THE UNITED REPUBLIC OF TANZANIA
NATIONAL EXAMINATIONS COUNCIL
ADVANCED CERTIFICATE OF SECONDARY EDUCATION EXAMINATION

152/1

COMMERCE 1
(For Both School and Private Candidates)

Time: 2 Hours 30 Minutes *Friday, March 11, 2005 p.m.*

Instructions

1. This paper consists of ***eight (8)*** questions in sections A and B.
2. Answer ***five (5)*** questions choosing at least ***two (2)*** questions from each section. Question number ***one (1)*** is compulsory.
3. All questions carry equal marks.
4. Credit will be awarded for brief and well argued answers.
5. Cellular phones are ***not*** allowed in the examination room.
6. Write your ***Examination Number*** on every page of your answer booklet(s).

This paper consists of 2 printed pages.

SECTION A

1. (a) What are the different types of marketing?

   (b) Explain the significance of marketing to the economy.

2. (a) Explain six kinds of mercantile agents.

   (b) Explain how a wholesaler can be eliminated.

3. (a) Outline the economic facts which are fundamental to the study of commerce.

   (b) How does commerce remove the drawbacks of the process of exchange?

4. (a) Why do exchange and specialization go together?

   (b) Explain the different types of specialization.

SECTION B

5. (a) Distinguish between periodic stock taking and perpetual stock taking.

   (b) Explain the advantages of perpetual stock taking.

6. (a) State **five (5)** conditions which determine insurable risks.

   (b) Explain briefly the importance of insurance in commerce today.

7. (a) What are the sources of information for exporting and importing?

   (b) Explain the roles of BET in export promotion.

8. (a) State the effects of the changes in the rate of exchange.

   (b) Explain briefly the following types of exchange rates:

   (i) Floating.

   (ii) Fixed.

   (iii) Semi-fixed.