

# Think Break #7: Answer

Grain (lbs)	Hay (lbs)	MRTS	price ratio	
825	1350		1.33	
900	1130	2.93	1.33	
975	935	2.60	1.33	$= - (935 - 1130)/(975 - 900)$
1050	770	2.20	1.33	
1125	625	1.93	1.33	
1200	525	1.33	1.33	$= - (525 - 625)/(1200 - 1125)$
1275	445	1.07	1.33	Economic Optimum

$\$0.04/\$0.03 = 1.33$