



Department of Education, Sabaragamuwa/weekly school

week- June 3

Subject-Economics

Grade-13

Prepared by -
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1. Define 'money' and briefly describe how money has removed the defects of the barter system .
2. Explain why credit cards are not money.
3. List the macroeconomic variables that determine the demand for money in the economy. Briefly explain how these variables affect the demand for money.
4. How would you distinguish between demand-pull inflation and cost-push inflation? Explain your answer using necessary diagrams.
5. Why there is very high level of excess liquidity in the domestic money market in Sri Lanka at present? What measures have been taken by the Central Bank of Sri Lanka to absorb the excess liquidity of the banking system?