**TUTORIAL 7:**

**MARKET STRUCTURE 1**

**PERFECT COMPETITION & MONOPOLY**

**Name:**

**Marks**:

**ID:**

**Section:**

Question 1

The following shows the information on the production of Tony’s Snacks in Tony Enterprise for January 2014.

Price per packet = RM10.50

Quantity sold = 7,000 packets

Total explicit costs = RM10,000

Total implicit costs = RM5,500

Calculate :

1. The total revenue earned by Tony Enterprise on January 2014.
2. The accounting profit.
3. The economic profit.

Question 2

1. Sketch two graphs to show how a perfect competitive firms and monopolist firms get profit maximizing/equilibrium point using total approach.
2. Based on each of these situations, determine the type of profit that firms in monopoly market will obtain. Draw a graph to explain your answer.
3. Total revenue > Total Cost
4. Total Revenue = Total Cost
5. Total Cost > Total Revenue
6. Complete the diagram.