export of goods
- B. Reduced imports
- C. Foreign exchange control
- D. Devaluation
- E. Increased imports

The correct answer is option [E]

31. _____ is defined as the trader who buys goods from the wholesaler or directly from the manufacturer and sells in small units to the public or customers.

- A. An importer
- B. An exporter
- C. A wholesaler
- D. A retailer
- E. None of the above

The correct answer is option [D]

32. Exports are divided into _____ categories.

- A. two
- B. three
- C. four
- D. five
- E. six

The correct answer is option [A]

Visible and invisible exports.

33. Hypermarkets are established mainly at the periphery of a town because they occupy large space areas.

- A. True
- B. False

The correct answer is option [A]

34. Which of these options is NOT a factor that should be considered by a retailer when making his purchases?

- A. Quality
- B. Quantity
- C. The extent of credit facilities offered
- D. Terms of payment
- E. Business hours

The correct answer is option [E]

35. Who are the middlemen?

- A. Wholesalers
- B. Retailers
- C. Producers
- D. Manufacturers

The correct answer is option [A]

36. Which of the options is not a means of payment in international trade?

- A. Mail transfer
- B. Telegraphic and cable transfer
- C. Foreign bills of exchange
- D. Guaranteed mail transfer
- E. Consular transfer

The correct answer is option [E]

37. Which of the following would enable goods to be correctly assessed for import duties?

- A. Pro-forma invoice
- B. Bill of exchange
- C. Documentary credit
- D. Consular invoice
- E. Bill of lading

The correct answer is option [D]

38. The prices of goods in supermarkets are higher than those of hypermarkets.

- A. True
- B. False

The correct answer is option [A]

Prices of goods in supermarkets are higher than those in hypermarkets.

39. _____ is the comparison of a country's total visible exports and her total visible imports.

- A. Balance of payment
- B. Import duties
- C. Export duties
- D. Balance of trade
- E. Capital trade

The correct answer is option [D]

40. _____ are newly established or undeveloped industries.

- A. Free industries
- B. Protectionist Law
- C. Infant industries

- D. Tariffs
- E. By-laws

The correct answer is option [C]

41. Queen warehouse is also known as _____

- A. bonded warehouse
- B. state warehouse
- C. ordinary warehouse
- D. stock warehouse
- E. public warehouse

The correct answer is option [B]

42. Village stores have high overhead cost.

- A. True
- B. False

The correct answer is option [B]

43. Excise duty is the tax _____

- A. imposed on imported goods
- B. imposed on exported goods
- C. imposed on locally made goods
- D. imposed on perishable goods
- E. imposed on capital equipment

The correct answer is option [C]

44. Absence of large market is a problem of warehousing?

- A. True
- B. False

The correct answer is option [B]

Problems of warehousing include:

- i problem of stock valuation
- ii problem of pilfering
- iii problems of deterioration
- iv lack of qualified man power
- v inaccessibility
- vi unreliable supply

45. A wholesaler assists the manufacturer in advertising?

- A. TRUE
- B. FALSE

The correct answer is option [A]

46. The type of situation where a producer sells directly to the consumer is known as _____

- A. systemized channel of production
- B. direct channel of distribution
- C. indirect channel of distribution
- D. Consumer channel of distribution
- E. wholesaler channel of distribution

The correct answer is option [B]

47. The index of the total value of a country's exports divided by that of its imports is called _____

- A. balance of trade
- B. terms of trade
- C. balance of payments

- D. surplus
- E. deficit

The correct answer is option [B]

48. Which of these documents is used in home trade?

- A. Bill of lading
- B. Consular invoice
- C. Delivery note
- D. Letter of credit
- E. Mate's receipt

The correct answer is option [C]

49. Which of the following requires huge amount of capital for their establishment?

- A. Department stores
- B. Village stores
- C. Hawking business
- D. Roadside retailing business
- E. None of the above

The correct answer is option [A]

50. Which of the following provides information and incentives to Nigerians wishing to sell locally made goods abroad?

- A. Nigeria Ports PLC
- B. Customs and Excise Authority
- C. Shipping, Clearing and Forwarding Agents
- D. Nigerian Export Promotion Council
- E. Nigerian National Shipping Line

The correct answer is option [D]

51. The introduction of after sales services is due to the fact that certain products do not require technical knowledge.

- A. True
- B. False

The correct answer is option [B]

The reason for the introduction of after sales service is as a result of the complicated nature of some products that require technical knowledge for their installation and use.

52. Urban stores opens as early in the morning and may not close until midnight.

- A. True
- B. False

The correct answer is option [A]

53. Which of the following is NOT a function of a retailer?

- A. Providing after sales service
- B. Stocking variety of goods
- C. Selling in small units to the consumers
- D. Financing manufacturers

The correct answer is option [D]

54. Goods seized as contrabands by the board of customs and excise and kept until they are sold on auction to the members of the public are stored in _____

- A. an ordinary warehouse
- B. a bonded warehouse
- C. state warehouse
- D. public warehouse

The correct answer is option [C].

55. _____ is the face to face meeting of the sales man with potential buyers in their houses, offices or market place.

- A. Party selling
- B. Personal selling
- C. Internet selling
- D. Rivete selling
- E. Contact selling

The correct answer is option [B]

56. Cooperative shops are small-scale retailers.

- A. True
- B. False

The correct answer is option [B]

Cooperative shops are not small-scale retailers, they are large-scale retailers.

