

S.3 COMMERCE

SECTION A. OBJECTIVES

1. When one makes a dress for her personal use in his business, this is referred to as
 - A. Direct production
 - B. Indirect production
 - C. Direct service
 - D. Indirect service.

2. Miners are classified under
 - A. Direct Producers
 - B. Tertiary producers
 - C. Primary producers
 - D. Secondary producers

3. The act of giving names to commodities is known as
 - A. Blending
 - B. Branding
 - C. Pre- packing
 - D. Trade mark

4. The system of installment selling where the buyer takes ownership of the property after paying the last installment is known as
 - A. Credit sale
 - B. mortgaging
 - C. Hire Purchase
 - D. Deferred payment

5. Which of the following is a feature of cash and carry wholesalers?
 - A. Extends credit facilities
 - B. Provide delivery facilities
 - C. Sells goods in bulk
 - D. offers self –service facilities

6. The payment for Capital as a factor of production is
 - A. rent
 - B. wages
 - C. profit
 - D. interest

7. A commission agent is one who
 - A. links buyers and sellers for a fee.
 - B. sells goods on behalf of the manufacturer
 - C. sells goods by auction
 - D. guarantees payment for the principal

8. The type of Utility where goods are in the right place at the right time is known as
 - A. Form Utility
 - B. Time utility
 - C. Place utility
 - D. Possession utility

9. The process of production is complete when the goods reach the
- A. bonded warehouse B. Premises of the retailer C. wholesaler D. final consumer
10. The chief advantage of specialization is
- A. It provides direct services
- B. It increases production
- C. It encourages barter trade
- D. it reduces the number of people employed.

SECTION: B

11. Read Essentials of Commerce in East Africa by S. A Butt Pages 65 to 77 and answer the questions below;

- (a) Differentiate between balance of trade and balance of payment.
- (b) Explain the advantages of International trade.
- (c) What are the advantages of International trade?
- (d) In which ways do Countries control the imports to offset the disadvantages of International trade?

END.