

P220/1
Economics
Paper 1
Jul/Aug 2025
3 hrs



RWENZORI REGION SESEMAT AND ASSHU

(RRSA) MOCK EXAMINATIONS

UGANDA ADVANCED CERTIFICATE OF EDUCATION

ECONOMICS

PAPER 1

3 hours

INSTRUCTIONS TO CANDIDATES.

- ❖ Answer **only** five questions
- ❖ Section A is **compulsory**
- ❖ Answer any **four** questions from section B
- ❖ Credit will be given for the use of relevant diagrams
- ❖ Any additional questions answered will not be marked

SECTION A (20 marks)

1. (a) (i) What is meant by a transformation curve? (01 mark)
(ii) Mention any three factors that may cause a transformation curve to shift outwards. (03 marks)
- (b) (i) Define the term explicit costs? (01 mark)
(ii) State three factors that influence production cost in Uganda. (03 marks)
- (c) (i) Distinguish between oligopoly and duopoly. (02 marks)
(ii) State any two advantages of oligopoly markets in Uganda. (02 marks)
- (d) (i) Define the term economic integration. (01 mark)
(ii) State any three merits of economic integration. (03 marks)
- (e) (i) What is a national Budget? (01 mark)
(ii) Mention any three objectives of a budget in Uganda. (03 marks)

SECTION B (80 MARKS)

Attempt any four questions.

2. (a) How are prices determined in Uganda. (06 marks)
(b) Account for the price instability of Agricultural products in Uganda. (14 marks)
3. (a) What are the features of oligopolistic markets in Uganda? (10 marks)
(b) Explain the merits and demerits of oligopolistic markets in Uganda. (10 marks)
4. (a) Explain how the cost of living index in Uganda is computed? (08 marks)
(b) What are the problems faced in the computation of cost of living indices in Uganda. (12 marks)

5. (a) Differentiate between Demand pull inflation and cost push inflation. (04 marks)
- (b) Assess the impact of inflation on Uganda's economy. (16 marks)
6. (a) State the objectives of the monetary policy in Uganda. (08 marks)
- (b) Explain the factors that limit the effective implementation of the monetary policy in Uganda. (12 marks)
7. (a) What is economic development planning? (04 marks)
- (b) Why does Uganda carry out economic development planning? (16 marks)

END