57. _____ is a group of retail stores that share a brand and central management.

- A. Supermarket
- B. Chain store
- C. Departmental store
- D. Cooperative retail shop

The correct answer is option [B]

Chain store also known as multiple shops. They are large scale retail business units that have few lines of goods with similar stores scattered all over a country eg Bata, CSS bookshops etc.

58. The relative prices of a country's exports to imports is called _____

- A. balance of trade
- B. terms of trade
- C. balance of payments

- D. surplus
- E. deficit

The correct answer is option [B]

59. A wholesaler is defined as that trader who buys goods in _____ from the manufacturer or producer and sells in smaller quantities to the retailer.

- A. small quantities
- B. large quantities
- C. wholesale
- D. retail

The correct answer is option [B]

60. _____ is a situation where one or more intermediaries or agents are involved in the movement of goods between the producers and the consumers.

- A. Wholesaler channel of distribution
- B. Consumer channel of distribution
- C. Indirect channel of distribution
- D. Direct channel of distribution
- E. Size channel of distribution

The correct answer is option [C]

61. _____ functions in complex buildings.

- A. Chain stores
- B. Supermarkets
- C. Hypermarkets
- D. Variety chain store

The correct answer is option [C]

62. Which of the following offers self-service?

- A. Hawking
- B. Mail Order
- C. Supermarket
- D. Mobile shop

The correct answer is option [C]

Self service is a method that allows customers to do their shopping in a shop with little or no assistance from sales attendants.

Supermarket have the pattern of self service stores in their organisation.

63. In international trade, goods that are conveyed from one place to another is known as _____

- A. freight
- B. consignment
- C. manifest
- D. commodity

The correct answer is option [B]

64. Infant industries are protected through all of the following means EXCEPT

- A. tariff
- B. import quota
- C. import licence
- D. increase in excise duties

The correct answer is option [D].

65. Which among these options is a factor that leads to the failure of retail shops?

- A. Wrong purchase
- B. After sales service

- C. Weighing measurement and packaging
- D. Itinerant traders
- E. Home

The correct answer is option [A]

Apart from wrong purchase other factors that lead to the failure of retail shops include; capital, experience, the site of the business, source of supply, methods of advertising, means of transport, terms of etc

66. Which of the following is NOT a cause of unfavourable balance of payment?

- A. Inflation
- B. Mono-economy
- C. Increase in a country's export
- D. High taste for foreign made goods

The correct answer is option [C]

67. The sale of goods through coin-operated machine is known as _____

- A. branding
- B. automatic vending
- C. spot cash
- D. self-service

The correct answer is option [B]

68. If the price at which a country's imports are greater than exports, she experiences

- A. favourable terms of trade
- B. preferential terms of trade
- C. tariff terms of trade
- D. unfavourable terms of trade
- E. quota terms of trade

The correct answer is option [D]

69. Branding is a useful tool in marketing because it gives the product _____

- A. value
- B. beauty
- C. safety
- D. uniqueness

The correct answer is option [D]

70. Branding misinforms the buyers.

- A. True
- B. False

The correct answer is option [B]

71. Small stores can be divided into ____ and ____

- A. village and local stores
- B. village and urban stores
- C. village and market stores
- D. village and rural stores
- E. village and intermediate stores

The correct answer is option [B]

72. Which of the following worsens balance of payment deficit?

- A. Increased export of goods
- B. Reduced imports
- C. Foreign exchange control
- D. Devaluation
- E. Increased imports

The correct answer is option [E]

73. The amalgamation of firms in the same line of business or stage of production process is called _____

- A. horizontal integration
- B. vertical integration
- C. backward integration
- D. forward integration

The correct answer is option [A]

74. Internal trade is also known as _____

- A. free zone
- B. cultural
- C. domestic
- D. foreign
- E. multinational

The correct answer is option [C]

75. Specific duty connotes _____

- A. a tax or duty imposed based on the value of goods
- B. tax or duty levied on the quantity or weight of the goods
- C. non-dutiable goods
- D. duty levied on both the value, weight and quantity of goods

The correct answer is option [B].

76. Brand name may be defined as a name or mark used in differentiating a product from that are _____

- A. similar ones
- B. packaged ones
- C. branded ones

- D. sold ones
- E. procured ones

The correct answer is option [A]

77. _____ buy in bulk directly from the manufacturers and sell in smaller quantities to retail outlets.

- A. Limited function wholesaler
- B. Rack jobbers
- C. Cooperative wholesalers
- D. Single line wholesalers
- E. Speciality wholesalers

The correct answer is option [C]

78. The major criticism leveled against middlemen are _____

- A. that the manufactures are not doing their own part
- B. that they lack retail shop
- C. high rising prices and scarcity of goods
- D. low prices of goods
- E. warehousing of products

The correct answer is option [C]

79. Village shops do not specialize in any particular stock.

- A. True
- B. False

The correct answer is option [A]

80. The difference between a country's exports and imports is called _____

- A. terms of trade

- B. foreign exchange
- C. balance of trade
- D. balance of payment

The correct answer is option [C]

81. Which of the following is NOT a function of a retailer?

- A. Supplying goods to the final consumer
- B. Bulk breaking
- C. Giving information to the wholesaler
- D. Branding and packaging of goods

The correct answer is option [D]

82. After-sales service means the service a retailer renders to a customer after the product has been _____

- A. purchased
- B. advertised
- C. packaged
- D. manufactured
- E. introduced

The correct answer is option [A]

