

## Quiz 2

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Your name and student ID number

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⇐ Name of the student on your left

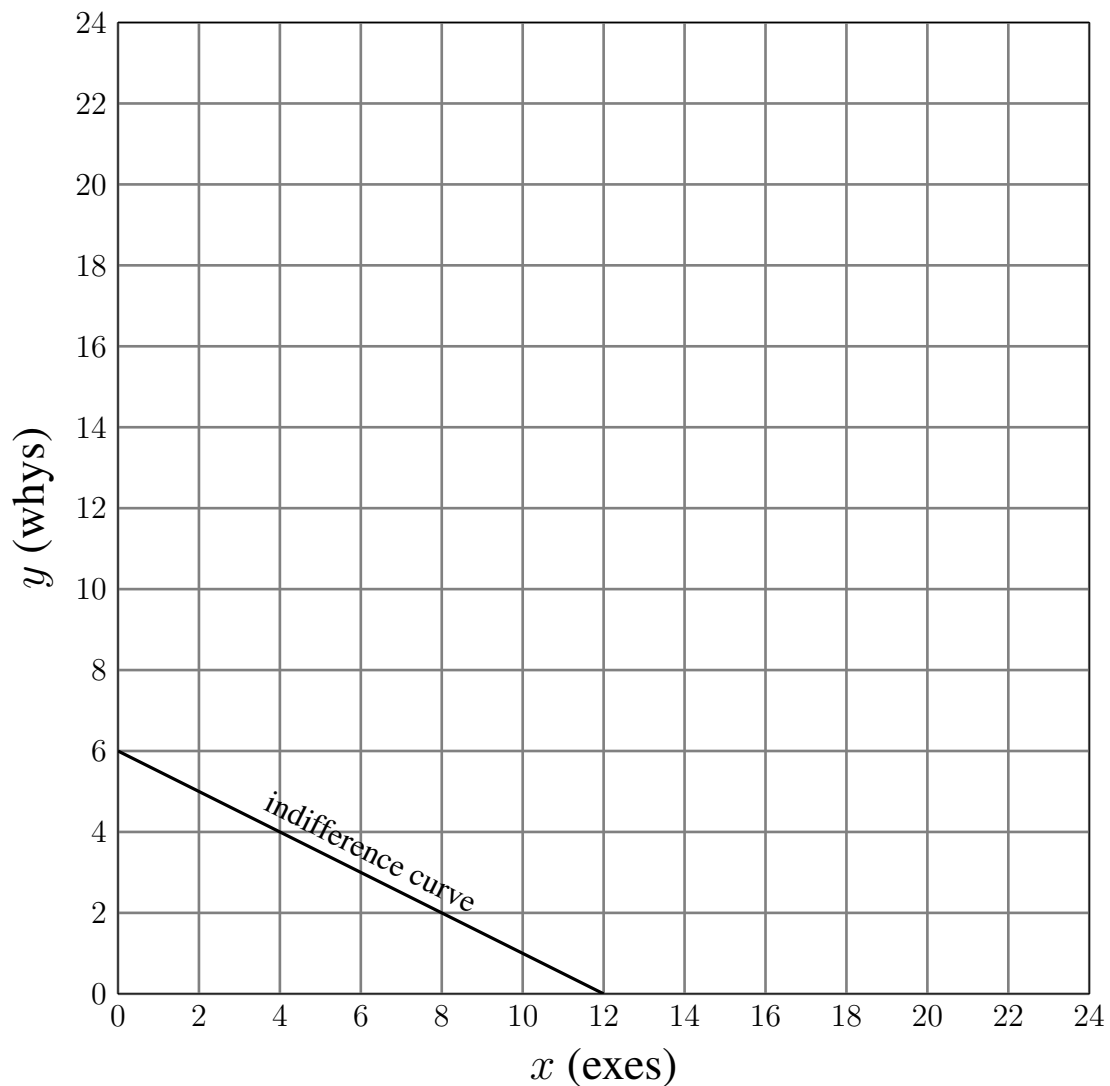
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Name of the student on your right ⇒

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## Quiz 2

Attila likes both *exes* and *whys*. He consumes nothing else, and he prefers more to less from both goods. Attila's preferences are represented with an indifference curve (actually a line) in the graph below.



- Mark the correct answer!

If the indifference curve above represents Attila's preferences accurately, we can conclude that Attila believes that *exes* and *whys* are

- ☐ perfect complements.
  - ☐ perfect substitutes.
  - ☐ substitutable without being perfect substitutes.
  - ☐ “goods” until he consumes at least 12 units of *exes* or 6 units of *whys*, and then they are “bads”.
- In the graph above, draw an indifference curve – representing Attila's preferences – through the bundle that has 12 *exes* and 6 *whys*. Do not forget to mark the points where the indifference curve intersects the axes.
  - In the graph above, shade in the area representing the *exes-whys* combinations that Attila weakly prefers to the bundle with 12 *exes* and 6 *whys*.
  - Is the set of bundles that Attila weakly prefers to the bundle with 12 *exes* and 6 *whys* convex?
  - How much is Attila's marginal rate of substitution between *exes* and *whys* at bundle (12, 6)?