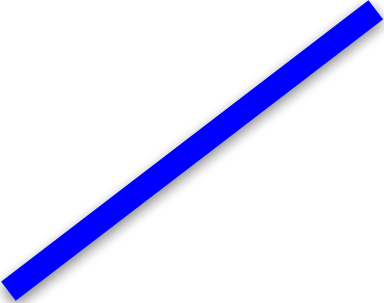

Producing where MC = MR minimizes the loss

TR

TC

Slope = MC

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Loss

Loss

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Loss

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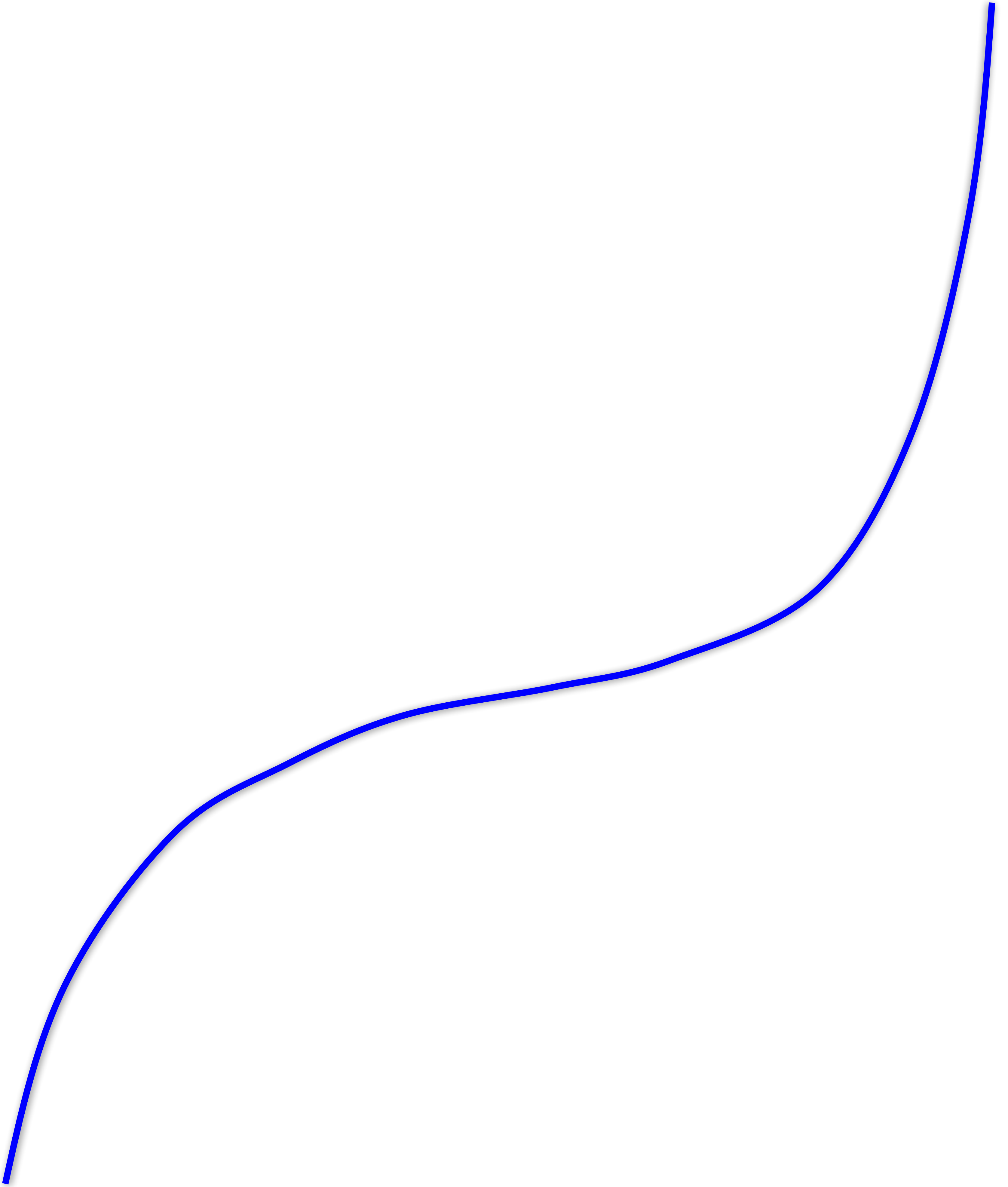
When
Total Revenue
is too low

