

TEST

## Chapter 4 Supply Analysis

### QUESTIONS

SECTIONS

1. Section A - 20 Questions

#### Section 1 : Section A - 20 Questions

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1 Total cost :  $TFC + TVC$  :: Average Cost

- $TC / TQ$
- $TQ \times TC$
- $TQ + TC$
- $TC - TQ$

Correct: +1

2 Total Revenue : \_\_\_\_\_ :: Average revenue :  $TR/TQ$

- $P \times Q$
- $Q + P$
- $P / Q$
- $Q - P$

Correct: +1

3 Marginal Cost :  $TC_n - TC_{n-1}$  :: Marginal Revenue : \_\_\_\_\_

- $TR_n - TR_{N-1}$
- $TR_{n-1} + TR_N$
- $TR_n \times TR_{n-1}$
- $TR_{n-1} - TR_n$

Correct: +1

4 Average Cost :  $TC / TQ$  :: Average Revenue : \_\_\_\_\_

- $TR + TQ$
- $TR / TQ$
- $TQ - TR$
- $TR \times TQ$

Correct: +1

5 There is no difference between stock and supply

- True
- False

Correct: +1

6 Price is the only determinant of supply.

- False
- True

Correct: +1

7 Supply Curve Slopes Upward from left to right

- True
- False

Correct: +1

8 The supply curve of labour is backward bending

- True
- False

Correct: +1

9 \_\_\_\_\_ can be defined as the sum total quantity of the commodity produced at a given period of time in the economy

- Stock
- Total Output**
- Supply
- Aggregate Supply

Correct: +1

10 \_\_\_\_\_ is the total quantity of commodity available for sale with a seller at a particular point of time

- Stock
- Total Output
- Supply
- Aggregate Supply

Correct: +1

11 When the price rises, There is \_\_\_\_\_ of supply

- Extension

- contraction
- Decrease
- Increase

Correct: +1

12 The vertical supply curve represents \_\_\_\_\_ elasticity

- Zero
- Unit
- One
- Less

Correct: +1

13 The supply curve is \_\_\_\_\_ sloping

- Upward
- Downward
- backward
- parallel

Correct: +1

14 Stock is the outcome of \_\_\_\_\_

- Supply
- demand
- Production
- efforts of labour

Correct: +1

15 There is a \_\_\_\_\_ relation between supply and price

- Direct
- Inverse
- Different
- Straight

Correct: +1

16 Supply is a \_\_\_\_\_ term

- Relative
- Absolute
- positive

negative

Correct: +1

17 Due to imports the supply of goods within the country \_\_\_\_\_

- Increase
- Decrease
- remain same
- become zero

Correct: +1

18 \_\_\_\_\_ in supply is shown by movement along the same supply curve

- Variation
- Increase
- Decrease
- Change

Correct: +1

19 The supply of a commodity \_\_\_\_\_ with a rise in its price

- Contracts
- Expand
- Increases
- Decrease

Correct: +1

20 \_\_\_\_\_ Cost refers to the cost per unit of the quantity produced

- Total cost
- Average cost
- Total revenue
- Marginal revenue

Correct: +1

TEST

## Chapter 4 Supply Analysis

### ANSWERS

SECTIONS

1. Section A - 20 Questions

#### Section 1 : Section A - 20 Questions

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1 TC / TQ

2 P x Q

3  $TR_n - TR_{N-1}$

4 TR / TQ

5 False

6 False

7 True

8 True

9 **Total Output**

10 Stock

11 Extension

12 Zero

13 backward

14 Production

15 Direct

16 Relative

17 Increase

18 Variation

19 Expand

20 Average cost