

## BUST 221: MANAGERIAL ECONOMICS

### **QUESTION ONE**

- a) Explain the scope of Managerial Economics  
(4marks)
- b) Describe the nature of Managerial Economics  
(8marks)
- c) Explain the meaning of demand forecasting  
(2marks)
- d) Discuss factors influencing demand for a good  
(10marks)
- e) Explain the importance of Managerial Economics in business decision making. (6marks)

### **QUESTION TWO**

- a) Discuss how economics has contributed to managerial Economics  
(10marks)
- b) Explain the main responsibilities of a managerial economist. (10marks)

### **QUESTION THREE**

- a) Highlight FIVE important objectives of a business firm. (10marks)
- b) Monopoly is said to be the source of pure profit. Required: Explain five sources of Monopoly power.  
(10marks)

### **QUESTION FOUR**

- a) Differentiate between profit analysis and profit management  
(10marks)
- b) Profit maximization is the only objective behind business firm. Do you agree? Discuss. (10marks)

### **QUESTION FIVE**

Explain the procedure for logical business decision making involving all the steps. (10marks)