83. Full service wholesalers includes _____

- A. drop seller, truck seller, rack seller
- B. cooperative seller, society wholesaler, and agent seller
- C. general merchandise wholesaler, single line wholesaler and speciality wholesaler
- D. shipping and forwarding seller, advertising seller, and auctioneer seller
- E. broker and factor seller, sales agent saler and Broadway seller

The correct answer is option [C]

84. Discriminate duties charged on certain goods in order to discourage the importation of these goods from certain countries is known as _____

- A. tariff
- B. import quota
- C. import licence
- D. preferential duties
- E. exchange control

The correct answer is option [D]

85. Mobile shopping involves selling from a _____

- A. motor van
- B. particular spot in the city
- C. multiple shops only
- D. vending machine

The correct answer is option [A]

86. _____ are establish mainly at the periphery of a town because they occupy large area.

- A. Supermarkets
- B. Variety chain stores
- C. Small scale shops
- D. Retail shops
- E. Hypermarkets

The correct answer is option [E]

87. Which of these options is NOT a feature of street or road side retailing?

- A. They are found in busy roads and junctions
- B. Wares are displayed on make-shift platform or stores

- C. Trading is usually conducted near the trader's home
- D. Prices of goods are very low
- E. Trading is not conducted near the trader's home

The correct answer is option [E]

88. Pre-packaging makes for ease of handling.

- A. True
- B. False

The correct answer is option [A]

89. Majority of goods sold in retail come mainly from wholesalers except in exceptional cases when retailers buy directly from manufacturers.

- A. True
- B. False

The correct answer is option [A]

90. _____ are privately owned warehouses that are meant for renting purposes.

- A. State warehouse
- B. Ordinary warehouse
- C. Public warehouse
- D. Bonded warehouse
- E. Stock warehouse

The correct answer is option [C]

91. The comparison of the sum total of a country's receipts from her exports and the total payments made for her imports is known as _____

- A. balance of trade
- B. balance of payment

- C. terms of trade
- D. income distribution

The correct answer is option [B]

92. Which of these options is NOT a problem of warehousing?

- A. Problem of stock valuation
- B. Problem of pilfering
- C. Lack of qualified manpower
- D. Availability of large market

The correct answer is option [D]

93. Which of the following is NOT true of a Hypermarket?

- A. it requires a huge amount of capital
- B. it deals in a variety of goods
- C. it provides more luxurious shopping facilities
- D. it deals in foreign goods only
- E. it offers goods at lower prices

The correct answer is option [D]

94. Self-service vending machines enjoy a low overhead cost.

- A. True
- B. False

The correct answer is option [A]

95. All of these are functions of the retailer EXCEPT

- A. he stocks variety of goods
- B. sells in unit
- C. offers after sales service

D. he buys directly from the producer

The correct answer is option [D]

96. Which among these options is NOT a disadvantage of small scale retail trade?

- A. It faces the problem of inadequate capital
- B. Limited expansion as a result of lack of enough capital
- C. Small scale retail does not enjoy economies of scale
- D. The amount of profit it makes is low compared to large ones
- E. They bring about decline of craftsmanship

The correct answer is option [E]

97. _____ is defined as the reduction of the value of a country's currency in terms of the value of the currencies of the nations and the world.

- A. Export drive
- B. Devaluation
- C. Balance of payments
- D. Export drive
- E. Improve drive

The correct answer is option [B]

98. Which of the following is NOT to be considered in starting a retail trade?

- A. Size of the business
- B. Nature of business
- C. Amount of capital required
- D. Level of tax payable

The correct answer is option [D]

99. The accounting record of all monetary transactions between a country and the rest of the world is known as _____

- A. balance of payment
- B. financial capital
- C. transfer payment
- D. balance of trade
- E. capital

The correct answer is option [A]

Financial capital is money used by entrepreneurs and businesses to buy what they need to make their products or provide their services. Transfer payment is a payment of money from a government to an individual for which no good or service is required in return. Balance of trade (or net exports, sometimes symbolized as NX) is the difference between the monetary value of exports and imports in an economy over a certain period of time.

100. Nigerian Association of Small Scale Industrialists is an example of _____

- A. trade union
- B. chamber of commerce
- C. commercial association
- D. trade association

The correct answer is option [D].

101. Rural markets deal in _____

- A. spare parts
- B. frozen foods
- C. manufactured goods
- D. farm produce
- E. locally manufactured goods

The correct answer is option [D]

Rural markets are sited on a wide area of space within the rural area to serve many surrounding local communities.

They deal only on farm produce.

102. A banker's guarantee to honour the exporter's invoice when presented for payment is called _____

- A. irrevocable letter of credit
- B. documentary credit
- C. unconfirmed credit
- D. confirmed irrevocable letter of credit

The correct answer is option [D]

103. Which of these is the most suitable in the chain of distribution?

- A. Producer - wholesaler - retailer - consumer
- B. Producer - retailer - consumer - wholesaler
- C. Producer - retailer - wholesaler - consumer
- D. Producer - wholesaler - consumer - retailer
- E. Producer - consumer - wholesaler - retailer

The correct answer is option [A]

104. Vending machine does not enjoy a low overhead cost.

- A. True
- B. False

The correct answer is option [B]

Vending machine enjoys a low overhead cost.

