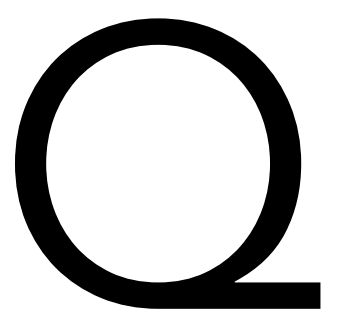


MC

Marginal < Average

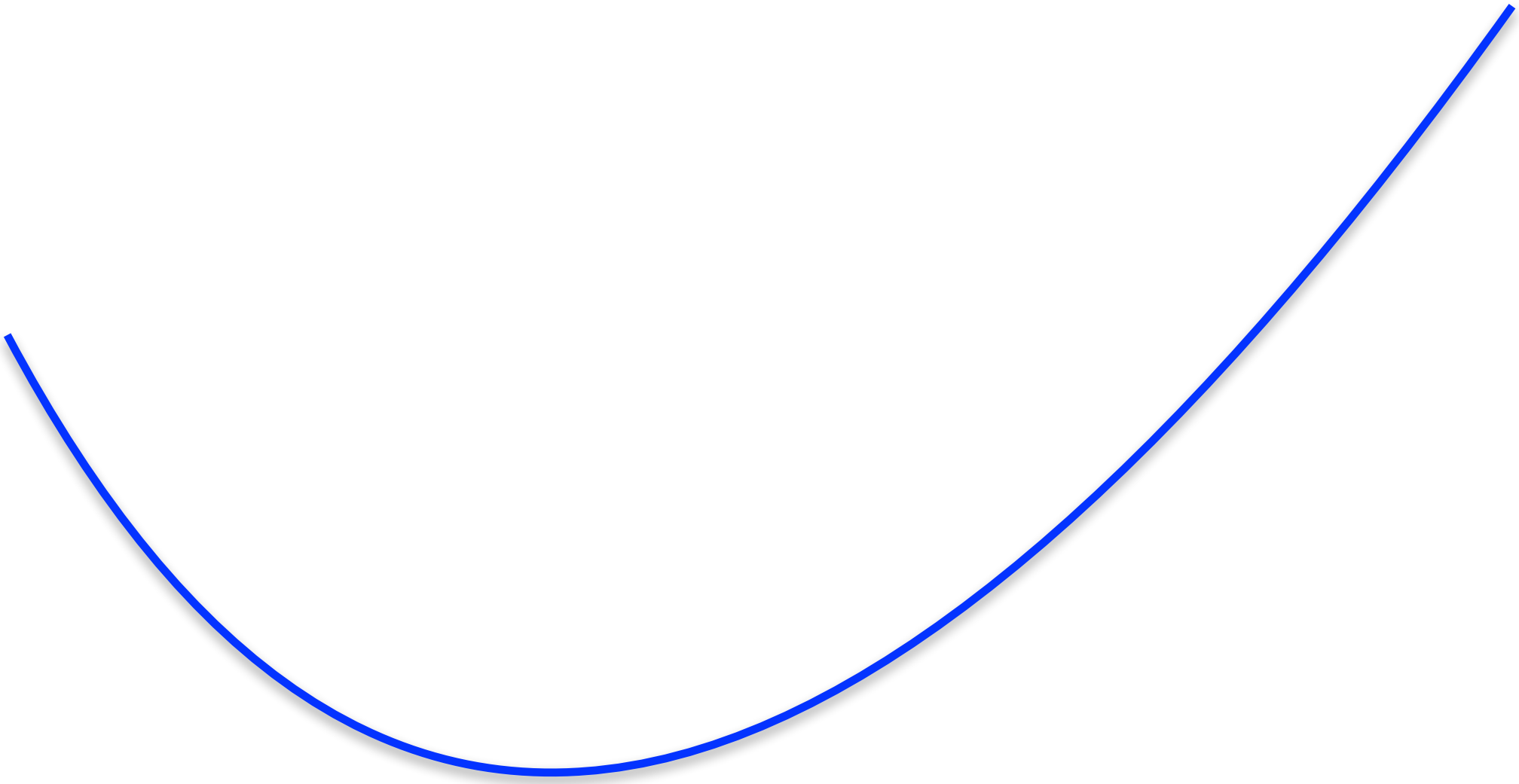
AVC

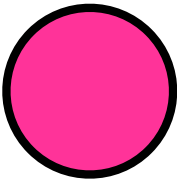
