Conquesta 2019

ASTEMI
SCIENCE TECHNOLOGY ENGINEERING
MATHEMATICS INNOVATION
OLYMPIADS & COMPETITIONS

## Economic and Management Sciences – Grade 9

Welcome to your Conquesta Olympiad. When you have decided which of the answers is correct, scratch out the letter in the matching square on your answer sheet. Example:- If the answer to question 4 is c, then scratch out the letter c in the square containing c next to the number 4 *(see example 1 below)*. If you've made a mistake and b should have been the answer, neatly cross out the mistake and then scratch out b *(see example 2 below)*.

Example 1:- | **4.** | a | b | ● | d |

Example 2:- | **4.** | a | ✗ | ✗ | d |
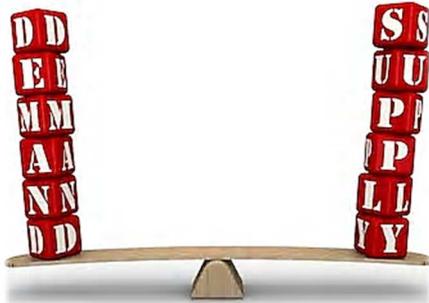
1. **The quantity of a good or service that consumers are willing and able to buy at a given price in a given time, is referred to as ……**
   (a) supply.   (b) demand.   (c) purchasing power.   (d) affordability.

2. **The amount of satisfaction that people derive from consuming or owning a particular good or service is referred to as ……**
   (a) materialism.   (b) utility.
   (c) diminishing returns.   (d) increasing returns.

3. **The economic problem of scarcity occurs because people have ……**
   (a) limited needs and unlimited resources.
   (b) unlimited money and limited wants.
   (c) unlimited needs and limited resources.
   (d) unlimited needs and unlimited resources.
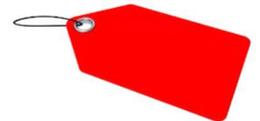
Questions 4 – 10 are based on the following scenario.

Kate and Elizabeth baked vanilla cupcakes for the market day at school. Their cupcakes were very popular and profitable. They decided to make their hobby into an ongoing small business called 'Keke's Cupcakes' to earn some extra pocket money. They sell their cupcakes at the local farmers' market and the local park on weekends. Sometimes their cupcakes don't sell as well as expected and at other times they get sold out and many customers are disappointed. To plan more realistically they conducted market research about price and quantity of cupcakes that people would like. They tabulated the information and drew a demand and supply graph as shown below.

4. **The demand curve DD ……**
   (a) slopes downwards.   (b) slopes from left to right.
   (c) has a negative gradient.   (d) All of the above.

5. **The equilibrium point of *'Keke's Cupcakes'* is ……**
   (a) 100 at R6.   (b) 100 at R5.   (c) 60 at R3.   (d) 150 at R8.

6. **At a price of R8, the excess supply of cupcakes will be ……**
   (a) 100.   (b) 125.   (c) 90.   (d) 120.

7. **What is the best way Kate and Elizabeth can prevent excess supply, while still satisfying consumer demand for cupcakes?**
   (a) Make the price of cupcakes cheaper.
   (b) Take orders in advance and only bake pre-ordered cupcakes.
   (c) Sell the unsold, stale cupcakes at a cheaper price.
   (d) Buy the ingredients from a wholesaler instead of a retailer.

8. **If the price of the cupcake holder increases, the supply curve SS should ……**
   (a) shift to the right.
   (b) shift to the left.
   (c) remain in the same position.
   (d) remain in the same position but there will be movement along the curve.

Price	Quantity demanded	Quantity supplied
R3	200	40
R4	140	75
R5	100	100
R6	75	125
R8	60	150
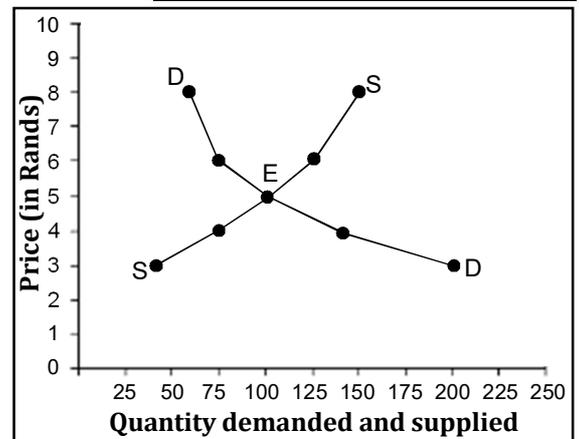
Kate's and Elizabeth's friends, Danny and Nzuzo, have seen how profitable the cupcake business has become. They have opened a business selling chocolate brownies called *'Brownie Delight'* at the same location.

9. **'Brownie Delights' and 'Keke's Cupcakes' are ……**
   (a) producers.   (b) suppliers.   (c) consumers.   (d) competitors.

10. **The brownies and cupcakes are …… products.**
    (a) semi-finished   (b) complementary   (c) substitute   (d) supplementary