ECO404 paper

my todays ECO404 paper contains

46 MCQs

1. 2 functions were given their derivatives were asked to find.
2. what is the usefulness of Game theory?
3. how oppurtunity cost is defined?
4. what is by-product?? give example
5. what are the characteristics of competitive cmpetition? discuss them
6. Why decision making is complicated in oligopoly as compared to other market structures?? discuss
7. How Game theory helps in risk analysis?
8. what are the contributions of Behavioral theory??
9. last question is also mathematical. aquestion was given and the requirement was to calculate the explicit & implicit cost of enterpreneur..(the same questiion which was in assignmnet 1)

Read more: <u>ECO404 Current Final Term Papers Spring 2011 (15 to 26 July 2011) - Virtual University of Pakistan</u>
<u>http://vustudents.ning.com/group/eco404managerialeconomics/forum/topics/eco404-current-final-term#ixzz1qGBDQdw3</u>

Graphically Explain shapes of isoquants for perfect substitution (3 Marks)
 Differentiate implicit and explicit (3 Marks)
Differentiate Qualitative and Quantitative Forecasting (3 Marks)
In what situation, we use engineering techniques (5 Marks)
Numerical Question: Seasonal Trend with 4 years 1st quarter data
...........Actual Data ... Forecast Data

	Actual Data	Forecast Data
2004.1	15.63	15
2005.1	20.63	17
2006.1	21.72	19
2007.1	23.65	21

Read more: <u>ECO404 Current Mid Term Papers Nov 2011, (Fall 2011) - Virtual University of Pakistan</u>
<u>http://vustudents.ning.com/group/eco404managerialeconomics/forum/topics/eco404-current-mid-term-papers-nov-2011-fall-2011#ixzz1qGBYZoTY</u>

Some MCQs.. from the following
1. Holding all other things constant (*ceteris paribus*
2. *Total Cost = Fixed + Variable*
3. Time series data can be represented as:
Yt = f(Tt, Ct, St, Rt)
Yt = actual value of the data at time t
Tt = trend component at t
Ct = cyclical component at t
St = seasonal component at t
Rt = random component at t

4. PROBLEMS IN REGRESSION ANALYSIS
Multicollinearity: Two or more explanatory variables are highly correlated.
Heteroskedasticity: Variance of error term is not independent of the Y variable.
Autocorrelation: Consecutive error terms are correlated.

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I had Eco'z paper today
27 total Qz
22 WERE MCQZ,mostly from Regression,elasticity,and last lectures
 Theory Qz were Forecasting Note(3)
Lagrangian equation and partial derivatives (5)
To mazimize the function Q=f(l,k) c= W+rk How w.r.t Lagrangian eq (3)
Calculating Average trend of different quarters(5)
EXpansion path (3)

it was 22 mcqs
3 question of 3 marks and 2 question of 5 marks
one q was abt learning curve its explanation and diagram 5 marks
a numerical of 5 mark where to find forecasting for 2011 and 2015 of some firm
 a 3 mark q where to explain demerits of moving average
one more q of 3 mark was to explain demerits of something which i forget may be of exponential smoothing not sure and one q i forget completely.
mcqs r very easy if u just read all the lectures u can attempt all 22 mcqs just reading all lecture can be very beneficial. mcqs were frm lec 6 to 20
i thing lectures about forecasting and regression are very imp and also the elasticity

ECO404 - Managerial Economics 3rd GDB Discussion

- Posted by Nadia Butt on January 24, 2012 at 3:00pm in ECO404 Managerial Economics

The Case:

Pakistan has effervescent pharmaceutical industry. This industry meets around 70% of the country's demand. With the increase in diseases overtime, the industry has also been widening up. Pakistan is one of the developing countries with low per capita income and high unemployment rate. Majority of the people are not being able to cure themselves from the various diseases due to higher prices of the medicines. Many new drugs are expensive because they are patented. This social welfare cost reduces the consumer surplus on one hand and increases the producer surplus on the other hand. These patents allow the producers to produce more and earn higher profits as no one else can produce the same medicine due to patents. These patents also allow the firms to innovate and invest more in the pharmaceutical industry. Government is facing the dilemma how to encourage innovation and efficiency in the pharmaceutical industry without social welfare cost.
Requirements:
Being an economist, what recommendations would you suggest to solve this dilemma?

