

ADMISSION TEST 2011

ECONOMICS SECTION (TOTAL POINTS 100)

STUDENT NAME _____

1. What is the main function of government? CIRCLE THE CORRECT ANSWER (5 points).
 - A. Set tax rates
 - B. Print money
 - C. Tell producers how much to produce
 - D. Inflation targeting

2. Think of the supply of oil (նավթ). How do wars in Libya, oil leak in Gulf of Mexico, protests in Middle East and North Africa affect the supply of oil? CIRCLE THE CORRECT ANSWER (5 points)
 - A. Supply is unaffected
 - B. It shifts upward (increases)
 - C. It shifts downward (decreases)
 - D. Not enough information to conclude

3. David sells 200 units of Khachapuri daily at 150 AMD. It costs him 130 AMD to make one Khachapuri. What is his monthly profit, assuming he works 20 days in a month. SHOW YOUR CALCULATIONS (10 points)
 - A. 4000 AMD
 - B. 80000 AMD
 - C. 400 AMD
 - D. 8000 AMD

4. Let's look at the communication industry. Before there were two companies: Viva Cell and Beeline, now there is the third one – Orange. How did the entrance of Orange into the market affect the prices and other features of services? CIRCLE THE CORRECT RESPONSE (5 points)
 - A. Overall, prices decreased due to increased competition
 - B. Prices increased because all agreed to make higher profit
 - C. Prices remained unaffected
 - D. Quality has decreased due to competition

5. Draw Keynesian cross and explain what each of the components represent. EXPLAIN AND MAKE SURE YOU LABEL THEM (15 points)

6. What is the production function made off (i.e. components of production function)? CIRCLE THE CORRECT ANSWER (5 points)
- A. Taxes
 - B. Price
 - C. Inputs
 - D. Income
7. The increased attention on high inflation in Armenia concerns the public and businesses. Which authority is responsible for affecting and controlling the inflation? CIRCLE THE CORRECT ANSWER (5 points)
- A. Ministry of Finance
 - B. Government
 - C. Ministry of Agriculture
 - D. Central Bank of Armenia
8. The exchange rate between dram and dollar 10 days ago was 375 AMD/USD and today the percentage change is -2%. Suppose you work for a company which buys inputs for production from overseas in US dollars. Today the materials in total cost 30,000 USD. How much did the company gain/lose from exchange rate change if you bought the inputs today vs. 10 days ago? SHOW YOUR CALCULATIONS (10 points)
- A. \$11,250,000
 - B. \$11,205,000
 - C. \$225,000
 - D. Insufficient data
9. When do you expect to see businesses being inactive and the overall investment activity by businesses slow down? When _____ CIRCLE THE CORRECT ANSWER (5 points)
- A. Interest rates decrease
 - B. Inflation decrease
 - C. Uncertainty
 - D. Low taxes
10. Suppose you took a loan from the bank to buy a small one-bedroom house. The house costs \$50,000. The loan is \$50,000 USD, 20%, for 2 years. The only thing that is fixed is the principal payment amount. Set up a loan amortization table including original amount, interest payment, principal payment, total payment, and ending balance. SHOW HOW YOU GET ALL THE NUMBERS AND SET UP THE TABLE (10 points)

1. Find the area of a triangle formed by the following three points: (-4, -1) (1, 2) (4, -3)
 - A. 17
 - B. 16
 - C. 15
 - D. 14
 - E. None of these

2. What is the equation of a straight line, which is perpendicular (որդիսիւսաց) to $y=x$ and passes through a point (3, 2)?
 - A. $x-y=5$
 - B. $x+y=5$
 - C. $x+y=1$
 - D. $x-y=1$
 - E. None of these

3. If the ratio of girls to boys in a science class is 4:3, and a class has a total of 35 students, how many more girls are there than boys?
 - A. 3
 - B. 4
 - C. 5
 - D. 15
 - E. 20