105. Rack jobbers distributes goods mainly to _____

- A. limited function wholesalers
- B. drop shippers
- C. single line wholesalers
- D. supermarkets and departmental stores
- E. general merchandise wholesalers

The correct answer is option [D]

106. A retail outlet which sells a fairly narrow range of goods with a number of branches in different towns is a _____

- A. supermarket
- B. mail-order shop
- C. mobile shop
- D. multiple shop

The correct answer is option [D]

107. The destruction of a ship or throwing goods overboard by the master or crew without good intention is regarded as _____

- A. Barratry
- B. Loss in transit
- C. ex-div
- D. cum-div

The correct answer is option [A].

108. A bonded warehouse is used to store goods which are _____

- A. manufactured in a country
- B. to be exported
- C. awaiting payment of duties

D. seized as contrabands

The correct answer is option [C]

109. Ordinary warehouse is also known as bonded warehouse.

A. True

B. False

The correct answer is option [B]

Another name for ordinary warehouse is goods warehouse.

110. Which among these options is not a type of warehouse?

A. Ordinary warehouse

B. Bonded warehouse

C. State warehouse

D. Federal warehouse

E. Public warehouse

The correct answer is option [D]

111. Which among these options is a disadvantage of self-service vending machine?

A. The machine offers 24 hours service per day

B. It requires no assistance except when replenishing it

C. It enjoys a low overhead cost

D. It ensures time and place convenience

E. High maintenance cost

The correct answer is option [E]

112. Which of these options are not under agent middlemen?

A. Auctioneers

B. Brokers

- C. Drop shippers
- D. Sales agents
- E. Advertising agents

The correct answer is option [C]

113. A wholesaler is defined as that trader who buys goods in large quantity from the manufacture or producer and sells in _____

- A. small quantities
- B. large quantities
- C. stock broking firms
- D. cooperative societies
- E. drop shipper

The correct answer is option [A]

114. After sales services serve as a compensation a retailer gives for buying an expensive product.

- A. True
- B. False

The correct answer is option [B]

An after sales service is a customer support following the purchase of a product or service.

115. Which of the following is NOT a visible item?

- A. Petroleum
- B. Iron-ore
- C. Machinery
- D. Tourism

The correct answer is option [D]

116. Exports are divided into

- A. visible and invisible exports
- B. visible, invisible, external and internal exports
- C. visible, external and internal exports
- D. exchange and non-exchange export
- E. all of the above

The correct answer is option [A]

117. There are how many types of warehouses?

- A. One
- B. Two
- C. Three
- D. Five
- E. None of the above

The correct answer is option [D]

The five types of warehouses include:

- (1) Ordinary warehouse or goods warehouse
- (2) Bonded warehouse
- (3) State warehouse or Queen Warehouse
- (4) Public warehouse

118. Terms of is defined as the comparison of a country's visible and invisible exports and her visible and invisible imports expressed in _____

- A. disadvantage
- B. price
- C. tariff
- D. trade
- E. quantity

The correct answer is option [B]

119. Warehousing checks smuggling.

- A. True
- B. False

The correct answer is option [A]

120. The problems of warehousing include stock valuation, problem of pilfering, /and problem of deterioration, lack of qualified manpower, inaccessibility and _____

- A. too many qualified manpower
- B. accessibility to road network
- C. unreliable supply of goods to the warehouse
- D. employment generation
- E. promotion of economic growth

The correct answer is option [C]

121. Devaluation has the following effects EXCEPT

- A. increase in import
- B. increase in export
- C. improvement in balance of payment
- D. exports becomes cheaper

The correct answer is option [A].

122. Imports are divided into how many major groups?

- A. Two
- B. Three
- C. Four
- D. Five
- E. Six

The correct answer is option [A]

Visible and invisible

123. Branding is conducted through the post office.

- A. True
- B. False

The correct answer is option [B]

124. Self-service vending machines ensure time and _____

- A. requirements
- B. place convenience
- C. customer order
- D. place installed
- E. maintenance cost

The correct answer is option [B]

125. The following are used to correct an adverse balance of payment EXCEPT

- A. borrowing from friendly nations
- B. decreasing import
- C. devaluation of the currency
- D. embargo on importation
- E. increasing export

The correct answer is option [D]

126. Which of the following encourages self-service?

- (i) Large floor space
- (ii) Price of goods
- (iii) Packaging
- (iv) Hire purchase
- (v) Branding

A. i,iii and v only

- B. i, iii, iv and v only
- C. i, iii and iv only
- D. ii, iv and v only
- E. ii, iii and iv only

The correct answer is option [A]

127. After-sales services tend to last for a definite period stated in the guarantee after which anything that happens to the product, the cost will be borne by the buyer.

- A. True
- B. False

The correct answer is option [A]

128. Which of these options are not large-scale retailers?

- A. Itinerant traders
- B. Mail order firms
- C. Cooperative shops
- D. Supermarkets
- E. None of the above

The correct answer is option [A]

129. Which among these options is NOT a reason for branding?

- A. To create artificial monopoly
- B. To make it easier for customers to identify their brand of goods
- C. To create scarcity
- D. To avoid competition from rival companies

The correct answer is option [C]

130. _____ is defined as the exchange, buying and selling of goods and services within a country.

