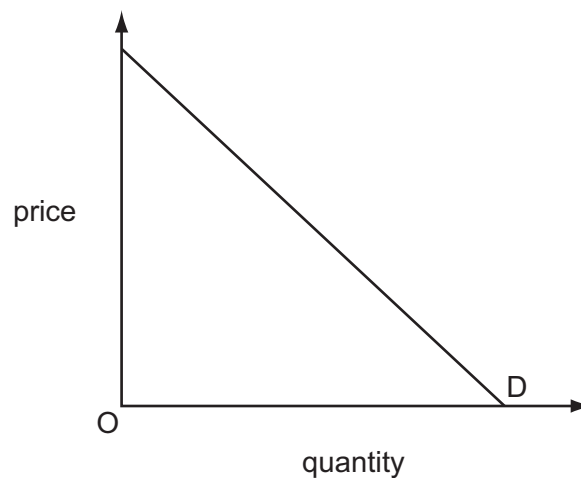


- 8 The table gives an individual's demand for four goods at two income levels.

Over this range of income, for which good does the individual have an income elasticity of demand = 1?

income level	units of goods demanded			
	A	B	C	D
\$1000	50	50	50	50
\$1100	50	55	60	100

- 9 The diagram shows the demand curve for commodity X.



Which of the following statements is correct?

- A Demand is less elastic at higher prices than at lower prices.
 - B Consumer expenditure on the commodity always rises whenever price falls.
 - C Price elasticity of demand is different at every price.
 - D Price elasticity of demand equals one at every price.
- 10 Product R is an inferior good with no close substitutes. It is also a complement to product S.

Which describes product R?

	income elasticity of demand	cross elasticity of demand with product S
A	negative	positive
B	positive	negative
C	negative	negative
D	positive	positive