

S.5 ECONOMICS HOLIDAY WORK

ITEM 1

(a) Wanyana enterprises deals in stationery products, that is, papers, pens, fountain pens, ink and many others.

i) Identify the type of goods mentioned in the scenario above.

ii) Explain how the demand of one affects the demand of the other?

iii) State any two factors that may affect the demand of the above products.

(b) The manufacturer of New Vision newspaper fixes the price of his commodity and the final consumer must buy at the fixed price.

i) State the method of price determination mentioned in the scenario above.

ii) Mention any three benefits of the above-mentioned method.

(c) When Nabisere was starting her business, she had various forms of capital which included physical assets like buildings, capital meant to run the daily expenses among others.

i) State the forms of capital mentioned above.

ii) Mention any two roles of the above mentioned capital in business.

(d) In Kame market, there are many sellers particularly dealing in homogeneous products. Like in any other market, in Kame market, profits are maximised where $MC = MR$.

Justify the structure of Kame market.

(e) Country X has limited resources and is unable to take up investment in all sectors of the economy and as such, it advocates for development of the leading sectors, such that they can pull up others through linkages.

i) As an economist, identify the development strategy above.

ii) What arguments can you advance in support of the strategy in e(i) above.

SECTION B

ITEM 2

The following data was obtained from Blessed Canteen at Paul Mukasa SS. Copy and complete the table below.

Output	TC	TFC	TVC	AC	AVC	MC
0	600					
3	1650					
4	1860					
5	2100					
6	2400					
7	2800					
8	3400					
9	4300					
10	5800					

Using the information provided, determine;

- At what point and level of output will the canteen earn zero profits?
- At what point and level of output will the owners of the canteen abandon the business?
- According to the data provided, the canteen has been making losses for the past six months but its managers decided to continue operating rather than shutting down. In your opinion, why would the canteen continue operating despite making losses?

ITEM 3

Kasolo operates a large scale sunflower farm in Eastern Uganda; she hires tractors for ploughing, employs several workers and uses several workers and fertilizers to increase the output. Her main goal is to produce sunflower for sale to oil processing companies, both locally and abroad.

You have been approached by students from a nearby school having questions in regards to the activity carried out by Mr.Kasolo

Task

- (a) How would you answer the question on description of the type of activity carried out by Kasolo and its main characteristics?
- (b) Examine the benefits of the activity carried out by Kasolo.
- (c) Help the students understand the factors that hinder the activity carried out by Kasolo.

ITEM 4

In a recent press statement made by the minister of Finance, Planning and Economic Development; Honourable Matia Kasaija, in August 2025 stated that, Uganda's economy demonstrated an upward trajectory in the financial year 2024/2025 and the size of the economy expanded to US dollars 61 billion from US dollars 54 billion in financial year 2023/2024.

In real terms, GDP grew up by 6.3% compared to 6.1% the previous financial year. This was observed in all sectors especially that of agriculture and industry.

Task

- (a) What methods were used by the Ministry of Finance, Planning and Economic Development officials to arrive at the conclusions in the text above?
- (b) As an Economics student, what factors contributed to the increase in the figures seen in the scenario?

ITEM 5

The central authority is debating whether to invest equally and simultaneously across all sectors or focus on developing a few strategic sectors that could drive growth in other areas. The country faces limited financial resources and a growing population demanding improved services.

Tasks

- (a) As an economist, recommend one growth strategy, outlining the arguments for and against it.
- (b) Clearly identify the factors that might limit the success of the chosen strategy in (a) above.

MERRY CHRISTMAS AND HAPPY NEW YEAR 2026