- A. international trade
- B. external trade
- C. Internal trade
- D. countryside trade
- E. foreign trade

The correct answer is option [C]

131. Shops that confine whatever they sell in a single commodity which their producer supply directly to them are known as _____

- A. local shops
- B. tied shops
- C. vending shops
- D. rural shops
- E. mobile shops

The correct answer is option [B]

132. Ordinary warehouse can also be called _____

- A. state warehouse
- B. goods warehouse
- C. queen warehouse
- D. federal warehouse
- E. public warehouse

The correct answer is option [B]

133. Re-exporting goods which have been imported is known as _____

- A. visible trade
- B. counter trade
- C. invisible trade
- D. entrepote trade

The correct answer is option [D]

134. Urban stores do not insured high overhead cost.

- A. True
- B. False

The correct answer is option [B]

Urban stores insures high overhead cost.

135. A place where government keeps goods whose owners have not paid their required duty is known as

- A. custom house
- B. public warehouse
- C. government warehouse
- D. stock warehouse
- E. bonded warehouse

The correct answer is option [E]

136. Which of these options is NOT a tool used in controlling international trade?

- A. Exchange control
- B. Imposition of embargo
- C. Reduction of excise duties
- D. Import monopoly
- E. Direct order

The correct answer is option [E]

137. The retailer sells in bulk.

- A. True
- B. False

The correct answer is option [B]

The retailer sells in units.

138. Village stores are large-scale traders.

- A. True
- B. False

The correct answer is option [B]

139. _____ is defined as the exchange, buying and selling of goods and services amongst countries.

- A. Internal trade
- B. International trade
- C. Cultural trade
- D. Currency trade
- E. Exchange trade

The correct answer is option [B]

140. _____ are gigantic supermarkets that sell different kind of goods at competitive prices.

- A. Variety chain stores
- B. Mail order stores
- C. Hypermarkets
- D. Franchise shops

The correct answer is option [C]

141. The retailer is very important because he is closer to the consumer.

- A. True
- B. False

The correct answer is option [A]

142. Door-to-door traders are also called _____

- A. traders
- B. hagglers
- C. hawkers
- D. prizes
- E. none of the above

The correct answer is option [C]

143. Wholesalers can be classified into two main groups' _____ and _____

- A. wholesalers and retailers
- B. full sellers and service wholesalers
- C. merchant wholesalers and agent middlemen
- D. limited sellers and faction wholesalers
- E. commission agent and sales agent

The correct answer is option [C]

144. One roof containing a number of shops is a _____

- A. tied shop
- B. mail order firm
- C. department store
- D. chain store

The correct answer is option [C]

145. _____ are retailing units that sell wide variety of products at less than the catalogue or invoice price to buyers.

- A. Supermarkets
- B. Variety stores
- C. Discount houses
- D. Department stores
- E. Hypermarkets

The correct answer is option [C]

146. People who are involved in travelling from one place to another while trading are called _____

- A. price takers
- B. mobile traders
- C. Itinerant traders
- D. mobile facilitators
- E. none of the above

The correct answer is option [C]

147. Branding makes customers select without problems.

- A. True
- B. False

The correct answer is option [A]

148. Which of the following can be described as shopping without shops?

- A. Supermarket
- B. Mail order
- C. Unit shop
- D. Stall holder

E. Mobile shop

The correct answer is option [B]

149. Mail order business requires few workers for its operation.

A. True

B. False

The correct answer is option [A]

150. Which of these options is NOT a tool used in protecting infant industries?

A. Tariff

B. Import Quota

C. Import licence

D. Preferential duties

E. Terms of trade

The correct answer is option [E]

151. Cash discount is allowance off the _____ price.

A. cost

B. purchase

C. retail

D. selling

E. wholesale

The correct answer is option [D]

152. _____ certifies that the price charged on the invoice is a fair one and that the parties involved are not defrauding the authorities.

A. Consular invoice

B. Bill of exchange

- C. Documentary credit
- D. Pro-forma invoice
- E. Bill of lading

The correct answer is option [A]

153. Single line wholesalers deal in goods such as

- A. hardware, electrical materials, drugs, plumbing materials, farm etc
- B. groceries, fancy goods, drapery, paint, industrial tools etc
- C. spare facilities needed for servicing of the goods they sell
- D. perishable items
- E. live stocks

The correct answer is option [B]

154. _____ is an authority given to an importer by the government of a country to import specified goods.

- A. Tariff
- B. Import Quota
- C. Import Licence
- D. Preferential duties
- E. Exchange Control

The correct answer is option [C]

155. The reason for the introduction of after-sales service is that it serve as a guarantee for a certain period which makes buyers to agree to buy some certain products .

- A. True
- B. False

The correct answer is option [A]

156. All these are measures taken to restrict import EXCEPT

- A. devaluation of the currency
- B. encouraging the use of home made goods
- C. import licensing
- D. reorganizing the customs and excise department
- E. stiff exchange control

The correct answer is option[C]

157. Which of these options is NOT a feature of urban market?

- A. It insures no overhead cost
- B. It is usually sited in strategic locations like city centres and near motor parks
- C. It opens as early as 6.00 am and closes in the evening
- D. It is usually zoned in accordance with the nature and the type of goods sold
- E. It is made up of lock-up shops and stores

The correct answer is option [A]

158. Which of the following advises members on tariff and currency regulations of other countries?

- A. Employers' association
- B. Trade union
- C. Consumer association
- D. Chamber of commerce

The correct answer is option [D]

Chamber of commerce is an association or organization of businessmen in an urban area who agreed to come together in order to protect and further their business interest.

159. Itinerant traders are large-scale retailers.

- A. True

B. False

The correct answer is option [B]

Itinerant traders are small scale retail traders, they are tradespeople who go from door to door seeking work; usually roof fixing, house painting etc.