Had Ec0's paper today. Pattern as far as i remember: 56 or 57 mcqz 4 qz of 5 marks 4 qz of 3 marks
Long qz,Public goods (5)
A q from Behavioral theory (5)
A q about Costs of production,Analysis and reasons for change in historical n current costs(5)
why firms produce more than one product (5)
Risk attitudes (3)
Change in demand cuvre factors (3)
Transfer pricing (3)
Marris model assumptions (3)

ECO 404 Final Term Paper on 10 Feb 2012
question 56 Mcq's and 8 Subjective total 64
Q.No1:- Define Finitely repeated games & Infinitely repeated games Marks 3
Q.No 2:- briefly describe Risk attitude 3 Mark
Q.No3:- calculate profit Function following data given 3 Mark
Qd=120-15p and P=90-0.5Q
TC=50+3Q
Q.No 4:- Price Discrimination and types describe in detail 5 Mark
Q.No 5:- characteristic of Firm and what is main objective of firm 5 Marks
Q.No 6:- Calculate Profit Function from below data 5 Mark
P=430-0.05Q
TC=3000+45Q+0.03Q2
Q.7 :- Assumption of neoclassical theory 5 Mark
QNo8:- Cost of Capital & Cost of Debt 5Mark
important to note price discrimination aur Game theory main say mcq's zayada thay so please
read these chapters

MCQ's are difficult

1:-In Q =In A + a In K + b In L. This is the logarithmic form of:
Select correct option:
Investment function
Cobb Douglas production function page(94)
Simple production function
Regression function

2:- Inputs that are Fixed during the production process are known as -------- inputs.
Select correct option:
Fixed
Variable
Good
Bad

3:- No Cash is define in
implicit cost

4:- In which of the following games, players decide about their strategy choices at the same time?
Select correct option:
Repeated games
Non-repeated games
Simultaneous games
Sequential games

5:-Public utilities are an example of:
Select correct option:
Perfect competition
Natural monopoly
Monopolistic competition
Oligopoly

6:- Question # 11 of 20 (Start time: 06:11:25 PM) Total Marks: 1
$Y = 3.35 + 2.63X$ shows slop in this regression equation.
Select correct option:
2.63
3.35
4.5
2.5

7:- GNP=C+I+G equation is
Definitional Equation
Behavior equation

8:- **Cigarettes are an example of which type of market structure?**
Select correct option:
Perfect competition
Monopoly
Monopolistic competition
Oligopoly

9:- **Which of the following is TRUE for the law of supply'? :**
Select correct option:
There is inverse relationship between the price of a good and quantity demanded of that good
There is positive relationship between the price of a good and quantity demanded of that good
There is positive relationship between the price of a good and quantity supplied of that good

10:-There is inverse relationship between income and quantity supplied of a good
Decreasing part of marginal product of labor curve shows which of the following law?
Select correct option:
Law of diminishing returns
Law of diminishing marginal utility
Law of demand
Law of supply

Difference between PERFECT COMPETITION and MONOPOLY
Simultaneous games and Sequential games
DEGREES OF PRICE DISCRIMINATION
MEASURING RISK WITH PROBABILITY DISTRIBUTIONS
CAPITAL BUDGETING PROCESS
PAYBACK PERIOD

Question # 1 Game which is played repeatedly over a period of time is known as:
         Repeated game
         Non-repeated game
         Simultaneous game
         Sequential game

Question # 2 The questionnaires which include answers like Yes or No are called:
         Open ended questionnaires
         Closed questionnaires
         Bad questionnaires
         Good questionnaires

Question # 3 Change in slope of the function can be shown by:
         First derivative of the function
         Second derivative of the function
         Elasticity of the function
         Tangent of the function

Geometrically, the derivative refers to the slope of the function, while the second derivative refers to the *change* in the slope of the function. The value of the second derivative can thus be used to determine whether we have a maximum or a minimum at the point at which the first derivative (slope) is zero. The rule is *if the second derivative is positive, we have a minimum, and if the second derivative is negative, we have a maximum.*

Question # 4
The questionnaire which allows the respondents to answer according to their own choice is called:
         Open ended questionnaire   Closed questionnaire
         Bad questionnaire   Good questionnaire

Question # 5 Break even output can be calculated as:
         Break even output = Total fixed cost / (Price – Average variable cost)
         Break even output = Total variable cost / (Price + Average variable cost)
         Break even output = Total fixed cost / (Price + Average fixed cost)
         Break even output = Total fixed cost + (Price – Average variable cost)

Question # 6 Percentage change in profit due to one unit change in sales is known as:
         Degree of operating leverage   Economies of scale
         Degree of freedom   Cost elasticity

Question # 7 Decreasing part of marginal product of labor curve shows which of the following law?
         Law of diminishing returns
         Law of diminishing marginal utility
         Law of demand
         Law of supply

Question # 8 What will happen if there is an increase in wage rate?
        Short run cost curve will shift upward
        Short run cost curve will shift downward
        There is movement along the short run cost curve
        No change will happen in the cost curve

Any change in the operating environment leads to a *shift* in short-run cost curves. For example,
a general rise in wage rates leads to an upward shift; a fall in wage rates leads to a downward shift.

