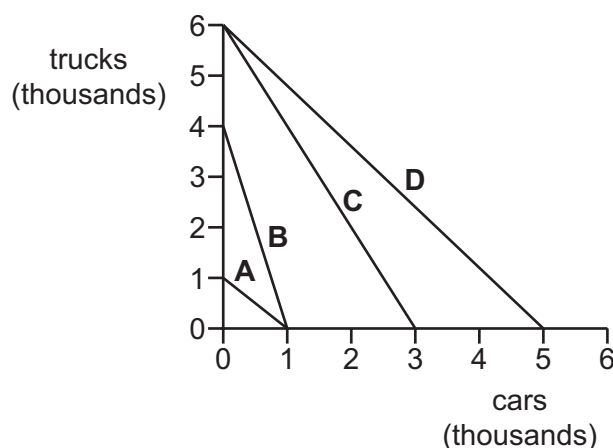


- 1 The demand for a product is inversely related to its price, *ceteris paribus*.

What does *ceteris paribus* mean in this context?

- A Factors affecting demand other than price are held constant.
 - B Factors affecting price other than demand are held constant.
 - C Price changes result from changes in demand.
 - D Price falls result in increased quantity demanded.
- 2 What is **not** an example of the role of the factor enterprise in a modern economy?
- A deciding on new export markets for the company's goods and services
 - B making payments to suppliers for raw materials and capital goods
 - C reducing costs through the introduction of a new shift system for employees
 - D transforming the production process with the introduction of robots
- 3 The production possibility curves show the abilities of four economies to produce trucks and cars.
- In which economy is the opportunity cost of producing cars lowest?



- 4 John sells cakes for \$10. Aisha offers online tutoring for \$20 per hour. One hour of Aisha's tutoring is worth two of John's cakes.
- Which function of money is being illustrated?
- A medium of exchange
 - B standard of deferred payment
 - C store of value
 - D unit of account