160. Which among these options are agent middlemen?

- A. Drop shippers
- B. Truck distributors
- C. Rack jobbers
- D. Cooperative wholesale society
- E. Sales agents

The correct answer is option [E]

161. How many groups are merchant wholesalers divided into?

- A. Two
- B. Three
- C. Four
- D. Five
- E. Six

The correct answer is option [A]

The two groups are full service wholesaler and limited function wholesaler.

162. The organization of fairs and exhibitions for the enhancement of commercial activities is the responsibility of _____

- A. trade Associations
- B. Producer's Cooperative Societies
- C. Manufacturers' Association of Nigeria
- D. Chambers of Commerce

The correct answer is option [D].

163. Which of the following can be described as shopping without shops?

- A. Supermarket
- B. Mail order
- C. Unit shop
- D. Stall holder
- E. Mobile shop

The correct answer is option [B]

Mail order is a form of business conducted by the post office.

164. _____ is a situation where there are no restrictions imposed on goods and services coming in and out of a country.

- A. Free trade
- B. Protectionist law
- C. Infant industries
- D. Tariffs
- E. Law

The correct answer is option [A]

165. What is the most popular means of retailing goods in West Africa?

- A. Terms of trade
- B. Retailing
- C. Hawking
- D. Hours of trade
- E. Trading

The correct answer is option [C]

166. The commonest form of trade that exist between two countries of the world is known as_____

- A. multilateral international trade
- B. bilateral international trade
- C. multinational trade
- D. free zone trade
- E. cultural trade

The correct answer is option [B]

167. Which of the options is a factor that determines the location of a warehouse?

- A. Price stabilization
- B. Bonded warehouse
- C. Stock valuation
- D. Operating cost
- E. Credit facility

The correct answer is option [D]

168. _____ involves an exclusively between two states

- A. Mon lateral trade
- B. Bilateral trade
- C. Commerce trade
- D. Business trade

The correct answer is option [B]

169. Laws made in a country for the control of international in order to avoid unlawful activities are called _____

- A. International laws
- B. Protectionist laws
- C. Export laws
- D. Acts of parliament

The correct answer is option [B].

170. David Ricardo is profoundly known with the principle of _____

- A. Division of labour
- B. Specialization
- C. Comparative cost advantage
- D. Business ratio

The correct answer is option [C]

171. _____ is a complete ban of the importation of certain goods which is a straight forward way of restriction or protection.

- A. A Tariff
- B. An Import Quota
- C. An Import Licence
- D. A Reduction of excise duties
- E. An embargo

The correct answer is option [E]

172. Buyers often find mobile shops unsuitable because _____

- A. the choice of goods are limited
- B. they operate at odd hours
- C. they sell only perishable goods

D. they are operated by sole traders

The correct answer is option [A]

173. Which among these options is not a small scale retailer?

A. Itinerant traders

B. Roadside traders

C. Rural stores

D. Urban stores

E. Supermarkets

The correct answer is option [E]

174. Which of the following helps countries globally to solve their balance of payments difficulties?

A. GATT

B. EEC

C. U.N.O

D. IMF

E. O.A.U

The correct answer is option [D]

GATT - General Agreement on and Tariff,

E.E.C - European Economic Community,

U.N.O - United Nations Organization,

IMF - International Monetary Fund,

O.A.U - Organization Of Africa Unity

175. Uniform standard of design is the feature of a _____

A. departmental store

B. mail - order business

- C. mobile shop
- D. multiple shop
- E. supermarket

The correct answer is option [D]

176. The index of terms of trade is given as:

- A. $\text{Price index of exports} / \text{Price index of imports} \times 100$
- B. $\text{Price index of imports} / \text{Price index of exports} \times 100$
- C. $\text{Quantity index of exports} / \text{Quantity index of imports} \times 100$
- D. $\text{Quantity index of imports} / \text{Quantity index of exports} \times 100$

The correct answer is option [A].

177. _____ is the act of storing goods in a place until they are needed.

- A. Security
- B. Acquisition cost
- C. Warehousing
- D. Bulk purchasing
- E. Bonding

The correct answer is option [C]

178. A document lodged with the department of customs and excise, giving details of goods imported and exported is termed _____

- A. Custom's specification
- B. Ship's manifest
- C. Excise drawback
- D. manifest

The correct answer is option [A]

179. Illustration catalogues are mostly used by _____

- A. chain stores
- B. department stores
- C. mail order firms
- D. supermarkets

The correct answer is option [C]

180. Retail cooperative society MUST be incorporated and registered.

- A. True
- B. False

The correct answer is option [B]

181. Goods that are not allowed to enter a country are known as _____

- A. fake goods
- B. bonded goods
- C. ordinary goods
- D. requisition goods
- E. contraband goods

The correct answer is option [E]

Contraband goods are goods whose importation or exportation is prohibited by law.

182. A country's balance of payments accounts is divided into _____

- A. fixed and non-fixed account
- B. micro and macro account
- C. current and capital account
- D. balance and unbalanced account
- E. None of the above

The correct answer is option [C]

183. _____ are surplus goods and services of a country that are sent to other countries of the world.

