2 (a) If the price of Apple iPhones increases, the company would be willing to supply more because (1)

1. Producing Apple iPhones had become more profitable
2. Costs of producing iPhones had recently increased
3. VAT on mobile phones had increased
4. Prices of competitors’ mobile phones had fallen

Answer [ ]

(b) Explain your answer

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4 (a) During 2009, it was reported that a number of Maclaren baby buggies had a design fault, which made them dangerous to use. Which one of the following would be an immediate consequence of the above? (1)

1. An increase in price
2. An increase in supply
3. A fall in demand
4. A fall in profits

Answer [ ]

(b) Explain your answer

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5 (a) In April 2012, Yahoo announced that it was cutting 14% of its workforce to focus its resources on supplying products in the profitable mobile technology market.

This is most likely to result in a fall in (1)

1. The price of mobile phones
2. The demand for websites
3. Yahoo’s long-term profits
4. The number of emails

Answer [ ]

(b) Explain your answer

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