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(A)

Quantity	MU_h	MU_c	$\frac{MU_h}{P_h}$	$\frac{MU_c}{P_c}$	Choice ham/cheese	remaining budget
1	15	12	15	12	15/12	7-1=6
2	11	9	11	9	11/12	6-9=5
3	9	6	9	6	11/9	5-1=4
4	6	5	6	5	9/9	4-1=3
5	4	3	4	3	9/6	3-1=2
6	3	2	3	2	6/6	2-1=1
7	1	1	1	1	4/6	1-1=0

With 1 more unit that she will choose, it would provide her more net benefit, so she should buy in the amount which net benefit for each product equal to each other.

$\frac{MU_h}{P_h} = \frac{MU_c}{C}$ she can choose to buy 4 ham and 3 cheese to maximize her utility and use all the budget.

(B) To minimize the utility, MU should equal to 0 which is not presented in the table. Moreover, the budget would be insufficient.

(A) $|MRS_{xy}| = \left|\frac{\Delta y}{\Delta x}\right| = \frac{MU_x}{MU_y}$

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from point A to B = $\frac{MU_x}{MU_y} = \frac{9}{2}$

If A and B are on consumer's equilibrium, $\frac{MU_x}{P_x} = \frac{MU_y}{P_y}$ | $\frฉ{9}{P_x} = \frac{2}{x}$ | $\therefore P_x = 45$ ฿ per Unit

(B) From (A) ; $\frac{MU_x}{P_x} = \frac{MU_y}{P_y}$

If $P_x = 180$ the $P_y = \frac{MU_y}{MU_x} \cdot P_x$

$= \frac{2}{9} \cdot 180 = 40$ ฿ per Unit

The budget should be (on point B where X=4 Y=9)

$I = x \cdot P_x + y \cdot P_y$

$= 4 \cdot 180 + 9 \cdot 40$

$= 1080$ ฿

(C) From C to B ; this consumer gives up 9 units of nuts and her utility decrease 4 unit from IC_2 to IC_1.

From B to D ; this consumer gained more 4 unit of avocado and gained utility more 4 units ; from IC_1 to IC_2 , so the average marginal per unit avocado = $\frac{4}{4} = 1$

(D) On IC_1, from A to B, the consumer give up 9 units of nuts to have 2 more unit of avocado (2-4 units)

On IC_2, from C to D the consumer gives up 9 units of nuts to have 4 more units of avocado (4 → 8 units)

MU_y (nuts) from 9 to 18 units has to be equal on both IC_1 and IC_2. As you can see that in order to get same MU_y, the consumer has to consume avocado more and more. The more consuming avocado, the less marginal Utility in accordance with the law of diminishing marginal Utility.