



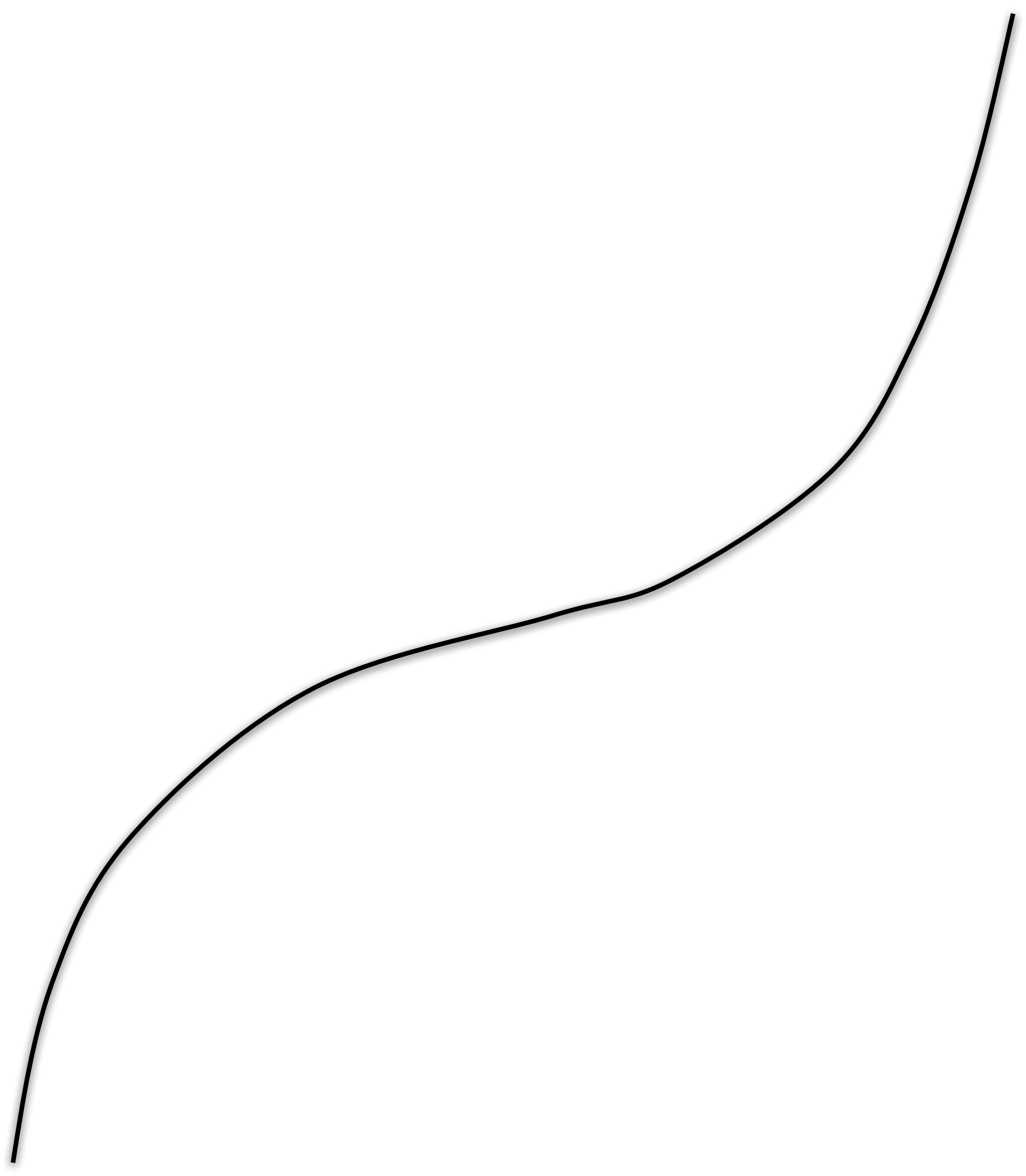


$$\text{Total Cost} = \text{VC} + \text{FC}$$

Output



VC



**T C**



$$FC = TC - VC$$



**F**





a















C



**S**





S



Y



u

m

U

S









a

d





C



a



C

U



a



e



6

d















n



C

S



S









m



















9



a

**p**

Calculate:  $FC$ ,  $ATC$ ,  $AVC$ ,  $AFC$

Read: TC and VC



VC=150 ← - - - - -

$TC=400$



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100



Distance between the TC and  $VC = FC$

**TC = 400**

VC = 150

$$\text{FC} = 400 - 150 = 250$$

$$AVC = \frac{VC}{Q}$$



$$AVC = \frac{150}{100}$$

$$AVC = \$1.5$$

$$ATC = \frac{TC}{Q}$$

$$ATC = \frac{400}{100}$$

$$ATC = \$4$$

$$\text{AFC} = \frac{\text{FC}}{Q}$$

$$\text{AFC} = \frac{250}{100}$$

AFC = \$2.5



Check  
your answers:  
The ATC should  
equal the sum of the  
**AVC** plus **AFC**

=

+

For all exercises, you must read  
or calculate 6 different costs  
from this TC, VC graph

$$\text{Total Cost} = \text{VC} + \text{FC}$$

For all exercises, you **must read**  
or **calculate 6** different costs  
from this TC, VC graph