Slope = MR

Smallest Loss



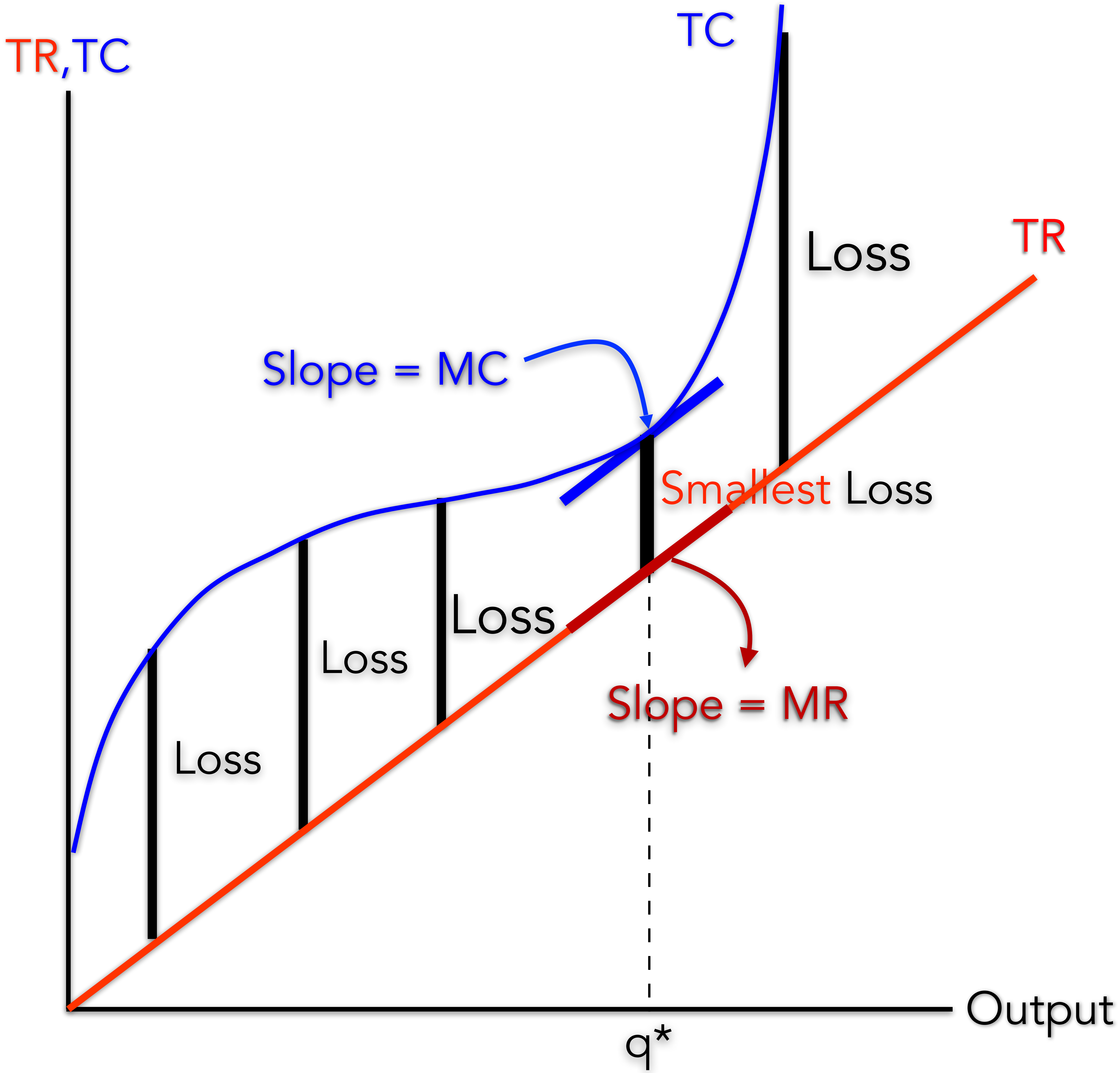
Output

TR,TC

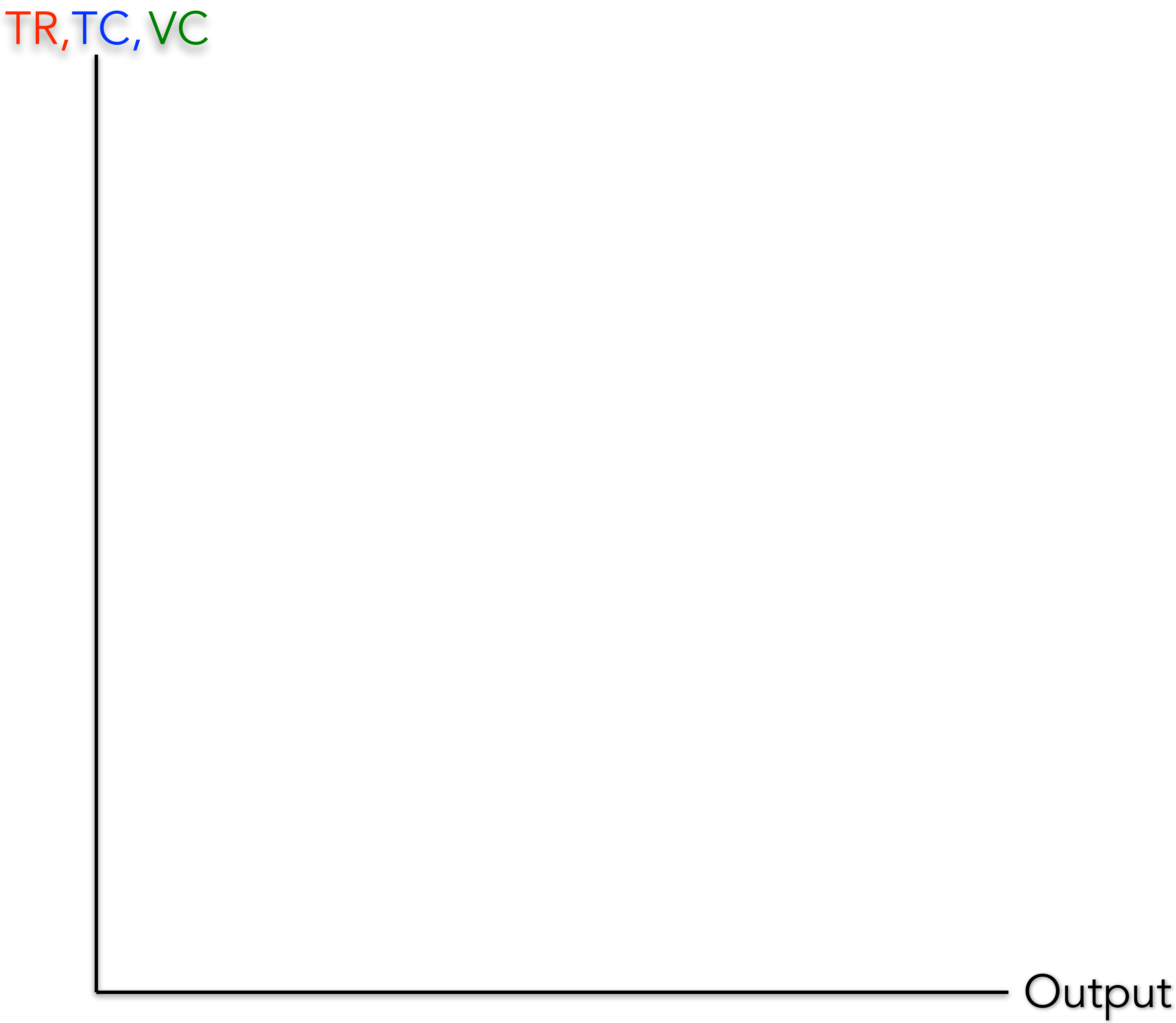
When the price is too low, the firm must choose output to minimize the loss

When the price is too low, the firm must choose output to minimize the loss

When
Total Revenue
is too low



Producing where MC = MR
minimizes the loss


TR, TC, VC
Output