



BERJAYA BUSINESS SCHOOL

FINAL EXAMINATION

Student ID (in Figures) :

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Student ID (in Words) : _____

Course Code & Name : **ECO1113 Microeconomics**
Trimester& Year : January – April 2019
Lecturer/Examiner : Chan Kit Yeng
Duration : 2 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (30marks) : THIRTY (30) multiple choice questions. Answers are to be written in the Multiple Choice Answer Sheet provided.
PART B (70 marks) : FOUR (4) structure answers. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students’ Handbook, up to and including expulsion from BERJAYA University College.

Total Number of pages = 11 (Including the cover page)

PART B
INSTRUCTION(S)

: STRUCTURE QUESTIONS (70 MARKS)

: Answer all **FOUR (4)** questions. Write your answers in the Answer Booklet(s) provided.

Question 1

Discuss any **FIVE (5)** factors affecting demand.

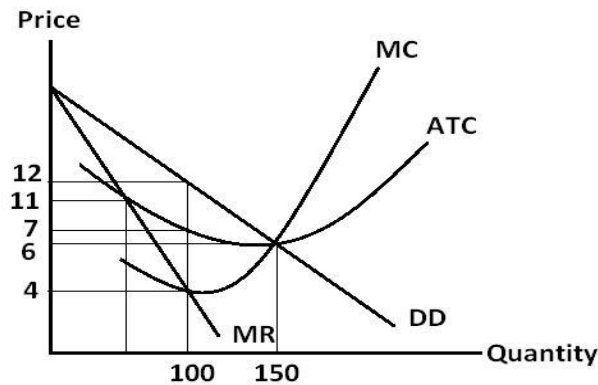
[Total: 10 marks]

Question 2

a. Briefly explain any **FIVE (5)** differences between Perfect competition market and oligopoly market.

(10 marks)

b.



i. What is the criterion used by the monopolist to determine its profit-maximizing output level? (2 marks)

ii. Determine the profit-maximizing output, price and profit earned by the monopolist.

(6 marks)

[Total: 18 marks]

Question 3

The following table presents the production possibility schedule for an economy which produces only apples and grapes

Production Possibilities Combinations	Apples(kg)	Grapes(kg)
A	0	8
B	1	7.5
C	2	6.5
D	3	5
E	4	3
F	5	0

a. Draw the economy's production possibility curve (PPC) (8 marks)

b. What is the opportunity cost of increasing the apple production from 2 to 3 kg? (2 marks)

c. In the following productions, state whether each production is attainable or unattainable and the efficiency of the production.

- I. 1.5kg of apples and 7kg of grapes
- II. 3.5kg of apples and 3kg of grapes
- III. 6kg of apples and 10 kg of grapes (6 marks)

d. If any of the answers in (C) is 'unattainable', state and explain **TWO (2)** factors that could make the combination(s) attainable instead. (4 marks)

[Total: 20 marks]

Question 4

The table below shows the production cost of a company called Super-duper Corporation.

Quantity (Unit)	Total Fixed Cost	Total Variable Cost	Total Cost	Marginal Cost	Average Fixed Cost	Average Variable Cost	Average Total Cost
0	60						
1				100			
2					30		120
3						80	
4			400				
5		500					

a) Complete the above table. (14 marks)

b) Determine whether the firm is operating in the short run or long run. Justify your answer. (2 marks)

c) Sketch the following curves on a single diagram

- Average fixed cost
- Average variable cost
- Average cost
- Marginal cost

(6 marks)

[Total: 22 marks]

END OF QUESTION PAPER