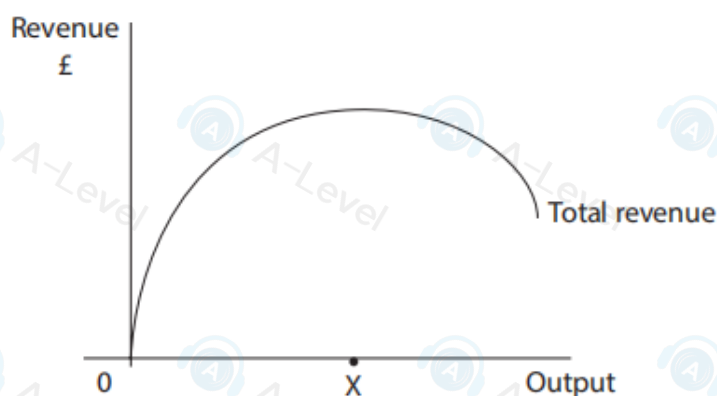


- 6 The following diagram shows the total revenue curve for an imperfectly competitive business in Nepal selling mobile phones.



Which **one** of the following can be deduced from the diagram at an output of $0X$?

- A Marginal revenue is zero
- B Marginal revenue is negative
- C Marginal revenue is equal to one
- D Marginal revenue is maximised

(Total for Question 6 = 1 mark)

- 5 The table shows the price for an adult ticket at a particular cinema in Dhaka in 2024.

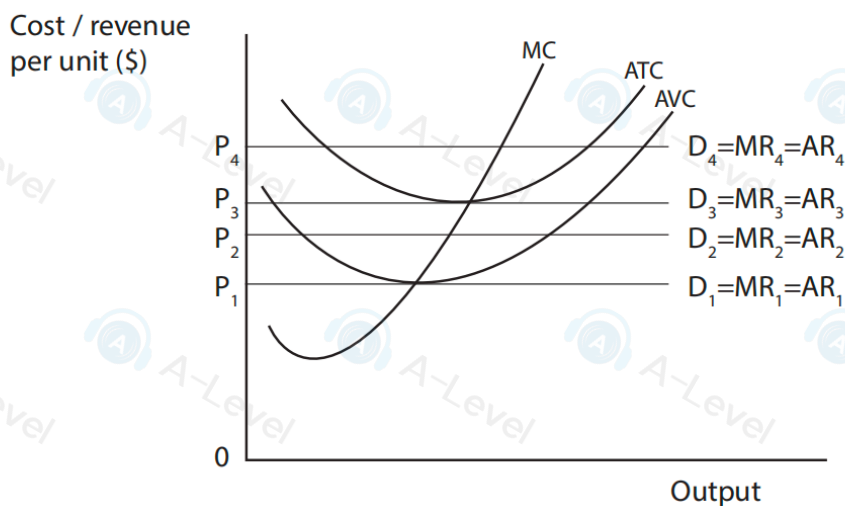
Time	Price (BDT)
Afternoon	300
Evening	450

Which **one** of the following best describes the reason for this price difference?

- A Demand is more price elastic in the afternoon
- B Demand is more price inelastic in the afternoon
- C Supply is perfectly elastic in the evening
- D Supply is more elastic in the evening

(Total for Question 5 = 1 mark)

- 2 The diagram shows a firm operating in a perfectly competitive market. The firm has the objective of profit maximisation.



Which **one** of the following is true?

- A At a price of P_1 the firm will shut down in the short-run
- B At a price of P_2 the firm will cover fixed costs and variable costs
- C At a price of P_3 the firm will shut down in the long-run
- D At a price of P_4 the firm will make supernormal profits

(Total for Question 2 = 1 mark)

- 3 In 2024, the Government of Japan decided to subsidise construction companies to modernise old homes in the city of Kyoto.

Ceteris paribus, which **one** of the following is the most likely impact of this policy?

- A The price elasticity of supply of construction workers would increase
- B The demand for construction workers would increase
- C The skills of construction workers would decrease
- D Wage rates for construction workers would decrease

(Total for Question 3 = 1 mark)

- 1 Between 2009 and 2019 real house prices in Sydney, Australia rose by 40%. This price increase was more than in any other part of Australia.

What might be the effect of this increase in house prices in Sydney on the mobility of labour?

- A A decrease in the geographical mobility of labour
- B A decrease in the occupational mobility of labour
- C An increase in the geographical mobility of labour
- D An increase in the occupational mobility of labour

(Total for Question 1 = 1 mark)

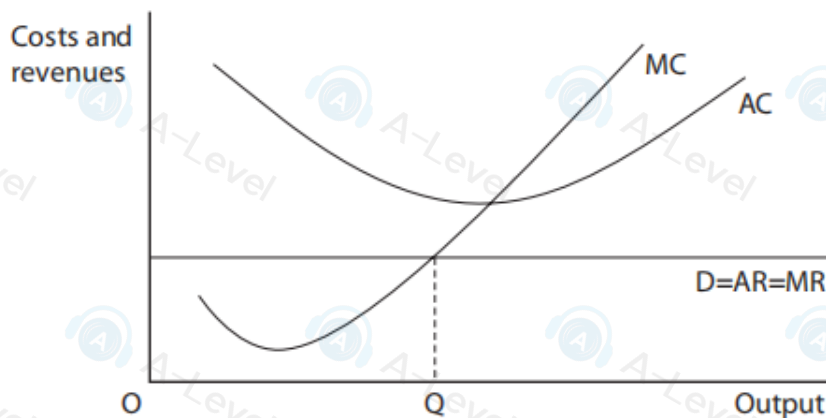
- 2 The shareholders of a car manufacturer, who own the company, are separate from its management team, that makes the operational decisions. Assume that this manufacturer has a satisficing objective.