4. If a number x is defined as $|3-2x|<15$, then which of the following best represents the solution of x .
 - A. $-6<x<9$
 - B. $-9<x<6$
 - C. $-2<x<3$
 - D. $-3<x<2$
 - E. $-15<x<15$

5. Find sum of all odd (լին) numbers from 1 to 69 inclusive.
 - A. 1 000
 - B. 1 050
 - C. 1 115
 - D. 1 200
 - E. 1 225

6. Suppose you have deposited \$900 into a bank account (բանկային հաշիվ) for 5 years. Bank gives you 12% interest compounded (բաղադրյալ) annually (ի՞նչ՞ի՞Յ). How much will you have on your account at the end of the 5th year.
 - A. 1 431
 - B. 1 586
 - C. 1 602
 - D. 1 800
 - E. 1 860

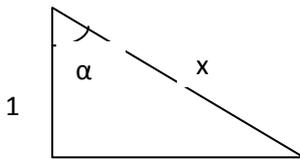
7. If $f(x) = \frac{5x+3}{2x+3}$, then $f(n+1)$ will be

- A. $\frac{8}{5}$
- B. $\frac{5n+3}{2n+3} + 1$
- C. $\frac{5n+8}{2n+5}$
- D. $\frac{5n+4}{2n+4}$
- E. None of these

8. The length of a certain rectangle is 6 meters more than twice its width. What is the perimeter of the rectangle if the area of the rectangle is 260 square meters?

- A. 54
- B. 60
- C. 66
- D. 72
- E. 78

9. In right triangle shown below $\tan \alpha$ is



- A. $\sqrt{-1+x^2}$
- B. x
- C. $x\sqrt{-1+x^2}$
- D. x^2+1
- E. $x\sqrt{1+x^2}$

10. In how many ways you can arrange 4 letters ABCD without repetition (կրկնվելու)?

- A. 4
- B. 16
- C. 22
- D. 24
- E. 256

SELECT THE BEST ANSWER (11 POINTS)

1. The sales _____ for July is down this year.
 - A. economic
 - B. total
 - C. sold
2. What _____ of our sales was for cheese?
 - A. difference
 - B. percent
 - C. total
3. I only had a few minutes, so I spoke with him _____.
 - A. excitedly
 - B. possibly
 - C. briefly
4. Regardless of what he says, I don't believe any of the excuses he offers _____.
 - A. makes a difference.
 - B. make a difference.
 - C. made a difference.
5. Hard work often gives me _____.
 - A. a head.
 - B. a headache.
 - C. a head trauma.
6. It is very friendly and welcoming, _____ being part of a large chain.
 - A. despite
 - B. inconvenience
 - C. however
7. Can you hear what he is _____?
 - A. talking
 - B. speaking
 - C. saying
8. Do you think the report could be translated _____ English for the meeting tomorrow?
 - A. by
 - B. with
 - C. into
9. She says I've got to learn to be more organized, _____ priorities, and listen.
 - A. give
 - B. set
 - C. vindicate
10. _____ gone to the Black Sea? Yes, I just came back actually.
 - A. Did you ever
 - B. Have you ever
 - C. Will you ever

11. In this company, salaries _____ the level of responsibility.
- A. depend on
 - B. depend from
 - C. depend about

READ THE PARAGRAPH BELOW. PUT THE VERBS IN PARENTHESES INTO THE CORRECT TENSE (6 POINTS).

Six consecutive days of spring rain had created a raging river running by Nancy Brown's farm. As she (1) _____ (*try*) to herd her cows to higher ground, she slipped and (2) _____ (*hit*) her head on a fallen tree trunk. The fall knocked her out for a moment or two. When she (3) _____ (*come*) to, Lizzie, one of Nancy's oldest and favorite cows, (4) _____ (*lick*) her face. The water (5) _____ (*rise*). Nancy got up and began walking slowly with Lizzie. The water was now waist high. Nancy's pace got (6) _____ (*slow*) and slower. Finally, all she could do was throw her arm around Lizzie's neck and try to hang on. About 20 minutes later, Lizzie (7) _____ (*manage*) to successfully (8) _____ (*pull*) herself and Nancy out of the raging water and onto a bit of high land, a small island now in the middle of acres of white water. Even though it was about noon, the sky was so dark and the rain and lightning so bad that it took rescuers another two hours to discover Nancy. A helicopter (9) _____ (*lower*) a paramedic, who attached Nancy to a life-support hoist. They (10) _____ (*raise*) her into the helicopter and took her to the school gym, where the Red Cross (11) _____ (*set up*) an emergency shelter. When the flood subsided two days later, Nancy immediately went back to the "island." Lizzie (12) _____ (*go*). She was one of 19 cows that Nancy lost. "I owe my life to her," said Nancy sobbingly.

