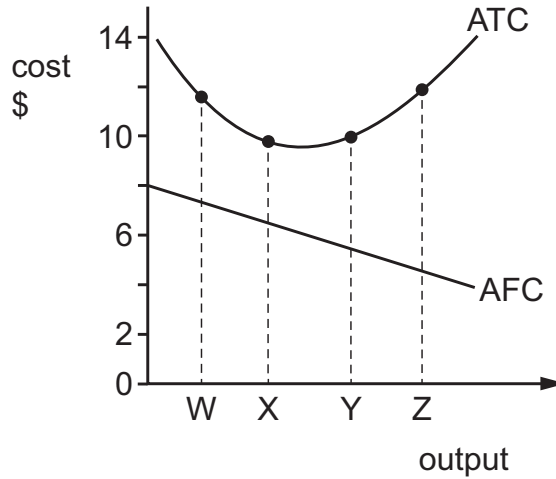


- 16 The diagram shows the average total costs (ATC) and average fixed costs (AFC) for a firm.



Which statement is correct?

- A At output X, average variable costs are lower than average fixed costs.
- B At output Y, total variable costs are greater than total fixed costs.
- C Between outputs W and Z, total fixed costs are falling.
- D Between outputs W and Y, average variable costs have not changed.