# Marginal > Average

MC = AVC

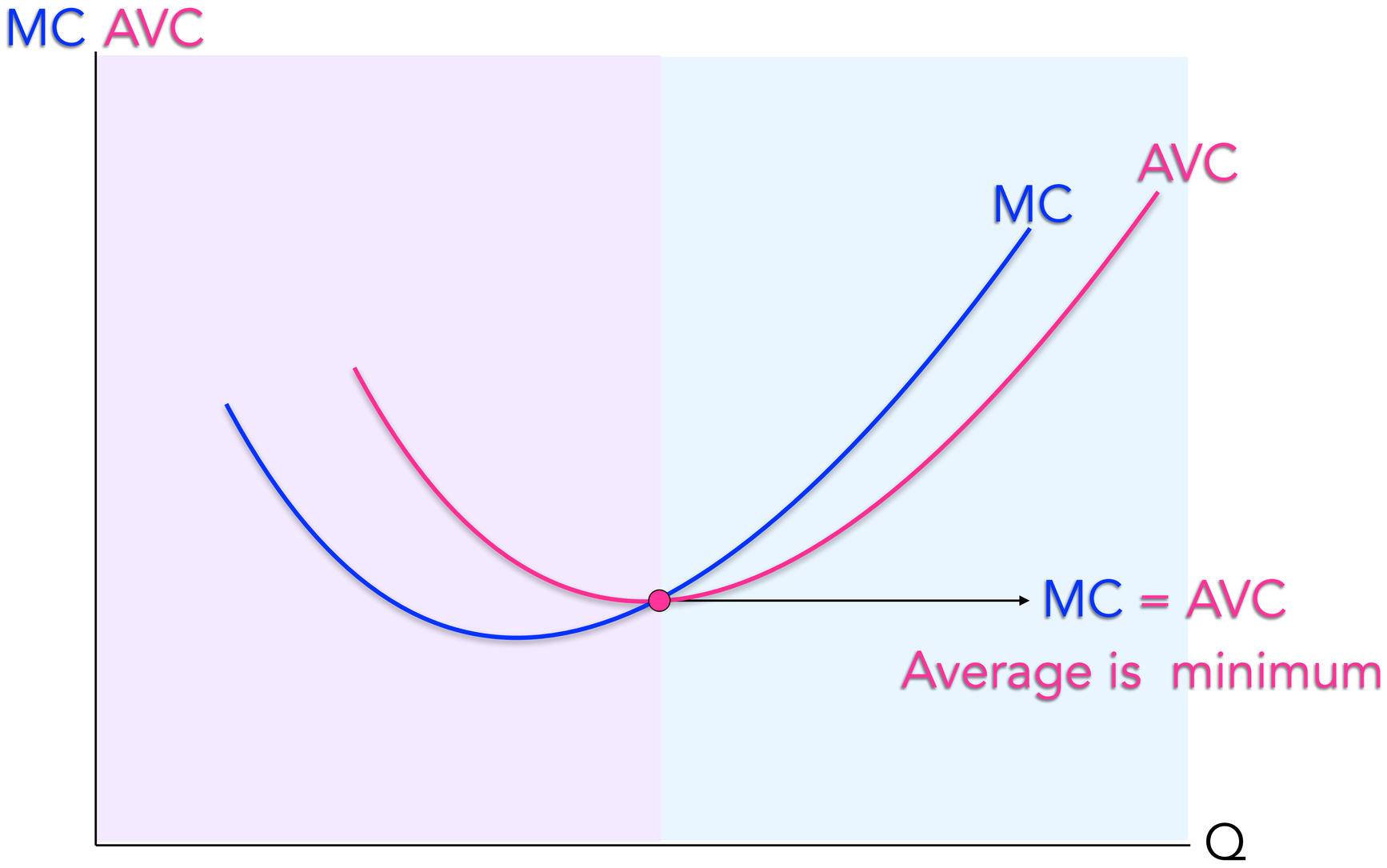
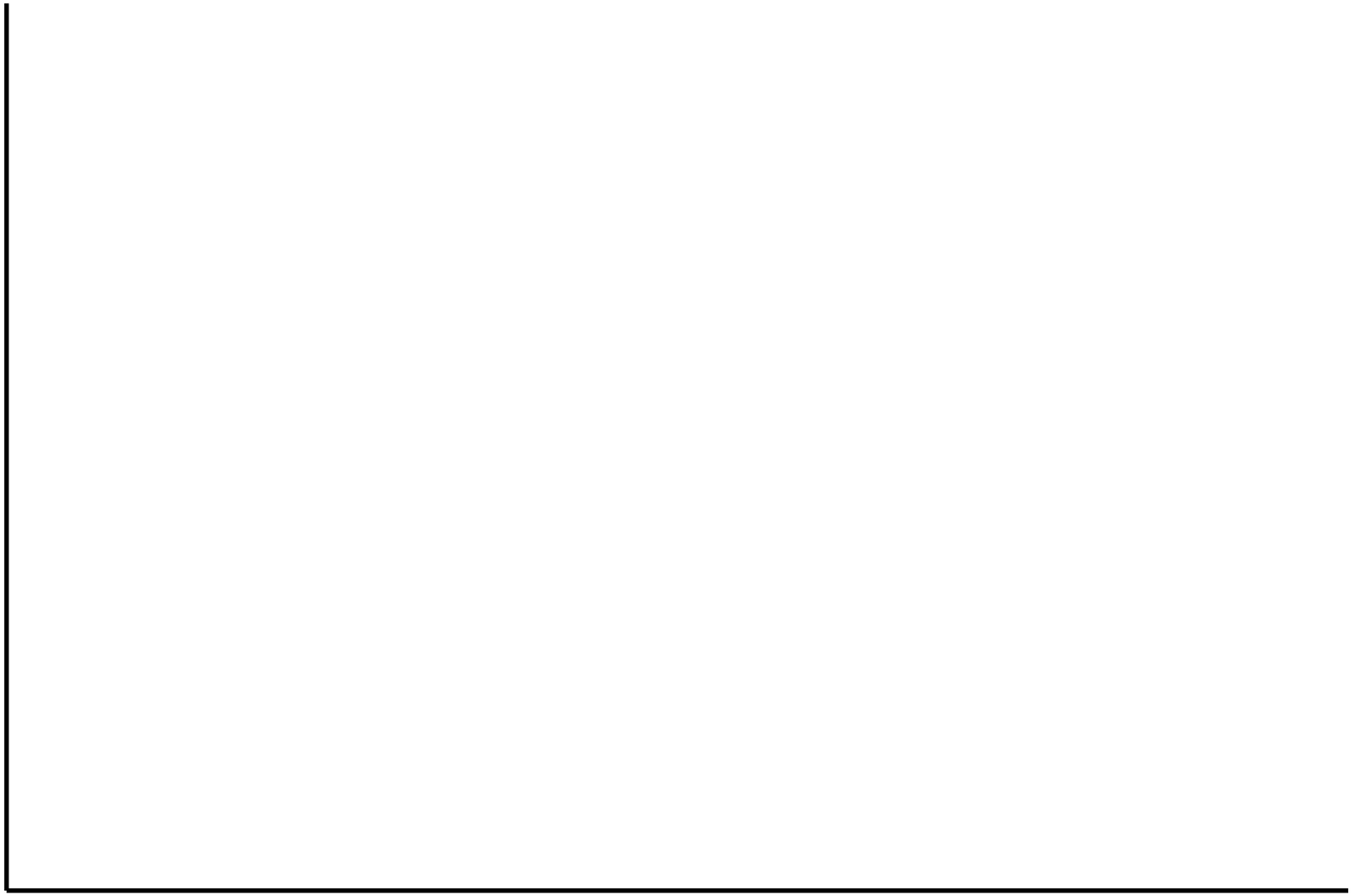
Average is minimum

# Marginal Cost cuts the ATC at its ***minimum*** Point





MC

AVC

# Marginal Cost cuts the ATC at its ***minimum*** Point