- A. Price index
- B. Price index of export
- C. Price index of import
- D. Exports
- E. Imports

The correct answer is option [D]

184. The activities of government of a country or its agents to promote and increase the goods and services exported from the country to other nations is known as _____

- A. balance of payment
- B. Imports
- C. Exports
- D. Export drive
- E. Import drive

The correct answer is option [D]

185. Small scale retailers continue to survive inspite of serious competition from large scale retailers because they _____

- A. buy from many manufacturers
- B. maintain personal relationship with customers
- C. stock only one line of goods in their stalls
- D. do not separate business money from personal money

The correct answer is option [B]

186. General merchandise wholesalers deal in goods such as

- A. hardware, electrical materials, plumbing materials, farm tools etc
- B. groceries

- C. spare facilities needed for servicing of the goods they sell
- D. perishable items
- E. live stock

The correct answer is option [A]

187. _____ are large scale retail unit in which many different stores are housed in large buildings under the same roof.

- A. Hypermarkets
- B. Super stores
- C. Super markets
- D. Multiple shops
- E. Department shops

The correct answer is option [E]

188. _____ involves the exchange, buying and selling of goods and services between more than two countries.

- A. Foreign exchange trade
- B. Multilateral international trade
- C. Bi-lateral international trade
- D. Multinational trade
- E. Currency trade

The correct answer is option [B]

189. When a buyer is to pay for the cost of transporting goods, the invoice is marked _____

- A. carriage forward
- B. carriage paid
- C. cost and freight
- D. cost, insurance and freight

The correct answer is option [A]

Carriage forward means that the price of the goods does not include cost of transportation which is shifted to the buyer.

190. A document issued by a national government authorizing the exportation of certain goods outside its territory is known as _____

- A. bill of export
- B. export invoice
- C. export licence
- D. certificate of export
- E. consular invoice

The correct answer is option [C]

191. _____ is NOT part of the method of restriction.

- A. Export subsidies
- B. Tariffs
- C. Entrepot
- D. Quotas

The correct answer is option [C]

An Entrepot (from the French "warehouse") is a trading post where merchandise can be imported and exported without paying import duties, often at a profit. This profit is possible because of conditions, for example, the reluctance of ships to travel the entire length of a long trading route, and selling to the Entrepot instead. The Entrepot then sells at a higher price to ships travelling the other segment of the route. Today, this use has mostly been supplanted by customs areas.

192. Why is a retailer an essential element in the channel of distribution?

- A. A retailer is an essential element because he sells in bulk
- B. A retailer is an essential element because he is nearer to the consumer

C. A retailer is an essential element because he is the last link in the distribution chain

D. A and B

E. None of the above

The correct answer is option [C]

193. Where customs and excise department keep goods on which duties have not been paid is known as _____ warehouse.

A. bonded

B. manufacturers

C. public

D. state

E. wholesale

The correct answer is option [A]

194. One advantage of department stores is

A. that they require huge amount of capital to establish

B. that they are elitist in nature

C. they reap the benefit of large scale purchase in the form of large profit

D. they give little or no credit facility to customers

The correct answer is option [C]

195. Branding does not ensure quality.

A. True

B. False

The correct answer is option [B]

Branding ensures quality.

196. One of the reasons why wholesaling must continue is that

- A. the tax paid by wholesalers on their profit enhances national revenue
- B. by creating artificial scarcity, the wholesaler enhances competition in the economy
- C. the wholesaler provides technical advice to the retailer
- D. the gap between manufacturers and retailers is reduced by wholesalers

The correct answer is option [D]

197. Self-service vending machines do not offer 24 hours of service per day.

- A. True
- B. False

The correct answer is option [B]

Self-service vending machine offers 24 hours service per day.

198. A document issued by a national government authorizing the importation of certain goods into its territory is known as _____

- A. export licence
- B. export invoice
- C. import licence
- D. certificate of origin
- E. consular invoice

The correct answer is option [C]

199. Another name for state warehouse is _____

- A. bonded warehouse
- B. public warehouse
- C. government warehouse
- D. stock warehouse

E. none of the above

The correct answer is option [E]

200. Which of the following describes the reason for international trade?

- A. Balance of payment
- B. Comparative cost advantage
- C. Absolute cost advantage
- D. Balance of trade

The correct answer is option [B]

201. One of the problems of warehousing is too many middlemen.

- A. True
- B. False

The correct answer is option [B]

TOPIC: TRANSPORT AND COMMUNICATION

DIRECTION: Choose the correct answer from the lettered options.

1. The transmission of information from one end to another in order to aid business is called _____

- A. information technology
- B. advertisement
- C. communication
- D. transportation

The correct answer is option [C]

2. Which of the following is a means of payment through the post office?

- A. Standing Order
- B. Promissory note
- C. Money order
- D. Telegraphic transfer

The correct answer is option [C]

A money order is a payment order for a pre-specified amount of money. Because it is required that the funds be prepaid for the amount shown on it, it is a more trusted method of payment than a personal check. Merchants welcome the extra security of a pre-paid money order instead of a personal check, which can bounce.

A standing order is an instruction a bank account holder gives to their bank to pay a set amount at regular intervals to another account. The instruction is sometimes known as a banker's order. They are typically used to pay rent, mortgage or other fixed regular payments. Because the amounts paid are fixed, a standing order is not usually suitable for paying variable bills such as credit card, or gas and electricity bills.

A promissory note, also referred to as a note payable in accounting, is a contract where one party (the maker or issuer) makes an unconditional promise in writing to pay a sum of money to the other (the payee), either at a fixed or determinable future time or on demand of the payee, under specific terms. They differ from IOUs in that

they contain a specific promise to pay, rather than simply acknowledging that a debt exists.