CHOOSE THE APPROPRIATE EXPRESSION TO SUBSTITUTE THE UNDERLINED WORD OR WORDS (4 POINTS)

1. Dynamic, important people who can get things done quickly and are influential are the ones who can make a difference in our company.
- A. the movers and shakers.
 - B. the president and director.
 - C. the people in charge.
2. If you hit the hay early, you'll be ready to take on the exam tomorrow.
- A. go to sleep
 - B. open your books
 - C. go online
3. When they examined the final figures of the company they decided not to invest in it.
- A. estimates
 - B. close out
 - C. bottom line
4. After a month's stability, the gasoline price in Yerevan went up by 20 drams.
- A. grew up by
 - B. increased by
 - C. was raised up by

UNDERSTANDING ECONOMICS TERMINOLOGY (4 POINTS)

SELECT THE BEST ANSWER.

1. A situation where there is not enough money in the budget:
 - A. budget crunch
 - B. budget close out
 - C. budget buy off
2. The science that deals with the production, distribution, and consumption of goods and services, or the material welfare of humankind.
 - A. Marketing
 - B. Management
 - C. Economics
3. When the production of a good or service with no close substitutes is carried out by a single firm with the market power to decide the price of its output, it is:
 - A. Oligopoly
 - B. Monopoly
 - C. Cartel
4. Cost-benefit analysis means:
 - A. A method of reaching economic decisions by comparing the costs of doing something with its benefits.
 - B. Testing your plans against various possible scenarios to see what might happen should things not benefit you by going the way you hoped.
 - C. Number-crunching statistics to discover the relationship between different economic variables.

SELECT THE BEST ANSWER TO COMPLETE THE SENTENCES. (18 POINTS)

1. We are causing so much damage to our planet that it will soon _____ .
 - A. do an affect to the global economy
 - B. do an effect to the global economy
 - C. affect the global economy
 - D. effect the global economy
2. World leaders _____ in Nairobi to discuss measures to tackle global biodiversity loss.
 - A. can too soon to meet
 - B. will soon meet
 - C. will soon to meet
 - D. can to meet too soon
3. Some farmers are having a hard time picking their crops. There are _____ with the harvest.
 - A. not enough workers to help them
 - B. not enough help to work them
 - C. not work enough for them to help
 - D. not help enough for them to work
4. More than 500 billion plastic bags _____ by shops and supermarkets every year.
 - A. are giving away
 - B. are to give away
 - C. are given away
 - D. are gave away

5. Sometimes you have to _____ how difficult it is to get a good job.
A. remember yourself
B. remind yourself
C. regard yourself
D. realize yourself
6. Mark Twain wrote, "If you pick up a starving dog and make him prosperous, he _____ bite you. This is the principle difference between a man and a dog."
A. did not
B. wasn't going to
C. will not
D. don't want to
7. Canton is surrounded by thick underbrush and pine trees. Because of six years of drought, these plants are a _____ fire hazard.
A. very tiny
B. medium
C. huge
D. most hugest
8. I'm _____ of you complaining all the time.
A. sick and tired
B. sick of being tired
C. tired of being sick
D. tired and you are sick
9. A moth possesses two pairs of wings _____ as a single pair and are covered with dustlike scales.
A. function
B. are functioning
C. that function
D. but functions
10. _____ all the time is silly. Looks aren't everything.
A. She says that dieted
B. She believes that dieting
C. She was to say that dying
D. She was believing that dyed
11. Personally, _____ a fox in my garden rather than other urban animals like rats.
A. I am liking much
B. I am preferring much
C. I would not to like
D. I would prefer
12. Over the last six months there has been a real demand _____ organic food.
A. of
B. about
C. for
D. over

