**TUTOR AYO**

**ECO231**

**TMA SOLUTION FOR EXAM STUDY**

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1. The slope of indifference curve is also known as ………….

Ans. Marginal rate of substitution

1. A firm is said to face a ………… sloping demand curve in a monopolistic competitive market

Ans. Downward

1. The consumer preferences include all except …………

Ans. Concavity

1. A product ………… is a collection of goods with the same features.

Ans. Group

1. When oligopoly firms get tired of competing with each other , they are inclined to formally cooperate. This is called ………………

Ans. Merger

1. The demand for goods and service is a ………. demand

Ans. Direct

1. In trying to spend his money to derive the maximum amount of satisfaction, a consumer is said to be …….

Ans. Rational

1. The theory of …. is an attempt to explain how income is shared among the of production

Ans. Distribution

1. A monopolistic business maximizes its earning when

Ans. MR - MC

1. The indifference curve is connected to ………

Ans. Consumer behaviour

1. A market characterized by many buyers and sellers is known as a ………market

Ans. Perfect

1. A monopolistic business maximizes its earnings when

Ans. MR= MC

1. The satisfying power goods have is referred to as

Ans. Utility

1. The …………… equilibrium in monopolistic competition is the same as the of a monopolist

Ans. Short run

1. fundamentally, ………… in the market is what drives demand.

Ans. Consumer behavior

1. A market where there are a few seller with similar or identical product is referred to as ….. market

Ans. Oligopoly

1. The additional cost of employing/purchasing one unit of a factor is referred to as ……..

Ans. Marginal factor cost

1. Price takers are buyer and seller of ……………..

Ans. Factors

1. The total utility of goods x can be symbolized as ………

Ans. TUx=?MUx

1. Market power also mean that a monopolistic competitive firm faces a downward-sloping ….. curve

Ans. Demand

….……………………………………………………………………………………………………………………………

1. Change in total cost due to change in quantity =

Ans. Marginal cost

1. Which is not a characteristics of a perfect market?

Ans. Few sellers

1. The difference between the amount the producer is willing to supply goods for and the actual amount received by him when he make the trade is referred to as \_\_\_\_\_\_\_\_\_\_

Ans. Producer surplus

1. On an indifference curve, any two points produce the same degree of \_\_\_\_\_\_\_

Ans. Satisfaction

1. The notion that as a consumer consumes more and more of a particular good, the additional utility obtained decreases explains\_\_\_\_\_\_\_\_\_\_

Ans. Convexity

1. Adam smith proposed two concepts to resolve the diamond-water paradox. Value in use and value in \_\_\_\_\_\_\_

Ans. Exchange

1. The presumption that a client must prefect commodity bundle A to bundle C if they prefect commodity bundle A to B and commodity bundle B to C is known as \_\_\_\_\_\_\_\_\_\_\_\_

Ans. Consistency

1. The total satisfaction gotten from the consumption of all units of a particular commodity over a period of time is referred to as \_\_\_\_\_\_\_\_\_\_

Ans. Total utility

1. The two economic theories that exhibit how a person maximizes utility are the ordinal and \_\_\_\_\_\_\_\_\_\_\_utility theory.

Ans. Cardinal

1. Change in total utility divided by change in quantity is known as \_\_\_\_\_\_\_\_

Ans. Marginal utility