

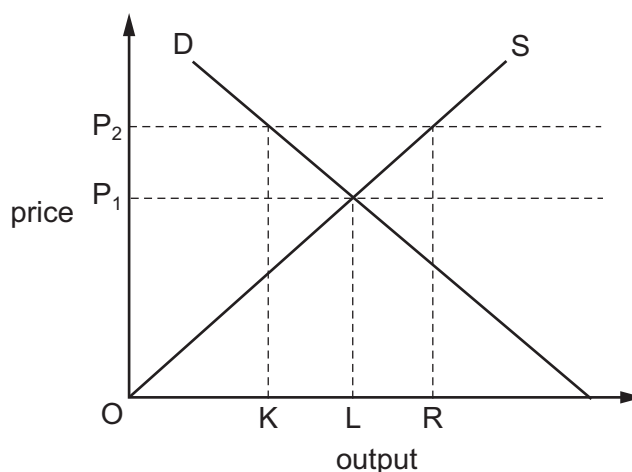
- 13 The table shows the price Rashid is willing to pay for successive cakes and their production cost.

cakes	1st	2nd	3rd	4th
price willing to pay	\$0.90	\$0.80	\$0.65	\$0.50
production cost	\$0.20	\$0.30	\$0.40	\$0.50

If the price is \$0.50 and Rashid buys four cakes, what is the monetary value of the consumer surplus and the producer surplus?

	consumer surplus (\$)	producer surplus (\$)
<b>A</b>	0	0
<b>B</b>	0.15	0.10
<b>C</b>	0.85	0.60
<b>D</b>	2.85	1.40

- 14 The diagram shows the market supply and demand curves for wheat.



What should a government do to maintain a minimum price of  $OP_2$ ?

- A** buy quantity KL
- B** buy quantity KR
- C** sell quantity LR
- D** sell quantity KR