

Economic quiz

[Economics](#)



History Quiz 1) To finance the American Revolution, the first paper notes were produced, known as Continentals. A 2) In response to the financial crisis in the sass's, the Federal Reserve's policy making body cut the federal funds rate to nearly 0, the lowest level in over 50 years. C 3) Which president signed the Federal Reserve Act into law? Woodrow Wilson. C 4) The first Bank of the United States was chartered in 1791. B 5) During the sass's, the Fed began to use this as a monetary policy tool following the actions by Benjamin Strong. Open market operations.

C 6) This act, passed in 1978, began requiring the Fed chairman to report to Congress twice annually on monetary policy goals and objectives. Humphrey-Hawkins Act. D 7) Which financial mogul intervened to help stabilize the economy during the financial panics in the early sass's? J. P. Morgan. B 8) The financial crisis beginning in the late sass's was initially linked to which economic sector? Real Estate/Housing. A 9) Which of the following was Not a result of the passing of the Banking Act of 1933, also known as the Glass-Steagall Act? Creation of the Federal Open Market Committee.

D 10) The Monetary Control Act of 1980 required the Fed to Charge for its financial services. D 1 1) Which of the following led the opposition to the Second Bank of the United States? Andrew Jackson. A 12) Following the attacks on September 11, the Fed loaned this amount to financial institutions in order to provide stability to the U. S. Economy. \$45 billion. A 13) Which of these was NOT a result of the historically high inflation of the sass? Increased unemployment. C 14) This person succeeded Alan Greenspan as the Federal Reserve Chairman in February 2006. Ben Bernanke.

C 15) The National Banking Act of 1863 revived for currency circulated by nationally chartered banks to be backed by U. S. Government securities. This effectively helped to create Uniform currency for the nation. C Structure and functions quiz 1) Which of these cities does not have a Federal Reserve Office? San Diego. B 2) Federal Reserve head offices each have a 9 member board of directors. A 3) Which Federal Reserve district serves the largest number of states? San Francisco. D 4) Member banks are required to hold stock in Reserve Banks that they can sell or trade.

False 5) Federal Reserve Bank employees are considered to be government employees. False 6) How many districts make up the Federal Reserve System? 12. B 7) Which of these is not an advisory council to the Federal Reserve Board of Governors? State Advisory Council. B 8) Which of these is not a function of the Federal Reserve? Manage the federal deficit. C 9) What is the Federal Reserves primary source of income? Interest on government securities. D 10) The profit (revenues in excess of costs) of the Federal Reserve is given to the Treasury.

B 1 1) What percent of commercial banks in the U. S. Are members of the Federal Reserve System? 38%. B 12) The Board of Governors, the governing body of the Federal Reserve System, is set up to consist of how many members? 7. B 13) The Federal Reserve is the 3rd attempt at our nation's central bank. True 14) Each Federal Reserve District president reports to rd to Directors System? Congress. B n organization est. real Reserve Monetary Policy Quiz Results Quiz 1) Voting members of the FOMCL include seven members of the Board of Governors and presidents of the Federal Reserve Banks.

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C 2) Before each FOMCL meeting, each Reserve Bank prepares a summary of current economic conditions in their district, which is published as the Beige Book. A 3) Federal Reserve Board of Governors members are appointed by the President and confirmed by the Senate. A 4) Federal Reserve Board of Governors members serve 14 years terms to help insulate them from political influence. D 5) The federal funds rate is set by the FOMCL and refers to the interest rate that banks use to lend to each other overnight. C 6) Economic conditions within largely populated cities in the nation drive the policy making decisions of the FOMCL.

False. 7) In which city is the Board of Governor's Office located? Washington D. C. C 8) Inflation is a sustained increase in the general level of Prices. C 9) Monetary policy refers to what the Federal Reserve does to influence the amount of money and credit in the U. S. Economy. C 10) FOMCL, the policy making body of the Federal Reserve, stands for Federal Open Market Committee. A 11) The minutes of each FOMCL, meeting is published and available to the public. True. 12) Which Federal Reserve Bank always has voting rights on the FOMCL? New York. D 13) The goals of monetary policy do not include the promotion of Low taxes.

A 14) Which of these is not a monetary policy tool? Balance accounts. C 15) Through open market operations, the Federal Reserve buys and sells government securities to influence the supply of bank reserves. When the Fed wants to increase reserves, it does what? Buy securities. A Financial Services Quiz 1) The Federal Reserve is responsible for the production of U. S. Paper money and coin. False. 2) If the Federal Reserve encounters counterfeit currency during processing, those notes are forwarded to the <https://assignbuster.com/economic-quiz/>

Secret Service. C 3) As the bank for banks, which of these is not a service provided by the Federal Reserve?

Foreign currency exchange. B 4) The primary material used to make nickels is Copper. A 5) Which of these is not a security feature of U. S. Currency?

Image of the pyramid. D 6) Which of the following is not a function that the Fed performs for the treasury? Setting U. S. Tax rates. C 7) U. S. Notes are

designed and printed by the Bureau of Engraving and Printing. C 8) What is the electronic payment delivery system most often used to process low-

dollar recurring retail payments? ACH. D 9) The least circulated U. S. Coin is

the half dollar. A 10) The largest U. S. Note currently in circulation is \$100. A

11) The largest U. S. Note ever printed was worth \$100, 000. A 12) What

percent of notes printed each year are \$1 notes? 45%. C 13) The 2004 Check Clearing for the 21st Century Act, also known as Check 21, permits banks to

replace original checks with " substitute checks" or electronic replicas. B 14)

Currency is made of a combination of Cotton and linen. C 15) The U. S. Mint

is responsible for producing U. S. Coin. A Banking Supervision Quiz 1) Federal Reserve Bank employees who are responsible for supervision and regulation of banks are called Examiners.

A 2) The Federal Reserve also has supervisory and regulatory responsibility for the international operations of its member banks. True 3) Which of these

does not fall within the Federal Reserve's enforcement policies in the case of a troubled or non-compliant institution? Purchase of the bank by the Federal

Reserve. A 4) Every financial institution is required to keep a certain

percentage of deposits in reserve as cash in its vault or in an account at

Federal Reserve Bank. This is called Reserve Requirement. C 5) This acronym represents the rating system used to evaluate banks. CAMELS.

A 6) Which of the following entities is not a bank regulator? Office of Currency Regulation. C 7) The Truth in Lending Act requires banks to disclose finance charges in advance. A 8) Which of the following would an examiner most likely use to evaluate a bank's compliance with the Community Reinvestment Act? Loans extended to low-income communities. C 9) This Act was passed by Congress in 1977 to ensure that banks practiced fair lending and deposit services in low- and moderate-income communities. Community Reinvestment Act. A 10) Which of the following is not one of the "5-CSS" used to rate the quality of a loan?

Culpability. D 11) This refers to borrower's assets. Collateral. B 12) Credit unions are not subject to the same supervision and regulation that banks are. False. 13) The main objective of the supervisory process is to evaluate the overall safety and soundness of a banking organization. A 14) Which of the following is not a primary objective of the Federal Reserve's banking supervision function? Assessing the capital limit each bank should target. C 15) This one of the "5-CSS" refers to an applicant's assets minus their liabilities. Capital. B