

South Asia's Financial Pulse: Debt Restructuring, FDI Shifts, and Digital Paym

South Asia Finance · Practice Test · 12 Questions

1. As of April 2026, Sri Lanka's debt restructuring process is nearing completion. According to the Global Sovereign Debt Roundtable (GSDR) report, what percentage of Sri Lanka's total external debt within the restructuring perimeter was estimated to be yet to be restructured as of end-2023?

- A) Approximately 1.7 percent
- B) Less than 0.5 percent
- C) Around 5 percent
- D) Nearly 10 percent

2. Foreign Direct Investment (FDI) in South Asia saw a significant decline in 2023 compared to the previous year. By what percentage did FDI in South Asia decrease in 2023?

- A) 39.34%
- B) 25.78%
- C) 15.21%
- D) 55.10%

3. Nepal's economy is significantly driven by various sectors. Which sector was identified as the fastest growing in Nepal for fiscal year 2025/26, with an estimated growth of nearly 21%, largely due to hydropower expansion?

- A) Electricity and gas
- B) Information Technology
- C) Tourism
- D) Manufacturing

4. As of February 2026, over 92% of Sri Lanka's external debt has been restructured. What was the projected percentage of public debt to GDP post-restructuring, down from 145% in 2022?

- A) 41.5%
- B) 60.2%
- C) 85.7%
- D) 30.1%

5. The World Bank's April 2026 outlook projects South Asia's growth to slow to 6.3% in 2026 from 7% in 2025, attributing this slowdown partly to disruptions in global energy markets. Which country's performance is primarily driving the region's growth outlook?

- A) India
- B) Bangladesh
- C) Pakistan
- D) Sri Lanka

6. In terms of digital payments, India's Unified Payments Interface (UPI) has seen massive adoption. According to a report by the Department of Financial Services, as of May 2026, what percentage of all transactions in India does UPI account for, surpassing cash transactions?

- A) 57%
- B) 45%
- C) 72%
- D) 38%

7. Bhutan has been making remarkable economic progress. Having graduated from the Least Developed Country category in December 2023, which sector is highlighted as central to Bhutan's economic strategy, projected to contribute 12 to 15 percent of GDP by 2050?

- A) Hydropower
- B) Tourism
- C) Agriculture
- D) Mining

8. Bangladesh faces significant economic challenges, including investment moderation and financial sector vulnerabilities. What is the projected real GDP growth rate for Bangladesh in FY25, according to the World Bank's April 2025 update?

- A) 3.3%
- B) 5.1%
- C) 4.2%
- D) 2.9%

9. Pakistan has agreed with the International Monetary Fund (IMF) to maintain a strict economic policy framework for the next fiscal year. What is the targeted primary budget surplus as a percentage of GDP for FY2027, as reaffirmed by Pakistan?

- A) 2%
- B) 1.5%
- C) 3%
- D) 2.5%

10. As of April 2026, Nepal's economic performance review indicates that while some sectors are leading growth, others are lagging. Which sector was ranked last in performance with a negative credit growth of -1.99% in FY 2025/26?

- A) Agriculture
- B) Manufacturing
- C) Construction
- D) Services

11. The Asian Development Bank (ADB) recently highlighted Bangladesh's need for broad institutional and macro-fiscal reforms ahead of its graduation from the Least Developed Country (LDC) category. What is the approximate tax-to-GDP ratio in Bangladesh that the ADB report flagged as persistently low?

- A) Around 7.5%
- B) Around 10%
- C) Around 12%
- D) Around 5%

12. In May 2026, the IMF concluded discussions with Pakistani authorities regarding economic developments and fiscal planning. Which of the following is NOT listed as a focus area of ongoing structural reforms discussed during these talks?

- A) Tourism sector liberalization
- B) Energy sector reforms
- C) State-owned enterprises
- D) Financial sector reforms