

GATITU SECONDARY SCHOOL

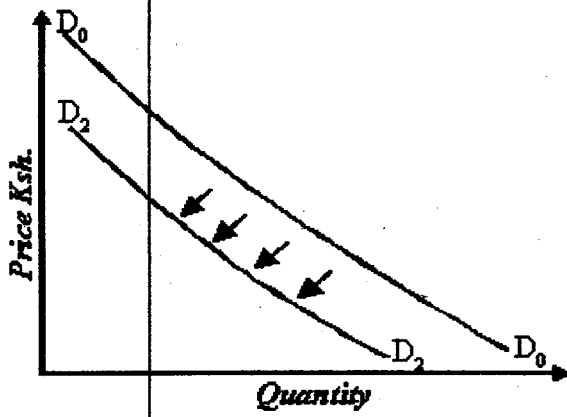
BUSINESS STUDIES FORM THREE TUNE-UP EXAM 2ND TERM 2015

NAME _____ ADM _____ CLASS _____

1. State **four** roles of stock exchange market in the economy. (4marks)

- i) _____
- ii) _____
- ii) _____
- iv) _____

2. Use the following diagram to answer the question below.



Highlight **four** factors that has led to the shift from D₀ D₀ to D₂ D₂. (4marks)

- i) _____
- ii) _____
- iii) _____

3. Outline **four** factors that may influence the choice of a distribution channel. (4marks)

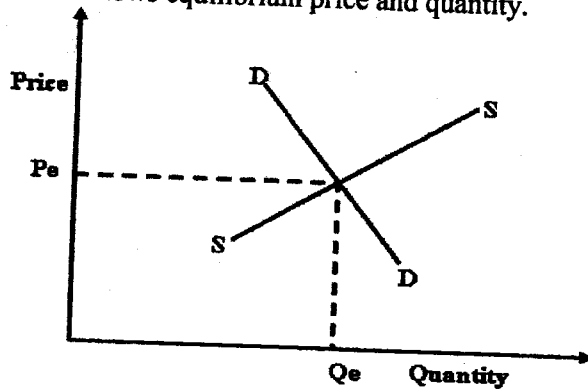
- i) _____
- ii) _____
- iii) _____
- iv) _____

4. Highlight **four** features of a monopolistic market structure. (4 marks)

- i) _____
- ii) _____

- iii) _____
- iv) _____

5. The diagram below shows equilibrium price and quantity.



Draw a new demand curve on the diagram above showing a decrease in demand and the effect (4mks)

- (i) Equilibrium price
- (ii) Equilibrium quantity
- (iii) Equilibrium point

6 State four reasons why it may be necessary for the Government to encourage new firms to be located in the rural

- i) _____
- ii) _____
- iii) _____
- iv) _____