13. In the agricultural sector _____ recent graduates to get started on our careers.
- there are no jobs for those without experience, which makes it difficult for we
 - there are no jobs for those without experience, a fact that makes it difficult for us
 - there are no jobs for those with experience, which is difficult for us
 - there are no jobs for those with experience, a fact which makes it difficult for we
14. The golden rule of public speaking is always to keep it _____ .
- short and sweet
 - bits and pieces
 - born and bred
 - forgive and forget
15. More and more farmers _____ to meet the demand for safe food.
- growing organic retardants
 - are growing plant illnesses
 - are growing organic crops
 - growing plant bags
16. Physical improvement is usually addressed in two ways: by providing improved market infrastructure (both urban and rural) and by improving rural _____ roads.
- access
 - excess
 - assess
 - exit
17. If the ozone layer is depleted even more, _____ skin cancer.
- we ran a much higher risk of attracting
 - we would have run a much higher risk
 - we will run a much higher risk
 - we had to have run a much higher risk
18. He has very little experience. I don't think he _____ such a large project.
- would be capable for running
 - would be capable about to run
 - would be capable without running
 - would be capable of running

CHOOSE THE CORRECT SENTENCE (4 POINTS)

1. _____.
- One of the biggest environmental problems is the exhaust fumes from cars.
 - One of the biggest environmental problems are the exhaust fumes from cars.
 - One of the biggest environmental problems are the exhaust fuels from cars.
 - One of the biggest environmental problems is the exhaust fuels from cars.
2. _____.
- These factors all need considered in identifying the best approach to market development.
 - These factors need all consideration identifying the best approach to market development.
 - These factors all need to be taken into consider in identifying the best approach to market development.
 - The best approach to market development are these factors all to be taken into consider in identifying need.

3. _____.

- A. Oils in aromatherapy from flowers, fruits and leaves are used to help people relax.
- B. In aromatherapy, oils from flowers, fruits and leaves are used to help people relax.
- C. Aromatherapy oils are used to help people relax from flowers, fruits and leaves.
- D. People relax from flowers, fruits and leaves oils in aromatherapy.

4. _____.

- A. If you wanted to buy environmentally friendly things in the past, it could be really difficult.
- B. If you wanted in the past to buy things environmentally friendly, it was too often too really difficult.
- C. To buy things that were environmentally friendly in the past, you could be really difficult.
- D. If the past things you buy were really difficult, they were environmentally friendly.

READ THE TEXT BELOW. CHOOSE THE WORD FROM THE BOX THAT BEST FITS EACH SPACE. USE EACH WORD ONLY ONCE. (16 POINTS)

reacting income discuss surge extend feeding hurt heatwave
stability harvest unrest fears rise spark lift particular

The United Nations Food and Agriculture Organization (FAO) has called a special meeting to _____ the recent rise in global food prices. The food agency is _____ to the recent announcement made by Russian Prime Minister Vladimir Putin to _____ his country's ban on wheat exports. Droughts caused by a prolonged _____ have destroyed a lot of Russia's wheat production and the Russian government is focusing on _____ its own people. Putin's extension raises fears that the price of food around the world would _____. Putin did not indicate when he would _____ the ban. It was originally intended to run until December 31. In his revised statement, he said it would not be before next year's _____ had been reaped. The U.N. _____ rising prices will bring about food riots in many countries, similar to those that took place in 2008. There has already been _____ in Mozambique, where police opened fire and killed seven people demonstrating over a 30 percent increase in bread prices. Rises will _____ the pockets more of those in developing countries, where most of a person's _____ can go for food. FAO economist Abdolreza Abbassian told the BBC: "Food prices, and wheat in _____, are so important for food security and even the political _____ of countries. Even a small increase in the price of food, which is so important to them, can _____ a problem." Economists say food prices are expected to _____ by at least 10 percent in most countries.

