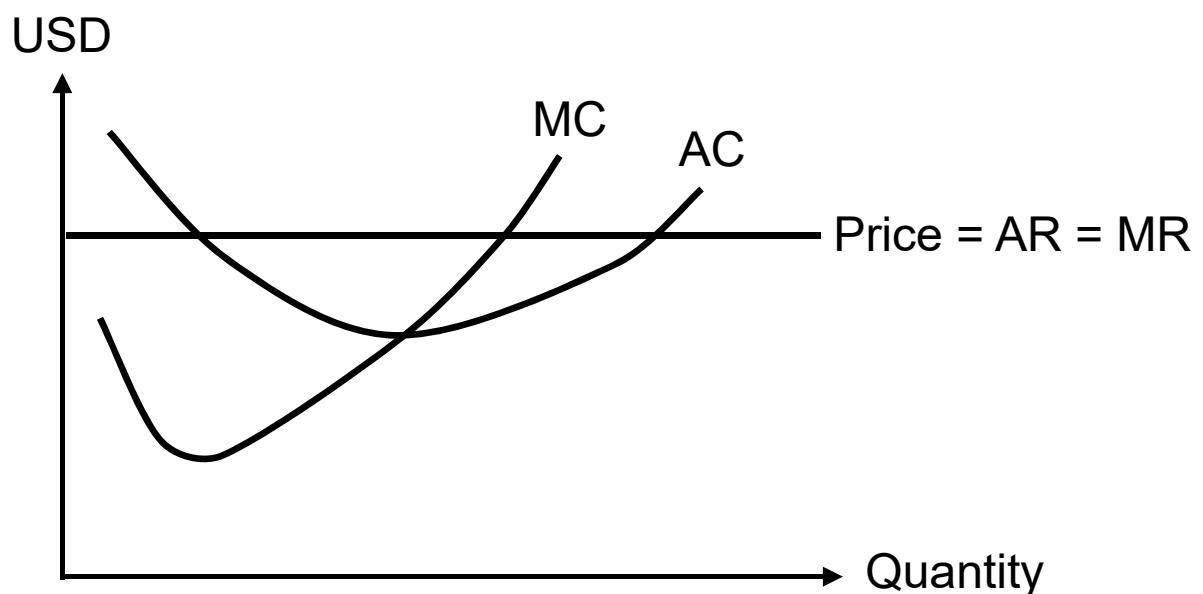


Supply by a competitive firm (long-run) 2 (E05a)

- ⇒ Contrary to the usual situation (→ no profit), a competitive firm does make a profit.
- What **quantity** does the company choose?
 - How big is the **profit**?



Abbreviations:

AR = Average revenue
MR = Marginal revenue
AC = Average cost
MC = Marginal cost

[Click here to get the answer!](#)