Question # 9 The term of regression was first used by:
        Milton Friedman
        Francis Galton
        Dominick Salvatore
        J M Keynes

Question # 10 Monopoly firm breaks even at the point where:
        Average total cost = Price
        Average total cost > Price
        Average total cost < Price
        Average total cost = Marginal cost

If ATC = P at best level of output, the monopolist breaks even, and if ATC > P at the best level of output, the
monopolist incur a loss.

Question # 11
Which of the following is the similarity of monopolistic competition with perfect competition?
        Small number of buyers and sellers
        Free entry and exit of firms
        Barriers to entry and exit of firms
        Single buyer

Question # 12
Price always exceeds marginal revenue in which of the following market structures?
        Perfect competition
        Monopoly
        Monopolistic competition
        Oligopoly

Given a downward sloping monopoly demand curve, price always exceeds marginal revenue under monopoly

Question # 13 Given the total revenue equation: TR = 26Q, marginal revenue is:
        Q   26Q
        26   26 + Q

Question # 14 Which of the following type of demand directly satisfy consumer desires?
        Direct demand
        Indirect demand
        Derived demand
        Market demand

Direct demand : This model is appropriate for analyzing individual demand for goods and
services that directly satisfy consumer desires. This is also labeled as consumer demand.

Question # 15 Marginal product of labor is defined as the:
        Change in total product due to one unit change in labor
        Change in average product due to one unit change in labor
        Change in total product due to one unit change in average product
        Change in total product due to one unit change in cost of labor

Question # 16 Average product of labor is defined as the:
        Total product / Labor input
        Average product / Input
        Total product / Average product
        Total product / Cost of labor

Question # 17 Cournot oligopoly model was developed in:
        1830
        1838
        1840
        1845

Cournot oligopoly model   1838
BERTRAND MODEL: 1883
Stackelberg Model   1934
Sweezy (Kinked-Demand) Model   1939

Question # 18 If price elasticity of demand for any product is constant, the demand curve of that product will be:
        Horizontal
        Vertical
        Rectangular hyperbola
        Positively sloped

Some demand curves have constant elasticity; the Demand curve assumes the shape of a rectangular hyperbola

Question # 19
Parameters of structural equations can not be estimated by -------------------- technique.
        Ordinary least square
        Root mean square error
        Simultaneous equation
        Behavioral equation

we cannot use the ordinary least squares technique (OLS) to estimate the parameters of the structural equations.

Question # 20
The total cost (TC) function is given as: TC = 200 + 80Q. What is the variable cost?
        80Q   250
        340   200

Owais Shafique

My paper of ECO
18 MCQs majority of them was from regression, 3 questions of 3 marks that were Output Elascity relation to return to scale, 2nd was wht is the relation between (i) Linerar scale, ii. Quardent scale iii. cubic scale condisering cost. 2 question was of 5 marks i. Describe the Delpi Method of forecasting. 2.advantages of Ecnometic method of forecasting and 1 question i did not remember now of 3 marks.

Assignment

Question: 01 Consider the following information of the firm:

Total fixed cost = Rs. 350

Price level = Rs. 20

Average variable cost = Rs. 10

Target profit level = Rs. 250

From this information, calculate the break even level of output and target level of output. (Marks: 2.5+2.5)

Question: 02 You have given the following linear programming problem: Maximize Profit (π) = Rs. 20X + Rs. 8Y Subject to the following constraints:

3X + 1Y + SA = 40

2X + 2Y + SB = 25

4Y + SC = 30

The corner points are given as: Corner points X Y

A 0 0   B 7 0   C 5 3   D 2 7   E 0 7

From all this information, find the profit (Rs.) level at each corner point. (Marks: 5)

Question: 03 Given the total revenue and total cost functions:

TR = 80Q − 0.00025Q2

TC = 260,450 + 5Q +0.00035Q2

Find the profit maximizing level of output under monopoly?

MISCLENIOUS:

    (1)

$Q_B = \dfrac{TFC}{P - AVC}$

$= \dfrac{350}{20 - 10}$

$= \mathbf{35}$

    (2)

$Q_T = \dfrac{TFC + \pi_T}{P - AVC}$

$= \dfrac{350 + 250}{20 - 10}$

$= \mathbf{60}$