THERE ARE THREE UNDERLINED WORDS IN THE SENTENCE. (14 POINTS)

SELECT THE ONE WHICH IS WRONG.

1. Frozen French fries (A)—sliced, fries (B) in oil, and then packaged—are now approved (C) as “fresh vegetables” by the U.S. Department of Agriculture.

- A. French fries
B. fries
C. are now approved
D. no error

2. When trains derail (A), authorities immediately evacuate nearby communities because danger of (B) explosions or of harmful fumes. However, this train carried only lumber, new automobiles, and cattle destined for slaughter. (C)

- A. derail
B. because danger of
C. cattle destined for slaughter
D. no error

3. The dairy company carried under (A) its plan (B) to restructure (C) all operations.

- A. carried under
B. plan
C. to restructure
D. no error

4. We're (A) unable to double-check (B) the costs of the new products before the price list (C) was printed.

- A. We're
B. double-check
C. before the price list
D. no error

5. If I have known (A) they weren't (B) coming, I could have (C) cancelled the reservation.

- A. have known
B. weren't
C. have
D. no error

6. The construction company was taken (A) to court for giving (B) kickbacks to the local politics. (C)

- A. was taken
B. for giving
C. politics
D. no error

7. We decide (A) to strike while the iron was hot and began (B) to market the product around the time (C) of the Olympics.

- A. decide
B. began
C. around the time
D. no error

READING COMPREHENSION (12 POINTS)

Scientists at the Massachusetts Institute of Technology (MIT) have created what could be a breakthrough in providing clean, alternative energy. Researchers have invented an artificial leaf that splits water into hydrogen and oxygen and stores the energy in a fuel cell. The device is about the size and shape of a playing card, but is even thinner. It is made from silicon and electronic components. The MIT team says it could power a home in a developing country for a whole day just by putting it into water under the Sun. The artificial leaf is also cheap to produce. Research team leader Daniel Nocera said a prototype of his leaf in his laboratory operated non-stop for over 45 hours with no drop in activity.

Technology that can efficiently turn sunlight and water into energy has long been seen as the Holy Grail of science. The conversion of solar energy into hydrogen is one of the answers to the question of

how to provide an effective alternative to fossil fuels and thus end our dependence on oil. Nocera's invention could even help save the planet, by turning around global warming. Furthermore, in light of the events at Fukushima, Japan, **it** might also prove to be a safe replacement for nuclear energy. However, this is all wishful thinking at the moment. The technology, although highly promising, is still in its early stages of development. In the near future, it could provide energy to people in remote areas of sunnier countries.

1. According to the passage, the advantages of an artificial leaf are:
 - A. its ability to replace real plants so we don't have to worry about watering green spaces.
 - B. its ability to replace Japan's nuclear energy since the earthquake and tsunami.
 - C. its role in providing an alternative to fossil fuels and ending dependence on oil.
 - D. its speed and utility in the early stages of development.

2. The passage infers that rural areas, such as Armenia's high-altitude villages,
 - A. could use the artificial leaf in the near future.
 - B. will need new sources of electricity to charge the device.
 - C. will need a lot of money to install the equipment.
 - D. will need people to provide energy in the near future.

3. What is the main point the author makes in the passage?
 - A. The artificial leaf saves money by converting hydrogen.
 - B. The artificial leaf has more than one use in society because it's a Holy Grail.
 - C. The artificial leaf could eventually replace other energy sources with this renewable alternative.
 - D. The artificial leaf answers many questions for societies in remote areas.

4. In the second paragraph, to what does **it** refer?
 - A. Global warming.
 - B. Fukushima, Japan.
 - C. Fossil fuels.
 - D. The new invention.

WRITE AN ESSAY (AT LEAST HALF PAGE) (11 POINTS)

What are the main challenges of the Armenian agriculture and what policy improvements would you suggest?