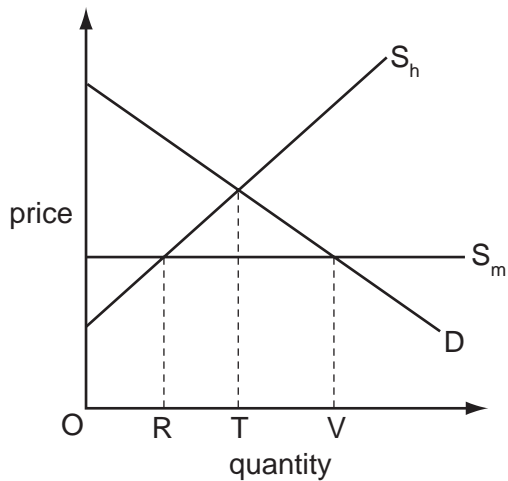


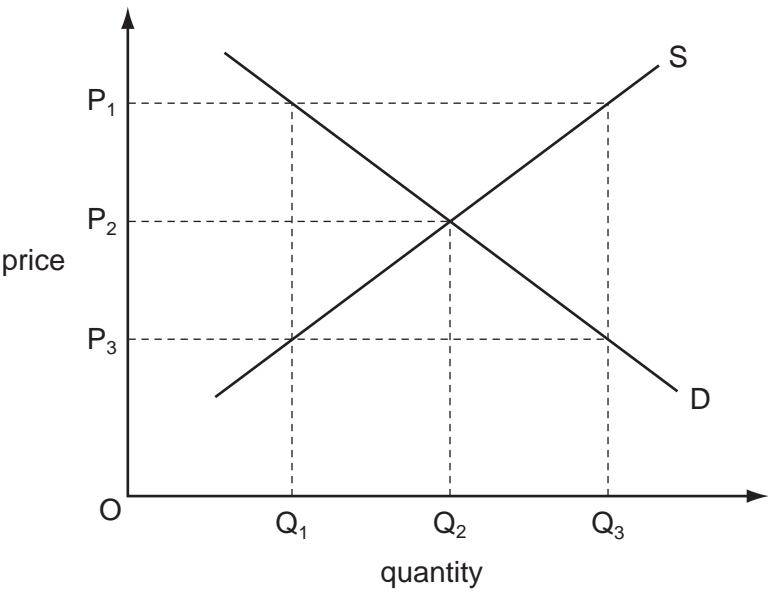
- 12 The diagram shows a market for a good which is supplied partly from domestic production and partly from imports.  $S_h$  represents domestic supply and  $S_m$  represents imports.



What will be the level of consumption and the associated volume of imports?

	consumption	volume of imports
A	OT	RT
B	OT	OT
C	OV	RT
D	OV	RV

- 13 In a free market in disequilibrium, which combination of price and quantity will lead to a fall in price and a contraction in output to reach equilibrium?



- A    $P_1Q_1$
- B    $P_1Q_3$
- C    $P_3Q_1$
- D    $P_3Q_3$