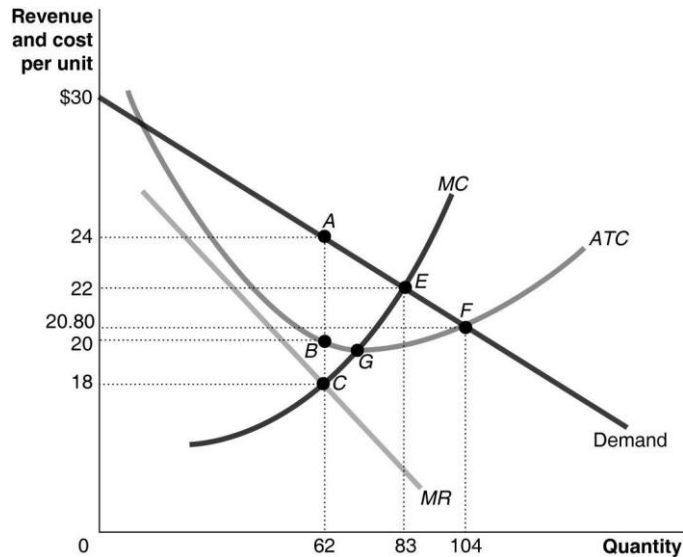


Name:

Panther ID:

## Homework #4 (Due Dec 6, 2017)

Note: All homework must be submitted in hard copy (no email submissions accepted). No late homework will be received.



1. The above figure shows the cost and demand curve for a monopolistic competitive firm.

a, Find the profit-maximizing output and price

b, Find the total revenue

c, Find the total cost

d, Is this firm make a profit or loss? Explain.

2. Draw a graph showing a firm that is making a profit in a perfectly competitive market. Be sure your graph includes the firm's demand curve, marginal revenue curve, marginal cost curve, and average total cost curve and make sure to indicate the area representing the firm's profit.

3. Draw a graph showing a firm that is operating a loss in a perfectly competitive market. Be sure your graph includes the firm's demand curve, marginal revenue curve, marginal cost curve, and average total cost curve and make sure to indicate the area representing the firm's loss.

4. Draw a graph showing a firm that is making a profit in a monopolistically competitive market. Be sure your graph includes the firm's demand curve, marginal revenue curve, marginal cost curve, and average total cost curve and make sure to indicate the area representing the firm's profit.

5. Draw a graph showing a firm that is operating a loss in a monopolistically competitive market. Be sure your graph includes the firm's demand curve, marginal revenue curve, marginal cost curve, and average total cost curve and make sure to indicate the area representing the firm's loss.