Which **one** of the following best describes this objective?

- A Maximising profits and reducing costs
- B Achieving an acceptable level of profit and sales
- C Minimising dividends to shareholders
- D Maximising total revenue and total costs

(Total for Question 2 = 1 mark)

- 4 The diagram shows the equilibrium output of a profit-maximising firm operating in a perfectly competitive market.



Which **one** of the following can be deduced from this diagram?

	Profits of the firm in the short-run	Number of firms in the industry in the long-run
<input type="checkbox"/> A	Loss	Increase
<input type="checkbox"/> B	Normal	Decrease
<input type="checkbox"/> C	Normal	Increase
<input type="checkbox"/> D	Loss	Decrease

(Total for Question 4 = 1 mark)

- 3 A firm employs 50 workers in its factory. Each worker is paid a weekly wage of \$1 500. To attract an additional worker the firm needs to raise the wage from \$1 500 a week to \$1 600 a week for each of its employees.

Which **one** of the following is the marginal cost of employing the additional worker?

- A \$100
- B \$6 600
- C \$75 000
- D \$81 600

(Total for Question 3 = 1 mark)

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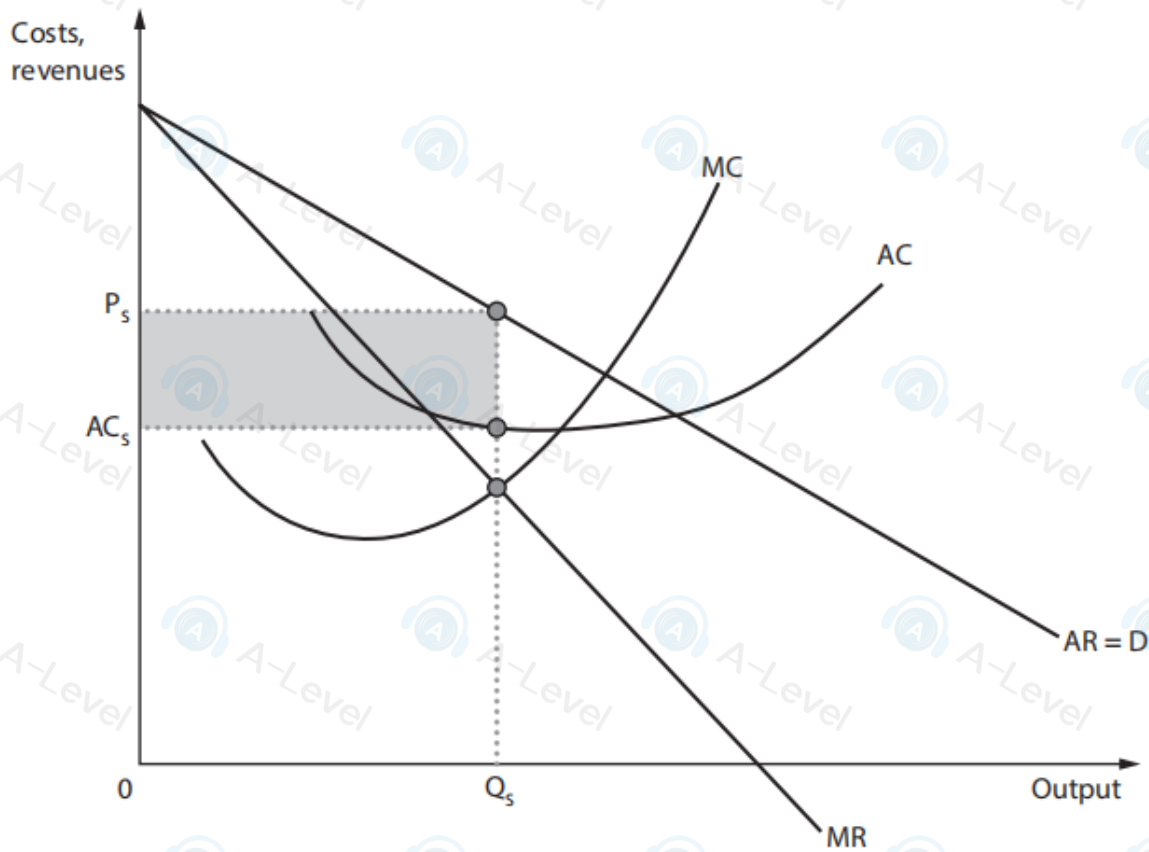
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REA

3 The diagram illustrates the profit-maximising output for a street food seller in Taiwan operating in a monopolistically competitive market.