The term Telegraphic Transfer or Telex Transfer, often abbreviated to 'TT', is a electronic means of transferring funds overseas. A transfer charge is collected while sending money.

3. Transport is important to commerce for all the following reasons EXCEPT that

- A. it stimulates large scale production
- B. it influences location of industries
- C. it encourages the distribution of goods
- D. it increases savings ability

The correct answer is option [D]

4. Which of the following mode of transport involves the use of tramp liners?

- A. Land transport
- B. Sea transport
- C. Air transport
- D. Pipeline

The correct answer is option [B]

5. Which of the following appears to be the fastest means of transferring verbal messages?

- A. Electronic mail
- B. Telephone
- C. Internet
- D. Courier services

The correct answer is option [B]

6. Courier services in Nigeria have an edge over public postal services in all EXCEPT one of the following.

- A. Reliability
- B. Promptness
- C. Economy
- D. Safety

The correct answer is option [C]

7. Mail order business requires all of the following EXCEPT _____

- A. use of catalogue
- B. display room
- C. post office
- D. warehouse

The correct answer is option [D]

8. Which of the following means of transportation is suitable for the trans-shipment of goods?

- A. Air transport
- B. Rail transport
- C. Road transport
- D. Pipeline

The correct answer is option [A]

9. Which of the following is not a modern benefit of communication?

- A. Bridging the gap between and among nations
- B. Promotion of among businessmen
- C. Entrenchment of the barter system
- D. Enhancement of mail order business

The correct answer is option [C]

10. Franking machine is used

- A. for self-service in retail outlets
- B. in printing postage marks on letters and parcels
- C. in transacting online businesses
- D. in place of vending machines

The correct answer is option [B]

11. Which of the following could possibly hinder effective communication process?

- A. Distance
- B. The type of writing material
- C. Political crises
- D. Noise pollution
- E. None of the above

The correct answer is option [A]

12. Which of the following is NOT a feature of registered mail?

- A. Safety
- B. Evidence in delivery
- C. Very cheap
- D. Quite expensive

The correct answer is option [C]

13. Which of the following is NOT a document involved in transportation?

- A. Charter party
- B. Manifest
- C. Consignment
- D. Bill of exchange

The correct answer is option [C]

14. The method of sending messages by the teleprinter is _____

- A. telephone
- B. cablegram
- C. telex
- D. railed

The correct answer is option [C]

15. The post office service rendered to tourists who have no fixed addresses in towns visited is known as _____

- A. poste restante
- B. recorded delivery
- C. parcel post
- D. preference post

The correct answer is option [A]

16. Which of the following enables producers to get in touch with one another without physical contact?

- A. Transport
- B. Communication
- C. Channels of distribution
- D. Advertising

The correct answer is option [B]

17. The freight paid on the unoccupied space in the ship chartered for a specific voyage is known as _____

- A. dead freight
- B. demurrage
- C. transport bill
- D. import duty

The correct answer is option [A]

18. When a telephone call is made within the same town, it is referred to as _____

- A. trunk call
- B. local call
- C. intermediate call
- D. localized call

The correct answer is option [B]

19. Which of the following is NOT an advantage of rail transport?

- A. Suitable for bulky goods over long distances
- B. Less prone to accident
- C. Suitable for perishable goods
- D. Relatively cheap

The correct answer is option [C]

20. Which of the following is NOT a service rendered by the post Office?

- A. Post restante
- B. Telegrams
- C. Air mail service
- D. Recorded delivery service
- E. Telex service

The correct answer is option [E]

21. The process of exchange of information, message, ideas, attitudes, feelings and reactions is known as _____

- A. co-ordination
- B. management
- C. communication
- D. advertising

The correct answer is option [C]

22. The means of sending and receiving information is known as _____

- A. international networking
- B. transportation
- C. telex
- D. communication

The correct answer is option [D]

23. A freight ship which travels wherever it can find cargoes to carry is a _____

- A. liner
- B. tramp
- C. tanker
- D. ferry

The correct answer is option [B]

24. Which of the following is a feature of rail transport?

- A. Door to door delivery
- B. High fare
- C. Movement without schedule
- D. Fixed route
- E. Carries liquids only

The correct answer is option [D]

25. The capacity to carry bulky goods and passengers is a distinctive advantage of transportation by _____

- A. trains
- B. trailers
- C. luxury buses
- D. Lorries

The correct answer is option [A]

26. Which of the following makes air transportation preferable to other means of transportation?

- A. Cost effectiveness
- B. Speed
- C. Safety
- D. Reliability

The correct answer is option [B]

27. Which of the following is commonly used in carrying heavy and bulky goods in foreign trade?

- A. Ships
- B. Motor vehicles
- C. Aeroplanes
- D. Tankers
- E. Passenger trains

The correct answer is option [A]

28. The use of sealed large metal boxes for transporting goods is known as _____

- A. standardization
- B. containerization
- C. bulk carrying
- D. packaging

The correct answer is option [B]

29. Transportation of fragile goods within Nigeria is best done by _____

- A. road
- B. air
- C. sea

D. pipeline

The correct answer is option [B]

30. Which of the following means of transportation will be more appropriate in transporting official documents from Nigeria to South Africa?

A. Road transport

B. Air transport

C. Rail transport

D. Water transportation

The correct answer is option [B]

31. Which of the following is a function of NITEL?

A. Recruitment of federal civil servants

B. Installation of telephones in Nigeria

C. Collection of rates on electricity

D. Posting of letters across borders

The correct answer is option [B]