

TERM II EXAMS, 2019

S.2 COMMERCE

TIME: 1 ½ HOURS

Instructions:

- Section A is compulsory
- Answer any 2 questions from section B

SECTION A

1. The “very important” links of the commerce chain are:

- A. Specialization, divisibility, trading and money
- B. Transportation, warehousing, producer and consumer
- C. Finance and banking, insurance, warehousing and advertising
- D. Producers, consumers, insurance and advertising

2. Making goods for one’s own use is referred to as

- A. direct production
- B. indirect production
- C. small scale production
- D. pure production

3. Ais a large scale retail shop selling goods from a sole supplier

- A. Supermarket
- B. tied shop
- C. multiple shop
- D. Departmental stores

4. The purpose of “know his customers” by a retailer is to

- A. enable him to give special terms to the big ones and credit terms to the trustworthy
- B. avoid gossiping with those who don’t want to buy.
- C. ensure proper record keeping
- D. enable him know who to invite and who not to invite when he is giving a party

5. Specialisation is most desired in business because it

- A. brings about the goods and services
- B. cuts short the training period of the worker
- C. leads to mass production
- D. earns profits to the producer

6. Salary is earned byas a factor of production
 A. entrepreneurship B. labour C. Land D. Capital
7. The demand for goods a person is willing to buy at a given price and time is known as
 A. consumption B. stock C. supply D. demand
8. The production process as a means of satisfying man's needs is not important until
 A. manufacturer's process ends B. goods reach the final user
 C. goods reach the retailer's shop D. goods are kept in the warehouse
9. The following are stages of production except
 A. direct production B. mining
 C. teaching D. secondary production
10. Which of the following are not substitutes
 A. fish and meat B. car and petrol
 C. blue band and jam D. Kiwi and dragon
11. Services of hair dressing, leaching, medical treatment are examples of
 A. Direct services C. Goods
 B. Indirect services D. Commercial services
12. Production of goods for one's own use is called
 A. Direct production C. Primary production
 B. Indirect production D. Secondary production
13. The creation of goods and services to satisfy human wants is called
 A. Utility C. Consumption
 B. Production D. Commerce
14. Farming , mining , lumbering, fishing are examples of activities under
 A. Secondary production C. Primary production
 B. Tertiary production D. Indirect production
15. Which factor of production earns wage or salary in the production process
 A. Land B. Labour

- C. Capital
D. Entrepreneurship
16. Splitting of goods and services that a buyer is willing and able to buy at a given price and time is
A. Division of labour
B. Specialization
C. Demand
D. supply
17. The quantity of goods and services that a buyer is willing and able to buy at a given price and time is
A. Demand
B. Supply
C. Output
D. Trade
18. Human effort used in the production process is called
A. Capital
B. Land
C. Labour
D. Entrepreneurship
19. Buyers will buy more of a commodity when the price is
A. High
B. Low
C. Constant
D. Changing
20. The ability of a good to satisfy human wants is
A. Production
B. Utility
C. Commerce
D. Trade

SECTION B

11. (a) Explain the factors that have influenced the location of industries in Uganda
(10 marks)
- (b) What are the advantages and disadvantages of localization? (10 marks)
12. (a) Mention and explain 5 types of large scale retailers
(10 marks)
- (b) What are the qualities of a good retailer? (10 marks)
13. (a) Distinguish between demand and supply (4 marks)
- (b) Explain the factors influencing demand of a commodity (16 marks)

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