

EXTRA EXERCISE PRICE CALCULATION MONOPOLIST: 1

These are the TC and demand of monopolist ABC.

$$\text{TC} = 100 + 20 Q^2$$

$$\text{AR} = \text{P} = 400 - 5 Q$$

Questions:

- Calculate Q^*
- Calculate P^*
- Calculate monopoly profit

Step 1: Calculate TR

Step 2: Calculate MR

Step 3: Calculate MC

Step 4: Calculate Q^*

Step 5: Calculate P^*

Step 6: Calculate TP