Which **one** of the following can be deduced from this information?

- A The street food seller is operating at the short-run equilibrium output
- B The street food seller is operating at the long-run equilibrium output
- C The street food seller is operating at the productively efficient level of output
- D The street food seller is operating at the allocatively efficient level of output

(Total for Question 3 = 1 mark)

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6 In 2022 the average price of a standard cinema ticket in Johannesburg, South Africa, was R60 in the daytime and R105 in the evening.

Which **one** of the following is the most likely reason for this price difference?

- A The demand for cinema tickets is more price inelastic in the daytime than in the evening
- B The demand for cinema tickets is more price elastic in the daytime than in the evening
- C The supply of cinema tickets is perfectly price elastic
- D The supply of cinema tickets is more price elastic in the evening than in the daytime

(Total for Question 6 = 1 mark)

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2 The table shows the market share by value of retail sales of grocery stores in the UK.

Store	March 2016 (%)	March 2017 (%)
Tesco	28.1	27.6
Sainsbury's	16.4	16.1
Asda	16.2	15.7
Morrisons	10.5	10.4
Co-op	6.1	6.1
Aldi	6.0	6.8
Others	16.7	17.3

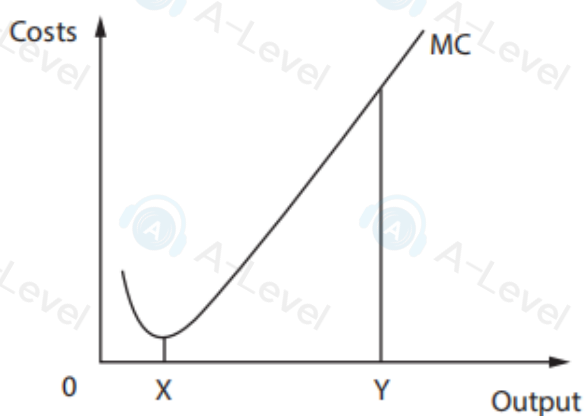
(Source: <https://www.statista.com/statistics/280208/grocery-market-share-in-the-united-kingdom-uk/>)

From the data it can be deduced that

- A the 3-firm concentration ratio was 50.7% in March 2016
- B the 5-firm concentration ratio was 87.3% in March 2016
- C the 3-firm concentration ratio was 49.4% in March 2017
- D the 5-firm concentration ratio was 76.6% in March 2017

(Total for Question 2 = 1 mark)

1 The diagram shows a short-run marginal cost curve for a small café in Thailand.



Which **one** of the following is the reason why the MC curve slopes upwards from point X to point Y?

- A Decreasing returns to scale
- B Increasing fixed costs
- C Diminishing returns
- D Diseconomies of scale

(Total for Question 1 = 1 mark)

4 Total revenue for American Airlines fell from \$45.77 billion in 2019 to \$17.34 billion in 2020. In response, American Airlines made 31 000 staff redundant.

Which **one** of the following was the most likely reason for these staff redundancies?

- A The number of airline passengers rose
- B The derived demand for labour fell
- C Government employment subsidies to airlines increased
- D Taxation on airline employees decreased

(Total for Question 4 = 1 mark)

4 In January 2021 the UK Government appointed a new regulator to ensure that new houses are built from safe materials.

Which **one** of the following would limit the impact of this government intervention in the housing market?

- A Perfect mobility of resources
- B A flexible labour market
- C Perfect knowledge of the housing market
- D Regulatory capture

(Total for Question 4 = 1 mark)

1 In 2014 the Irish Government allowed private sector bus operators to bid for public transport contracts for the first time.

This is an example of

- A government failure
- B trade liberalisation
- C competitive tendering
- D regulation

(Total for Question 1 = 1 mark)

5 A profit maximising firm decides to change its objective to revenue maximisation.

Which **one** of the following combinations is the most likely impact of this decision?

- | | Supernormal profit | Price |
|---------------------------------------|--------------------|-----------|
| <input checked="" type="checkbox"/> A | No change | No change |
| <input checked="" type="checkbox"/> B | Increase | Increase |
| <input checked="" type="checkbox"/> C | Decrease | Decrease |
| <input checked="" type="checkbox"/> D | Increase | No change |

(Total for Question 5 = 1 mark)

- 6 Prior to 2016 there was a competitive labour market for nurses in Argentina. Following the introduction of a universal healthcare system there is now a monopsony employer of nurses in the country.

Which **one** of the following combinations is the most likely impact of the introduction of this monopsonistic labour market?

	Wages	Number of employees
<input type="checkbox"/> A	Lower	Lower
<input type="checkbox"/> B	Lower	Higher
<input type="checkbox"/> C	Higher	Lower
<input type="checkbox"/> D	Higher	Higher

(Total for Question 6 = 1 mark)

- 1 In 2022 the entertainment production companies Sony Picture Networks India and Zee Entertainment Enterprises Ltd signed an agreement to merge.

Which **one** of the following best describes this type of merger?

- A Forward vertical integration
 B Backward vertical integration
 C Horizontal integration
 D Conglomerate integration

(Total for Question 1 = 1 mark)