



Economics and Business – Extra Questions

Meeting 2



Welcome To Success Formula Extra Questions

What Is It?

This free set of custom questions gives you a clear taste of what to expect on the exam and helps you check if you are keeping up with the material. They are based on our Weekly Meetings and cover the key topics you need to know. The difficulty of each question is shown in the corner by the number of lit Success Formula logos. Share, discuss, and have fun testing your knowledge with them! 😊

How Does It Work?

Give the questions a go on your own! We are not giving the answers on purpose. Peeking would make it way too easy. Stuck or unsure? Come into into our WhatsApp group and discuss them with us. The link/QR is on the last slide if these questions were shared with you.



Exam Time!



Question

If a consumer's income doubles and the prices of all goods also double, how will the consumer's optimal choice change?

Answers

- A. The consumer will choose the same bundle of goods.
- B. The consumer will consume twice as much of each good.
- C. The consumer will consume half as much of each good.
- D. The consumer's optimal choice will depend on the marginal utility.



Exam Time!



Question

If a consumer's utility function is $U(x, y) = x^{0.5}y^{0.5}$ and the prices of goods are $P_x = 4$ and $P_y = 1$ respectively, with an income of $I = 100$, what is the consumer's optimal bundle?

Answers

- A. $x = 12.5, y = 50$
- B. $x = 25, y = 25$
- C. $x = 20, y = 40$
- D. $x = 10, y = 60$



Exam Time!



Question

Consider the exam including both economics and accounting questions all of the same difficulty. You have studied more for accounting than economics, so you are able to answer 3 accounting questions at the same time as 2 economics questions. What is your opportunity cost of answering 1 economics question?

Answers

- A. 3 accounting questions.
 - B. $3/2$ accounting questions.
 - C. 2 accounting questions.
 - D. $2/3$ accounting questions.
-



Exam Time!



Question

If a good has a perfectly inelastic demand, what would be the effect on total revenue if the price of the good is increased?

Answers

- A. Total revenue would increase.
 - B. Total revenue would decrease.
 - C. Total revenue would stay the same.
 - D. Total revenue change would depend on the income elasticity of the good.
-



Exam Time!



Question

A perfectly competitive firm faces a market price of \$50. Its total revenue is \$1,000 when it sells 20 units. What is the price elasticity of demand faced by the firm?

Answers

- A. 0
 - B. 1
 - C. -1
 - D. Undefined
-



We Wish You Success!

Stay in Touch With us

Instagram



[successformula.nl/ig](https://www.instagram.com/successformula.nl/ig)

1st Year WhatsApp
Community



[successformula.nl/wa25](https://www.whatsapp.com/successformula.nl/wa25)

2nd Year WhatsApp
Community



[successformula.nl/wa24](https://www.whatsapp.com/successformula.nl/wa24)