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Daffodil International University
Faculty of Business & Entrepreneurship
Department of Business Administration
Program: BBA

Semester: Fall-2024
Time: 90 minutes

Examination: Midterm
Full Marks: 25

Course Code: 0311-123
Course Title: Microeconomics
Teachers' Initial: SKH

Answer all the questions:

1. a. Describe the central problems in economics? 2 (CLO1, L2)
b. How would Production Possibility Frontier explains production efficiency and trade-off? 3 (CLO1, L2)
2. a. What is law of demand? Show it with an appropriate schedule and graph. 2.5 (CLO2, L3)
b. Differentiate between movement along the demand curve and shift of the demand curve with example. 2.5 (CLO2, L3)
3. a. Mention different determinants of supply with their effect. 2.5 (CLO2, L3)
b. If the input price increases from BDT 35,000 to BDT 47,000, how would it influence the situation? Construct it graphically and explain it. 2.5 (CLO2, L3).
4. The table sets out the demand and supply schedule for Greeting Cards on a normal weekend. Identify the following situations: 10 (CLO3, L4)

Price (dollar per card)	Quantity demanded	Quantity supplied
9	200	110
10	150	150
11	120	180
12	100	210

- a. If the price of a card is \$9, describe the situation in the market and how the price adjusted.
- b. If the price of a card is \$12, describe the situation in the market and how the price adjusted.
- c. What is the market equilibrium?
- d. Card sellers know that Charisma's Day is in the next weekend and they expect the price to be higher, so they withhold 50 cards from the market this weekend. What is the price this weekend?