

HOMEWORK THREE – due Tuesday October 12th

Name: _____

If you work with others please hand in your assignment in your own words and identify those you worked with. Make sure this assignment is handed in at the beginning of class.

1. Complete the following table:

Qx	MC	TFC	TVC	TC	AFC	AVC	ATC
0	-	150	___	___	___	___	___
2	50	___	___	___	___	___	___
4	20	___	___	___	___	___	___
6	25	___	___	___	___	___	___
8	50	___	___	___	___	___	___
10	80	___	___	___	___	___	___

Plot a graph with MC, AFC, AVC, ATC.

2. Using your own words, explain why marginal costs initially decreases and then increases.

3. Using your own words, explain why the minimum of the ATC and AVC are equal to MC.

4. From your text, page 169 #1
5. From your text, page 169 #2
6. From your text, page 169/170 #4
7. From your text, page 170 #5
8. From your text, page 193/194 #2
9. From your text, page 194 #4
10. From your text, page 194 #6

