H.w for class 12 (com)

Sub:Macro economics

Date:25/05/ 2020

Chapter name: AGGREGATE Demand and its COMPONENTS

**revision of lesson

Question for Assignment

1. Find autonomous consumption and total consumption when saving function is

S=-100+0.5Y and Y=1500

2.Find consumption and saving when c- (c bar)=100,Mpc=.5 and Y=2000,is there greater increase in income as compared to consumption when income changes to 2500?

3.At what rate consumption is increasing in the economy when MPS=0.5, and autonomous consumption is zero?Draw a diagram.

4.FIND change in saving when 2/3rd of income is always spent as consumption expenditure and current income is 50% more than the initial income of rs.50,000.

5. Given below is the consumption function in an economy:

C=100+0.5Y

With the help of a numerical

example show that in this economy as income increases APC will decrease.